

Losing Employer-Provided Health Insurance

How to find health coverage for you and your family

Facing the loss of health insurance is unsettling and the transition phase into new coverage can be stressful. The Ohio Department of Insurance has prepared this document to help you understand the different health insurance coverage options available in Ohio for you and your family.

Call the Ohio Department of Insurance at **1-800-686-1526** to talk with a Consumer Services representative about your health insurance options. You can also visit **www.insurance.ohio.gov** — the Department's web site — for more information.

Special Enrollment in Another Group Plan

If other group health coverage is available such as through a spouse's employer provided plan, special enrollment in that plan should be considered. It allows the individual and his/her family an opportunity to enroll in a plan for which they are otherwise eligible, regardless of enrollment periods. However, to qualify, enrollment must be requested within 30 days of losing eligibility for other coverage. After special enrollment is requested, coverage is required to be made effective no later than the first day of the first month following your request for enrollment. This type of coverage is usually the most cost-effective of all the options.

COBRA coverage

Ask if you are eligible for your employer's Consolidated Omnibus Budget Reconciliation Act (COBRA) coverage. You have the right to continuation of individual and family health insurance coverage if you lose your job.

- If you have pre-existing health conditions and are eligible, you cannot be turned down or charged more due to your health conditions.
- COBRA is a federal law providing for continuation of coverage for former employees of companies with 20 or more employees. COBRA lets you continue the same policy, in some cases up to 36 months.
- Employers should send you a COBRA notice. You then have 60 days to elect the coverage.
- For workers who were involuntarily terminated between Sept. 1, 2008, and Dec. 31, 2009, the federal government will subsidize 65% of their premiums under COBRA for up to 9 months beginning March 2009.
- To receive the subsidy, participants must attest that their same-year income will not exceed \$125,000 for individuals and \$250,000 for families.
- Visit www.insurance.ohio.gov/ConsumServ/COBRA.htm.

Mini-COBRA coverage

Ohio law provides those who were employed by small companies with 2 to 19 employees have the right to continue coverage under a group plan for up to 12 months. Employers should send you a state continuation coverage (mini-COBRA) notice.

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HIPAA coverage

If you are not eligible for COBRA or when COBRA expires, but you have had 18 months of continuous group health coverage where the most recent coverage was under an employer group health plan, you are considered “Federally Eligible” for a Health Insurance Portability and Accountability Act (HIPAA) plan. The 18 months could be a combination of any creditable health coverage, including Medicare. You need to apply for either the “Ohio basic” or “Ohio standard” health plan within 63 days of losing your previous coverage.

Individual coverage

Individual means the insurance is not connected to an employer plan. Individual plans are medically underwritten. Companies can decline you based on your health or attach exclusions to your policy. Individual plans take into account your past and present health and then factor it into your premium. Costs vary so shop around and also consider working with an insurance agent.

Open enrollment

If you are unable to secure coverage through the normal enrollment process, you may be able to get coverage through open enrollment, which is conducted on a first-come, first-served basis. Applicants are accepted until each Health Maintenance Organization (HMO) and traditional insurer reaches a statutory quota. Coverage secured during open enrollment can be expensive and it must take effect within 90 days after the company accepts your application. However, the policy may require you to wait one year before preexisting conditions are covered.

High-deductible major medical policy

When it comes to insurance, no matter the type, higher deductibles usually mean lower premiums. That is because you are taking more responsibility for your own care. You may be able to combine a Major Medical plan with a Health Savings Account, which basically allows you to spend pre-tax money on your smaller health bills and use the Major Medical plan for the catastrophic expenses.

Short-term insurance

While this won't cover pre-existing conditions, it is better than no coverage at all. You can generally take these out either on a month-to-month basis or on a term of six to 12 months. Even though this doesn't cover pre-existing conditions, it may cover unexpected or acute conditions, for example, a broken leg.

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Discount health plans

These plans are not insurance products; instead, they discount services provided by certain physicians, hospitals and pharmacies. If insurance is unaffordable to you, a discount health plan may serve as an option to lower your costs in certain situations. Be certain to read the membership agreement. The Department has limited authority over these plans.

Professional organizations and association plans

Sometimes local associations such as chambers of commerce and professional groups offer health insurance. Coverage may also be available through a religious or fraternal organization.

Veteran benefits

If you are a veteran, the Ohio Department of Veterans Services at 1-877-644-6838 can outline assistance that may be available to you, such as TRICARE.

Free Clinics

Free clinics assist in providing health services for the underserved and underinsured. Call 614-221-6494 or visit www.ohiofreeclinics.org to find one in your area.

Retirement benefits

If you lose your job, make sure you have a copy of your plan's current summary plan description (SPD) and your individual benefit statement. If not, request a copy. The SPD tells you if and when you can collect your benefits or how to roll over your 401(k) account to a new employer's plan or to an IRA (if your old plan permits you to do so). The individual benefit statement lets you monitor your account balance and is an important statement to keep on file. Your retirement savings could also remain in your former employer's plan. If your benefits are in a traditional pension plan and your plan ends without enough money to pay the promised benefits, the Pension Benefit Guaranty Corporation will assume responsibility as trustee of the plan and pay benefits up to a maximum guaranteed amount set by law.

Tips:

- Talk with an insurance agent.
- Comparison shop, call around and ask questions. Premiums for similar products can vary.
- If you are healthy, don't assume you can go without insurance.
- If you're without coverage: ask your doctor about a payment plan, don't visit the doctor for essential reasons, switch from brand name to generic prescription drugs and check for free medication samples.
- Contact your physician, drug manufacturers and the State of Ohio to learn of prescription drug patient assistance programs. Call **1-877-794-6446** for more information.
- Contact the Ohio Department of Insurance at **1-800-686-1526** with any insurance questions and to request informational materials.
- Contact the Ohio Department of Job and Family Services at **1-877-852-0010** if you are unemployed and without coverage.