

For brokers and producers only

Date: September 16, 2021

**Markets: Commercial Markets (All Except Medicare)**

## COBRA Expanded Under American Rescue Plan

The American Rescue Plan Act of 2021, a federal mandate, provides a 100% premium subsidy for COBRA eligible individuals. Individuals who were impacted were terminated from employment due to reduction in work hours or involuntarily termination. The COBRA subsidy will be provided for the period of April 1, 2021, through September 30, 2021. The exhaustion of the COBRA subsidy will qualify as a life event and these individuals will be eligible to apply for coverage for a Limited Open Enrollment Period (LOEP). Individuals will receive a Notice of Expiration of Period of Premium Assistance and will have 60 days from their COBRA subsidy end date (September 30, 2021) to elect new coverage.

### Next steps for members

Members will need to submit a new application for coverage within 60 days of September 30, 2021 and include their Notice of Expiration Premium Assistance Letter.

The 2021 ACA application does not include a qualifying life event specific to the exhaustion of COBRA subsidy. When applying for LOEP coverage, members should refer to Section 6 Limited Open Enrollment Eligibility, question No. 5 on the MD and VA applications and select yes. See the question sample below.

5. Within the last 60 days have you terminated employment and refused COBRA coverage or have you completed the full term of your COBRA coverage?	<input type="radio"/> Yes <input type="radio"/> No
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DC members should contact DC Health Link for information on this LOEP or to apply for individual/family coverage.

### For more information

If you have any questions, please contact your broker sales representative.