



COBRA Subsidy Expired...For Now

The federal COBRA subsidy expired as of May 31, 2010. Involuntary terminations on or after June 1, 2010 are currently not eligible for the subsidy. However, there is pending legislation to extend the COBRA subsidy beyond May 31st, but that will not be decided until later this month, at the earliest.

SBA will continue to monitor this and provide you with updates as they occur.

Summary of Subsidy Eligibility

Those who become eligible for COBRA due to an involuntary termination between December 1, 2008 and May 31, 2010 are eligible for up to 15 months of the 65% federal subsidy.

Further, an involuntary termination of employment that occurs on or after March 2, 2010 but by May 31, 2010 and follows a qualifying event that was a reduction of hours that occurred from September 1, 2008 through May 31, 2010 also qualifies for the subsidy.

Please do not hesitate to contact your SBA consultant with any questions:

http://www.strategicba.com/senior_consulting_team/