

ATTACHMENT TO *CLIENT BULLETIN 2010-29*

Section 3 of H.R. 4851

SEC. 3. EXTENSION AND IMPROVEMENT OF PREMIUM ASSISTANCE FOR COBRA BENEFITS.

(a) EXTENSION OF ELIGIBILITY PERIOD.—Subsection (a)(3)(A) of section 3001 of division B of the American Recovery and Reinvestment Act of 2009 (Public Law 111–5), as amended by section 3(a) of the Temporary Extension Act of 2010 (Public Law 111–144), is amended by striking “March 31, 2010” and inserting “May 31, 2010”.

(b) RULES RELATING TO 2010 EXTENSION.—Subsection (a) of section 3001 of division B of the American Recovery and Reinvestment Act of 2009 (Public Law 111–5), as amended by section 3(b) of the Temporary Extension Act of 2010 (Public Law 111–144), is amended by adding at the end the following:

“(18) RULES RELATED TO APRIL AND MAY 2010 EXTENSION.—

In the case of an individual who, with regard to coverage described in paragraph (10)(B), experiences a qualifying event related to a termination of employment on or after April 1, 2010 and prior to the date of the enactment of this paragraph, rules similar to those in paragraphs **(4)(A)** and **(7)(C)** shall apply with respect to all continuation coverage, including State continuation coverage programs.”.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in the provisions of section 3001 of division B of the American Recovery and Reinvestment Act of 2009.

(4)(A) and (7)(C) are set out below:

(4) EXTENSION OF ELECTION PERIOD AND EFFECT ON COVERAGE.—

(A) IN GENERAL.—

*For purposes of applying section 605(a) of the Employee Retirement Income Security Act of 1974, section 4980B(f)(5)(A) of the Internal Revenue Code of 1986, section 2205(a) of the Public Health Service Act, and section 8905a(c)(2) of title 5, United States Code, in the case of an individual who does not have an election of COBRA continuation coverage in effect on the date of the enactment of this Act but who would be an assistance eligible individual if such election were so in effect, such individual may elect the COBRA continuation coverage under the COBRA continuation coverage provisions containing such sections during the period **beginning on the date of the enactment of this Act and ending 60 days after the date on which the notification required under paragraph (7)(C) is provided to such individual.***

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(7)(C) NOTICE IN CONNECTION WITH EXTENDED ELECTION PERIODS.—

*In the case of any assistance eligible individual (or any individual described in paragraph (4)(A){**NOTE:** enrolls between date of act and 60 days after receiving notice} who became entitled to elect COBRA continuation coverage before the date of the enactment of this Act, the administrator of the group health plan (or other entity) involved shall provide (within 60 days after the date of enactment of this Act) for **the additional notification** required to be provided under subparagraph (A) and failure to provide such notice shall be treated as a failure to meet the notice requirements under the applicable COBRA continuation provision.*