

COBRA

CONTINUATION COVERAGE AND YOU

> YOU HAVE OTHER OPTIONS:

When you leave a job, you may be able to keep your job-based health coverage for a period, usually up to 18 months. This is called COBRA continuation coverage. With COBRA coverage, you must purchase the plan you are currently enrolled in and you usually have to pay 100% of the entire monthly premium yourself, plus a small administrative fee. Your former employer no longer pays any of your insurance costs.

Or, you may choose to activate your special enrollment period at your state or federal Marketplace. There are benefits if you purchase from your state or federal Marketplace:

- You may elect the plan of your choice – you have the option to select a less expensive plan.
- If your household taxable income is less than 400% of the federal poverty level, the government will pay a portion of the cost of the medical insurance.
- Most individuals pay less for coverage purchased at the Marketplace than for COBRA coverage.

Note: if you elect COBRA, you may not, depending upon your state Marketplace, be eligible to enroll at the Marketplace until the next Marketplace open enrollment, typically January 1.

To learn more about your options go to www.healthcare.gov

> IF YOU ARE ELIGIBLE FOR COBRA COVERAGE AND MEDICARE:

You must enroll in Medicare Part A and Part B in addition to COBRA, if electing COBRA in order to have complete coverage. This is because most COBRA coverage pays secondary to Medicare Part A and Part B and will not pay a benefit for any service typically paid for by Medicare. **This exclusion applies even if the individual does not enroll in Medicare Parts A and B.** Therefore, many individuals will discover that it is more cost effective to purchase one of the following packages than it is to purchase COBRA:

- Medicare Part A, Medicare Part B, a Medicare Supplement Plan (aka Medigap) and a Medicare Part D prescription drug plan or
- A Medicare Advantage HMO, PPO or Traditional plan that integrates all of the above plans.

You can learn more about your Medicare options at www.medicare.gov

> COBRA, MEDICARE AND SPECIAL ENROLLMENT PERIOD:

If you lose your employer-provided coverage and are eligible for Medicare, you can enroll in Medicare with **no penalty** provided you enroll within 8 months of when your employment ends. However, if you wait until the end of your COBRA coverage to enroll in Medicare:

- You may pay an additional cost for Medicare Part B because there will be more than an 8 month gap between when your employment ends and when you enroll in Medicare.
- You may have to go without medical coverage until the next Medicare open enrollment period.