

AGENT & BROKER NEWS



COBRA and State Continuation Subsidies Ending

Some COBRA and state continuation participants are reaching the end of their subsidy period on November 30. Subsidy eligibility for new participants ends December 31.

COBRA and state continuation participants who became eligible on March 1, 2009, can no longer receive the 65 percent premium subsidy as of November 30, 2009. These participants are responsible for paying their first full premium beginning with their December 2009 premium by the due date on their invoice. For example, if a participant's subsidized premium was \$105 in November 2009, that premium will increase to \$300 for December 2009.

In addition, eligibility for the 65 percent subsidy ends December 31, 2009, for any new COBRA or state continuation applicants.

COBRA or state continuation participants are eligible for the subsidy for nine months from the date of their eligibility. Therefore, if a participant became eligible for COBRA or state continuation on December 31, 2009, that participant would receive the 65 percent subsidy through September 30, 2010.

COBRA groups that are receiving federal subsidy reports will continue to receive those reports through September 30, 2010, if they still have participants receiving the subsidy.

If there are any changes or an extension to the subsidy law, we will communicate that as soon as possible.

Contact Information

Please contact your account representative with any questions.

December 1, 2009

Insurance or HMO coverage is provided by one of the following companies: UniCare Life & Health Insurance Company, UniCare Health Insurance Company of the Midwest (IN & IL only), UniCare Health Plans of the Midwest, Inc. (HMO in IN & IL only), UniCare Health Insurance Company of Texas (TX only) or UniCare Health Plans of Texas, Inc. (HMO in Texas only). © Registered mark of WellPoint, Inc. © 2009 WellPoint, Inc