

## MODEL EXCHANGE NOTICE AND REVISED COBRA ELECTION FORM

May 20, 2013

The DOL recently released guidance on the Exchange/Marketplace notice required to be issued to existing employees no later than October 1, 2013. Followers of PPACA developments will recall that this notice was originally scheduled for distribution in March 2013, but was delayed at the last minute. In connection with this guidance, the DOL also revised the model COBRA election notice. Links to the DOL guidance and model documents are provided below.

The alert describes the requirements of the guidance, but the highlights are summarized below:

- All employers subject to the Fair Labor Standards Act are required to provide this notice, regardless of whether they provide health coverage or not. Generally, you're subject if (i) you employ one or more employees who are engaged in, or produce goods for, interstate commerce or (ii) you are a hospital; a resident care institution for the sick, disabled, and aged; a school; or a state and local government agency. Additional details are in the alert.
- There are separate model notices for employers that offer coverage and those that do not.
- If you offer coverage, your notice must state whether the coverage provides "minimum value."
- All employees, regardless of whether they have health coverage or are full- or part-time must receive the notice.
- Existing employees must receive the notice by October 1, 2013.
- Employees hired on or after October 1, 2013 must receive it on date of hire.
- For 2014, the DOL will consider the notice provided "on date of hire" if it is provided within 14 days of the date of hire, but as the guidance is written, this does not necessarily apply for October 1, 2013 through December 31, 2013. Additional clarification from the DOL would be appreciated here.
- The new model COBRA notice advises employees of the availability of coverage (and possibly subsidized coverage) through the Exchange/Marketplace.

## MEET THE TEAM



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