

Facing layoff? You still can get health insurance

by Sun-Sentinel

Losing your paycheck isn't the only problem when you leave a job or are laid off. You probably need to decide what to do about health insurance if your employer has been providing your coverage. The temptation might be to go without it to save money, hoping nothing befalls you before you find a new job with insurance. That would be a mistake. Even the young can rack up steep medical bills. So what other choices are there? When you lose a job, you have certain insurance rights under federal and state laws. A rundown on state-by-state laws can be found at www.healthinsuranceinfo.net. Here are some options: Do you have a spouse who has insurance at work? If so, under federal law you can enroll in your spouse's plan even if it's not open-enrollment time. You have up to 30 days to enroll if you left your job voluntarily; it's longer in some states, depending on circumstances. This might be your best option. Employer plans tend to offer more generous benefits than individual policies, and the employer usually picks up a big part of the tab. Plus, there's no medical underwriting in group plans, so any health problems you might have won't prevent you from joining. This is the federal law (Consolidated Omnibus Budget Reconciliation Act) that says you must be allowed to continue coverage under your former employer's plan for up to 18 months after leaving the job. It applies to companies with 20 or more workers. You won't qualify, though, if you were fired for "gross misconduct." Cobra is the easiest option and one that many people choose. If you can't join a spouse's plan, Cobra also is your best bet if you have health problems that might make it difficult or impossible for you to buy a policy on your own. But coverage under Cobra isn't cheap. You will pay the full cost of premiums and may be charged an administrative fee. In some states you are entitled to buy a policy from the insurer providing your former employer's plan regardless of your health. Benefits under these conversion policies are typically stingier than what you had before, and the premiums are higher. If coverage through Cobra is too rich for you, don't assume you can't afford insurance and must go without it. You might find cheaper coverage by buying an individual policy for yourself and your family. Insurers will ask questions about your health to determine whether to sell you a policy, at what cost and what coverage might be excluded. Once you qualify for a policy, it can't be canceled unless you drop coverage or reach the policy's lifetime benefit cap, which often runs \$3 million to \$5 million, said Samuel Gibbs, senior vice president of Mountain View, Calif.-based eHealth Inc., which owns online broker eHealthInsurance.com. Gibbs said the price difference between Cobra and an individual policy can be significant. Last year the average policy cost \$148 a month for a single person, compared with \$380 under Cobra. A policy for a family averaged \$344 a month, compared with \$1,029 under Cobra.

-----By Eileen Ambrose

The Baltimore Sun

Copyright © 2008, South Florida Sun-Sentinel

```
DM_addEncToLoc("Site", (s.server));
DM_addEncToLoc("channel", (s.channel));
DM_addEncToLoc("keyword", (s.prop3));
DM_cat(s.hier1);
DM_tag();
```

Facing layoff? You still can get health insurance by Sun-Sentinel