

# STATE OF CONNECTICUT

## INSURANCE DEPARTMENT

BULLETIN HC – 76  
January 13, 2010

**TO:** All Health Insurers and Health Care Centers Authorized to Conduct Group Health Insurance Business in Connecticut

**SUBJECT:** Department of Defense Appropriations Act for 2010 (2010 DOD Act)  
Extension of COBRA Subsidy / Connecticut's continuation laws

The Connecticut Insurance Department is providing the following information to health insurers and health care centers doing a group health insurance business in Connecticut, with particular emphasis to those health insurers and health care centers with group policyholders that are employers with less than 20 employees.

The President signed the above Act on December 19, 2009, and the Act extends the COBRA 65% premium subsidy from 9 months to 15 months for qualifying individuals and also extends the availability of the subsidy for employees laid off through February 28, 2010 (prior cut-off date was December 31, 2009). The U.S. Department of Labor issued an updated Fact Sheet on January 8, 2010 which outlines the major provisions and requirements. Please click on the COBRA Subsidy Extension button on the Department's website for a copy of this recent U.S. Department of Labor Fact Sheet as well as additional materials related generally to the COBRA Subsidy.

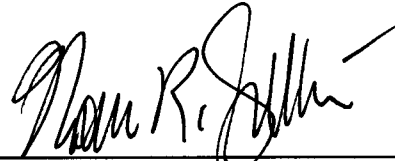
The Department confirms and emphasizes to health insurers and health care centers that the COBRA subsidy and its extension do not apply just to employers of 20 or more employees subject to U.S. Department of Labor jurisdiction. Rather, in addition, the COBRA subsidy and its extension also apply to individuals covered through state continuation laws, sometimes called mini-COBRA laws. Connecticut's continuation laws are "comparable" to the federal continuation law and therefore qualify for the federal subsidy.

Accordingly, former employees covered under group health insurance policies delivered or issued for delivery in Connecticut are eligible for the COBRA subsidy extension, if such individuals meet the conditions specified in the Act and described in the U.S. Department of Labor Fact Sheet. The group health insurance policies affected are those providing one or more of the following coverages: hospital expense coverage, medical - surgical expense coverage, hospital indemnity coverage, major medical coverage, hospital or medical service plan contract, and hospital and medical coverage provided to subscribers of a health care center.

The Connecticut Insurance Department reminds, and wants to make health insurers and health care centers clearly aware, that you need to work closely with your small employer/group policyholders (employers with less than 20 employees) to ensure that the required notices (as set forth in the U.S. Department of Labor Fact Sheet) are provided on a timely basis to impacted Connecticut consumers. It is imperative that you provide guidance to employer groups, particularly small employer groups, as well as producers and brokers servicing these groups, concerning the required notices, as well as provide information on retroactive premium payment and reinstatement procedures for those individuals whose COBRA subsidy expired on December 1, 2009. The

Department wants to ensure that all impacted Connecticut consumers receive appropriate notice and have the opportunity to take advantage of the extended federal subsidy.

Please contact the Insurance Department Consumer Affairs Division at [ctinsdept.consumeraffairs@ct.gov](mailto:ctinsdept.consumeraffairs@ct.gov) or at 800-203-3447 or 860-297-3900 with any questions.

A handwritten signature in black ink, appearing to read "Tom R. Sullivan", written over a horizontal line.

Thomas R. Sullivan  
Insurance Commissioner