



# The U.S. Department of Labor Issues New Model COBRA Notices and FAQs

May 11, 2020

The U.S. Department of Labor (the “Department”) has released updated [FAQs](#) and [new model notices](#) which employers may use to meet their notice content requirements under the Consolidated Omnibus Budget Reconciliation Act of 1985 (“COBRA”). The new models are for the general or initial notice (which is used to notify covered employees and their spouses of their rights under COBRA) and the election notice (which is used to notify qualified beneficiaries of their rights to COBRA continuation coverage as well as how to make an election).

The Department issued the new model notices with the main objective of ensuring that qualified beneficiaries understand the interactions between Medicare and COBRA. When the new model notices and updated FAQs were released on May 1, 2020, the [U.S. Secretary of Labor Eugene Scalia indicated](#) that the information being provided would “help Medicare-eligible Americans make key decisions regarding their healthcare coverage.” The new model notices clarify that electing COBRA coverage may affect an individual’s Medicare enrollment and certain out-of-pocket costs. Additionally, the new models notify individuals of the possibility of the advantages of Medicare enrollment before, or in lieu of, COBRA election.

The Department provides the model notices to help employers facilitate compliance with COBRA’s applicable notice requirements. While employers are not required to use the new model notices, the Department considers doing so to be good faith compliance with such requirements. Further, employers should take the issuance of these new model notices as a reminder to review their COBRA notices to confirm they are providing participating employees with timely and adequate information about the employees’ rights under COBRA.

If you have questions regarding any aspects of employment law and these new developments, feel free to contact Thomas B. Wassel at (516) 357-3868 or via email at [twassel@cullenllp.com](mailto:twassel@cullenllp.com), Hayley B. Dryer at (516) 357-3745 or via email at [hdryer@cullenllp.com](mailto:hdryer@cullenllp.com) or James G. Ryan at (516) 357-3750 or via email at [jryan@cullenllp.com](mailto:jryan@cullenllp.com).

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## Practices

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