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Failure to Provide COBRA Election Notice Results in Judgment Against Employer

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A former employee who did not receive a COBRA election notice for her dental insurance after she terminated employment was awarded a statutory penalty, attorneys?ÃÃ fees and costs in her subsequent lawsuit.?Ã¡ After the former employee called the vice president responsible for human resources regarding her missing COBRA election notice, the benefits coordinator was instructed to mail the COBRA notice. ?Ã¡The benefits coordinator, who had been in the position for a few weeks, maintained that she then mailed the COBRA notice but did not have a clear memory of doing so and there was no evidence that the notice was ever mailed.?Ã¡ The employer?ÃÃs benefits manager and vice president who supervised the benefits coordinator did not follow up to ensure that the notice was sent. ?Ã¡The former employee maintained she never received the notice.?Ã¡ The court found that it could not credibly conclude that the failure to send the COBRA notice was inadvertent due to the contradictions, evasions and disingenuous answers from the employer?ÃÃs employees during trial. ?Ã¡Therefore, the court found that the employer intentionally withheld the COBRA notice. In order to penalize the employer and deter it and other employers from similar conduct, the court awarded a penalty of $75 a day for the period beginning on the deadline for providing the COBRA election notice and ending at the end of the 18-month COBRA period, for a total of $37,950.?Ã¡ Due to the employer?ÃÃs bad faith, size as a large national company, and to deter others from acting in bad faith and with disregard for COBRA?ÃÃs requirements, the court also awarded $42,192.58 in attorneys?ÃÃ fees and $2,910.87 in costs. *Evans v. Books-A-Million*, No. CV-07-S-2172-S (N.D. Ala. Oct. 29, 2012).