

IMPORTANT NOTICE

FEDERAL COBRA PREMIUM SUBSIDY – NO-COST COBRA COVERAGE STARTING APRIL 1 FOR UP TO SIX MONTHS FOR CERTAIN INDIVIDUALS

A new federal law, the American Rescue Plan Act of 2021 (ARPA), includes a temporary 100% COBRA premium subsidy beginning with the month of April 2021. This means that qualified individuals will not have to pay anything for COBRA coverage for up to six months. In general, this government subsidy is available to eligible employees (and their covered family members) who lost health coverage under the IATSE National Health & Welfare Fund due to the employee's reduced hours of employment or involuntary termination of employment, if they are still eligible for COBRA coverage during the subsidy period.

The premium subsidy period lasts up to six months (from April through September 2021), but ends earlier if your maximum 18-month COBRA period expires earlier. The subsidy is not available if the individual is eligible (or becomes eligible) for Medicare or other group health coverage (excluding certain types of limited coverage), even if the individual does not actually enroll in Medicare or other group coverage.

Eligible individuals who already had an opportunity to elect COBRA coverage and did not elect it (or elected COBRA but discontinued it) will be offered a second election period in accordance with the new law, allowing them to elect COBRA coverage on a prospective basis beginning with the month of April 2021 (without having to pay retroactive premiums).

The above is intended to be a brief, general summary to alert you to the government subsidy.