



NY 21-11  
PE 21-08

**TO:** Health Benefits Administrators of New York State and Participating Employers  
**FROM:** Employee Benefits Division  
**SUBJECT:** American Rescue Plan Act of 2021 and COBRA Premium Subsidy  
**DATE:** May 25, 2021

The American Rescue Plan Act of 2021 (ARP) makes significant changes to the existing Consolidated Omnibus Budget Reconciliation Act (COBRA) Continuation Rules. ARP makes subsidies available for the full cost of COBRA medical, dental, and/or vision premium for certain individuals who are enrolled in COBRA during periods of coverage from April 1, 2021 through September 30, 2021. This is known as COBRA with premium assistance. Qualifying individuals may enroll in COBRA coverage at no cost to them for this time period if they meet the criteria.

According to ARP guidelines, to be eligible to enroll in COBRA with premium assistance, individuals:

- **MUST** have experienced a COBRA-qualifying event that is a reduction in hours or an involuntary termination (other than for gross misconduct) of a covered employee's employment.
- **MUST** elect COBRA continuation coverage within 60 days of receipt of the COBRA election form.
- **MUST NOT** be eligible for Medicare; AND
- **MUST NOT** be eligible for coverage under any other group health plan, such as a plan sponsored by a new employer or a spouse's employer.

Since the Employee Benefits Division (EBD) administers COBRA for qualified beneficiaries of New York State (NYS) Agencies and Participating Employers (PEs), it will also administer COBRA with premium assistance to eligible individuals affiliated with these groups. EBD will identify which individuals may be eligible for COBRA with premium assistance and will provide notices to those individuals. EBD will also enroll individuals who attest that they are eligible for COBRA with premium assistance, and EBD will make information and resources available to all NYSHIP members on NYSHIP Online.

Your responsibility as a NYS Agency or PE HBA is to understand the basics about COBRA ARP, provide general information about COBRA ARP to interested individuals,

and recommend that such individuals go to NYSHIP Online for applicable information and resources.

The Employee Benefits Division will distribute two different COBRA ARP notices to separate groups of individuals based on certain criteria. The first is an “Extended Election Period Notice” providing a one-time 60-day special election period for eligible individuals to elect COBRA with premium assistance. The other is a “General Notice” for individuals who EBD has determined may be eligible for COBRA with premium assistance on a current and prospective basis.

### **COBRA ARP Extended Election Period Notices**

EBD will be sending a “COBRA ARP Extended Election Notice” by May 31, 2021 to individuals affiliated with a NYS Agency or a PE who EBD has determined may be eligible to enroll in COBRA with premium assistance. This includes certain individuals who are currently enrolled in COBRA through a NYS Agency or a PE, along with certain individuals who are not currently enrolled in COBRA through a NYS Agency or PE but who experienced a COBRA qualifying event in which their maximum 18-month period for COBRA continuation coverage under federal law would extend through April 1, 2021 if they had been enrolled in COBRA. Those who receive this notice and who are eligible for COBRA with premium assistance must complete and submit a “Request for Treatment as an Assistance Eligible Individual” form along with their “NYSHIP COBRA Coverage Election Form” to EBD by July 31, 2021 in order to qualify for COBRA with premium assistance. EBD has placed a comment in the NYBEAS record of each enrollee that was sent the “COBRA ARP Extended Election Notice”.

### **COBRA ARP General Notices**

Other individuals who EBD has determined may be eligible for COBRA with premium assistance on an ongoing basis will receive a “General COBRA Notice” along with additional documents that provide information, instructions, and the documentation necessary to elect COBRA with premium assistance. Anyone who receives a General COBRA Notice and is electing COBRA with premium assistance must submit a “Request for Treatment as an Assistance Eligible Individual” form along with their “NYSHIP COBRA Coverage Election Form” within 60 days of receiving the General COBRA Notice in order to be considered eligible for COBRA with premium assistance.

### **Request for Treatment as an Assistance Eligible Individual**

Anyone who does not receive the additional COBRA ARP documentation with their General COBRA Notice and believes they meet the criteria to receive COBRA with premium assistance may locate the “Request for Treatment as an Assistance Eligible Individual” form on NYSHIP Online and must submit that form to EBD in order to be considered for COBRA with premium assistance.

## Opportunity to Change Plan Options

Individuals who are electing COBRA with premium assistance will also be provided the opportunity to switch to a different NYSHIP health plan option (for medical only since there is only one plan offered for dental and one plan offered for vision). They may elect any NYSHIP plan they are eligible for based upon the county in which they live or work as long as that plan costs the same or less than the plan they were enrolled in at the time of the COBRA qualifying event. EBD will include a “NYSHIP COBRA Coverage Option Change Form” in the COBRA ARP Extended Election mailing for individuals to complete and submit to EBD if they want to change their plan option for Medical COBRA with premium assistance. Any plan option changes must be made within 90 days of receiving their COBRA Notice.

## Other Pertinent Information

If an eligible enrollee wishes to continue their COBRA continuation coverage beyond the date the subsidy period ends on September 30, 2021, they will have to pay the full-share COBRA premium beginning in October 2021.

Documentation for individuals to enroll in COBRA with premium assistance can be sent to EBD by fax to (518) 485-5590 or by mail to:

NYS Department of Civil Service  
Employee Benefits Division Attn: COBRA Unit  
Albany, NY 12239

Also, the following links to Frequently Asked Questions (FAQs) have been published by the federal government and includes questions you may be asked by employees or former employees of your agency: [FAQ 1](#) and [FAQ 2](#).

For more information regarding ARP premium assistance and eligibility questions, enrollees may visit: <https://www.dol.gov/cobra-subsidy> or contact the United States Department of Labor at [askebsa.dol.gov](http://askebsa.dol.gov) or by calling 1-866-444-EBSA (3272).

For more information about NYSHIP COBRA coverage, enrollees may contact the Employee Benefits Division at 1-800-833-4344.