



LABOR AND EMPLOYMENT

BALCH & BINGHAM LLP

BULLETIN June 2, 2004

Alabama • Georgia • Mississippi • Washington, D.C.

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EMPLOYERS HAVE SHORT TIME TO COMPLY WITH NEW FINAL COBRA REGULATIONS

The Department of Labor, on May 26, 2004, published final rules for health care continuation coverage under COBRA. Calendar year plans have until January 1, 2005 to meet the new requirements. The compliance deadlines for other employers will vary, depending on when their plan year begins.

Some of the new obligations under the final regulations include the following:

- Plan participants, including employees and their spouses, must be provided with notices containing specified general information within 90 days of the beginning of coverage.
- Notice of denial of requests for COBRA to employees and other plan participants must be provided.
- Notice of COBRA termination must be sent to a qualified beneficiary when a plan administrator decides that the beneficiary's coverage will end for a reason such as non-payment of premiums.

**Save the date for B&B's
Employment Law Seminars --**
 October 6-7 in Birmingham, and
 October 28-29 in Biloxi, and hear a
 frank discussion from judges who
 decide employment cases. More
 information to follow.

The new regulations further clarify several issues, such as: (1) the deadline for a participant's notice to the plan that he or she is disabled in order to obtain an additional eleven months of COBRA coverage; and (2) how to determine when an event is a "second" qualifying event.



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