

COBRA Premium Subsidy Update



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On Friday, the House passed the American Jobs and Closing Tax Loopholes Act (H.R. 4213) that would require 401(k) fee disclosures, provide relief for pension funds and extend unemployment benefits.

However, the planned extension of the COBRA premium subsidy was omitted prior to voting to gain additional support for passage.

At this point, employees terminated on or after June 1st are not eligible for the subsidy. The Senate will address the legislation when they return from recess on June 7th. We expect the COBRA subsidy issue to be revisited in the future.

We will continue to gather information about these and other changes as it becomes available. Please contact your PS&F Benefits Team if you want to discuss how these provisions can or will impact your plan.