

Farrell v. AstraZeneca Pharmaceuticals

(United States District Court, District of Delaware, 2005 U.S. Dist. LEXIS 18866 (D. Del. 2005))

Employers and administrators alike often hear this excuse from individuals: "I never received the notice in the mail." An employer won by proving that it did indeed mail the notice. Here's how.

In this case, the Delaware District Court held that the employer's COBRA administrator proved it had sent an election notice to a terminated employee. The Court noted that AstraZeneca need not prove receipt but must simply show that it sent the notice to the last known mailing address of Marybeth Farrell, the former employee.

The COBRA administrator for AstraZeneca offered the following evidence:

- An affidavit from one of its employees as to the procedure for mailing notices
- A computer printout that showed that the notice was sent to the last known mailing address
- A computer printout that showed a follow-up notice – informing the individual that the election period had expired – was sent to the same address (Ms. Farrell acknowledged receipt of this second notice)
- A third computer printout that showed the dates both notices were sent
- A report that showed the notice had not been returned from the post office as undeliverable

The Court summed up its decision this way: "[The employer] had no duty to ensure that Farrell received her notice. It was only required to make a good faith effort to notify her of her rights." Thus, the Court granted the employer's motion for summary judgment. This case is instructive on why established administrative procedures are critical to COBRA compliance.