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**Via E-mail [jgural@boroughofpalmyra.com](mailto:jgural@boroughofpalmyra.com)**

John Gural, Administrator  
Borough of Palmyra  
20 West Broad Street  
Palmyra, NJ 08065

Re: COBRA Requirements

Dear John:

The Department of Labor has recently proposed regulations revising the notices employers are required to provide to employees and other qualified beneficiaries under COBRA. COBRA requires employers with 20 or more employees that provide "group health plans" to offer continuation coverage to "qualified beneficiaries" such as employees and their dependents who have lost health coverage as a result of certain "qualifying events" including termination or a reduction in work hours, among other events. COBRA does not require employers to pay for the continuation coverage, only that they offer it to qualifying beneficiaries.

The updated COBRA notices now include information about the availability of Health Insurance Marketplaces under the Patient Protection and Affordable Act (Obama Care) as an alternative to electing COBRA continuation coverages which may be more expensive coverages.

The two notices affected are the general COBRA notice that must be provided initially with new plans and to new employees, and the election notice that must be provided to all qualified beneficiaries after a qualifying event has occurred.

Attached are the model COBRA continuation coverage election notice along with instructions and the model general notice of COBRA continuation coverage rights.

If you have any questions, please do not hesitate to contact me.

Sincerely,

*Mark S. Ruderman*

Mark S. Ruderman

MSR/tt  
Enclosure