



Important update: New special mini-COBRA election opportunity

July, 2009

Dear Employer,

Thank you for your participation in Fallon Community Health Plan. Our records indicate that you may have 19 or fewer eligible employees, and are affected by recent state legislation concerning mini-COBRA eligibility under the American Recovery and Reconciliation Act of 2009 (ARRA).

Effective July 2, 2009, individuals who were involuntarily terminated from September 1, 2008, through February 16, 2009, and who did not elect mini-COBRA coverage when it was first available to them at the time of termination, or let it lapse, are now eligible for the 65% subsidy. **You, the employer, have 60 days to notify eligible individuals. They then have a special election period of 60 days after they have been notified.**

What does this mean?

- Originally the ARRA only applied this special election to groups covered by federal COBRA (20 or more employees), and not to state mini-COBRA (2 to 19 employees). Additional changes have now been made by the state granting eligibility to groups covered by state mini-COBRA. **This change only applies to groups covered by mini-COBRA (2 to 19 eligible employees).**

Coverage for eligible individuals choosing to take advantage of this special election opportunity begins with the first period of coverage on or after July 2, 2009. This special election period does not extend the period of mini-COBRA continuation coverage beyond the original maximum period (generally 18 months from the employee's involuntary termination).

Important COBRA information and relevant forms can be found on our Web site, **fchp.org/Extranet/Employers/cobra-subsidy.htm**. If you have any questions regarding the COBRA changes, please call your account manager at 1-800-333-2535. Also, the Department of Labor and the IRS have more information available on their Web sites: www.dol.gov.ebsa/COBRA.html and www.irs.gov.

Thank you for your time and cooperation.

Sincerely,

A handwritten signature in black ink, appearing to read "Jack Hyland".

Jack Hyland
Senior Director, Retention Sales
Fallon Community Health Plan
fchp.org