

Losing job-based coverage

If you lose your job-based health insurance, you have two options for health insurance coverage. You may buy an individual plan through the Marketplace. Or, you may be able to keep your health insurance for a limited time through a program called [COBRA continuation coverage](#).

- **Option 1: Get an individual Marketplace plan.** If you leave your job for any reason and/or lose your job-based coverage, you qualify for a [Special Enrollment Period](#) and can choose to buy coverage from the Marketplace outside of the regular Open Enrollment Period. You may qualify for [tax credits that can lower your monthly premiums](#) and lower out-of-pocket costs, depending on your household size and income. You'll have 60 days to enroll in the Marketplace from the time your coverage ends, which may or may not be the last day of employment. Keep any documentation you have of your current coverage and effective dates because you may need it when you request a Special Enrollment Period.

Note: This option doesn't apply if you voluntarily gave up your employer-sponsored health coverage even though you stayed in your job.

Applying for coverage through the Marketplace

You can apply for Marketplace coverage online at HealthCare.gov or by calling the Marketplace Call Center at **1-800-318-2596**. TTY users should call **1-855-889-4325**. When filling out the Marketplace application, you should choose "No" when answering whether you currently have health coverage. Since the 2014 Open Enrollment Period is over, you can only buy a Marketplace health plan if you qualify for a Special Enrollment Period, which includes losing job-based health insurance. You can apply for [Medicaid](#) and [Children's Health Insurance Program \(CHIP\) coverage](#) at any time.

- **Option 2: Get COBRA coverage.** When you leave a job or lose your job-based coverage, you may be able to purchase your job-based health coverage (for you and your family members) for a period, usually up to 18 months, called COBRA continuation coverage. With COBRA coverage, you usually have to pay the entire monthly premium yourself, plus a small administrative fee. Your former employer no longer pays any of your insurance costs, which means the premium is usually much higher than what you were paying before leaving your job. You also won't be able to get any of the lower costs on premiums and out-of-pocket costs that people may get using the Marketplace while you have COBRA continuation coverage. COBRA coverage may be much more expensive than coverage through the Marketplace.

You generally won't be able to get a Marketplace plan outside of the Open Enrollment Period until your COBRA coverage has ended (usually after 18 months). If you voluntarily drop your COBRA coverage or fail to pay your COBRA premiums, you won't get a Special Enrollment Period.

Important! If you currently have COBRA coverage, you can switch to a Marketplace plan between now and July 1, 2014. If interested, call the Marketplace Call Center and tell them that you're calling about your COBRA benefits. After you've been approved for a Special Enrollment Period, you can apply for and enroll in a Marketplace plan either online or by phone.

Get covered to avoid the penalty

You're required to have [minimum essential coverage](#) beginning January 1, 2014. If you don't have health coverage in 2014, you may have to pay a [fee](#) when you file your 2014 taxes in 2015. You'll also have to pay all of the costs for your health care. If you get minimum essential coverage, you won't have to pay the fee for the months of that coverage.



IMPORTANT INFORMATION ABOUT YOUR MASSACHUSETTS CONTINUATION OF COVERAGE RIGHTS

This notice contains important information about your right to Massachusetts Continuation of Coverage (“MA COC”), which is a temporary extension of coverage under your group health plan (the “Plan”). **This notice generally explains MA COC, when it may become available to you and your family, and what you need to do to protect the right to receive it.**

What is MA COC?

MA COC allows you to temporarily continue your medical coverage when it would otherwise end because of a life event known as a qualifying event.

A federal law called the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA) requires sponsors of certain group health plans to offer continuation coverage to qualified beneficiaries who lose their coverage due to a qualifying event. COBRA only applies to employers with 20 or more employees.

Since COBRA only applies to employers with 20 or more employees, many states, including Massachusetts, have enacted similar laws that apply to small groups that would not otherwise be subject to COBRA. The MA COC law requires insurance carriers to make continuation coverage available to employees, who experience a qualifying event, of certain employer groups with 2-19 employees.

What is a qualifying event?

Qualifying events include the following:

- Subscriber’s employment ends (for any reason other than gross misconduct) or hours are reduced,
- Divorce or legal separation,
- Death of the subscriber,
- Dependant is no longer eligible to be a dependant under the plan, e.g. ages out,
- Subscriber becomes entitled to Medicare benefits (under Part A, Part B, or both), and
- Chapter 11 Bankruptcy proceedings of the employer (for plans that extend coverage to retirees)

Who is eligible for MA COC?

Qualified beneficiaries are eligible for MA COC.

A qualified beneficiary is any person, e.g. you, your spouse, and your children, who was covered under the Plan and who lost coverage due to a qualifying event. Qualified beneficiaries vary depending on the qualifying event (see attached grid). In most cases, to be eligible for MA COC you must have medical coverage through your employer the day before the qualifying event.

Must I give notice to my employer that a qualifying event has occurred?

Yes. For the qualifying events listed below you must notify your employer within 60 days after loss of coverage due to the qualifying event in order to be eligible to elect MA COC.

- Divorce or legal separation, and
- Dependent child losing eligibility for coverage as a dependent.

[Please notify us of a qualifying event via email at mgorewitz@monumentstaffing.net.]

How long does continuation coverage last?

The attached grid describes the maximum period of continuation coverage available to qualified beneficiaries. The maximum period of coverage varies depending on the qualifying event.

Can continuation coverage be terminated before the maximum period of coverage is exhausted?

Yes. Continuation coverage will be terminated before the end of the maximum period if:

- Any required premium is not paid in full on time,
- A qualified beneficiary becomes covered under other medical coverage that does not impose any exclusion for a pre-existing condition of the qualified beneficiary,
- A qualified beneficiary becomes entitled to Medicare benefits (under Part A, Part B, or both) after electing continuation coverage, or
- The employer ceases to provide medical coverage for any of its employees.

Continuation coverage may also be terminated for any reason other medical coverage would be terminated, such as fraud. If continuation coverage is terminated, you lose all rights to MA COC.

What are the medical plans available to me if I elect to continue coverage?

During their election period for MA COC, qualified beneficiaries can elect the plan they were on at the time of their qualifying event. At open enrollment, qualified beneficiaries can elect any of the medical plans the employer has available to other employees.

How can I elect MA COC?

Once the employer receives notice that a qualifying event has occurred, you will receive information about your right to continuation coverage pursuant to MA COC. The information you receive will include an election form for you to complete. You must complete the election form and return it according to the directions on the form.

Continuation coverage must be elected within 60 days from your qualifying event or when you are notified of your right to continuation coverage under MA COC (whichever is later). After that, all qualified beneficiaries lose their rights under MA COC.

Each qualified beneficiary has a separate right to elect continuation coverage. For example, the employee's spouse may elect continuation coverage even if the employee does not. Continuation coverage may be elected for only one, several, or for all dependent children who are qualified beneficiaries. The employee or the employee's spouse can elect continuation coverage on behalf of all of the qualified beneficiaries. A parent who is not a qualified beneficiary may elect to continue coverage on behalf of any dependent children who are qualified beneficiaries.

What if I waive continuation coverage and then decide I want to enroll?

You can revoke your waiver of continuation of coverage and elect coverage as long as you do so during the election period. In such a situation, your coverage will begin on the day following the loss of coverage due to the qualifying event.

How much does MA COC cost?

Each qualified beneficiary may be required to pay the entire premium of the coverage chosen plus 2% for administrative costs. In the case of qualified beneficiaries who have extended continuation coverage due to a disability, the cost could be 150% of the total premiums.

Can the premiums go up while I am continuing coverage pursuant to MA COC?

Yes, if the price of the plan goes up. In general, costs must be fixed in advance of each 12-month premium cycle.

When and how must payment for MA COC be made?

If you elect continuation coverage, you do not have to send any payment with the Election Form. However, you must make your first payment no later than 45 days after the date of your election. (This is the date the Election Form is post-marked, if mailed.) If you fail to make your first payment within 45 days after the date of your election, you will lose all continuation coverage rights under the Plan. You are responsible for making sure that the amount of your first payment is correct. After the first payment, payments are due monthly, within 30 days of the due date. If you make a monthly payment on or before the first day of the coverage period to which it applies, your coverage under the Plan will continue for that coverage period without any break. If you fail to make a monthly payment within 30 days of the due date, you will lose all rights to continuation coverage under the Plan.

Why is electing MA COC beneficial to me?

In addition to extending your coverage when it would otherwise be canceled, electing MA COC can have other benefits. For example:

- Some health plans have pre-existing condition exclusions for anyone with more than a 63-day gap in coverage. Election of continuation coverage may help prevent such a gap and therefore eliminate preexisting condition exclusions in new coverage.
- Electing continuation coverage for the maximum time available to you, gives you a guaranteed right to purchase an individual health insurance policy that does not impose pre-existing condition exclusions.
- Electing MA COC provides you with the same rights as other participants or beneficiaries covered under the plan, e.g. open enrollment, benefits under the policy, policy options.

Do I have any options other than MA COC for continuing coverage?

You should examine other options available to you before electing MA COC. Options available to you might include the following:

Special Enrollment. Under federal law, if you lose coverage because of a qualifying event you have “special enrollment” rights. This means that you have the right to request enrollment in another group health plan for which you are otherwise eligible. For example, you could enroll in your spouse’s plan without waiting for the open enrollment period. To have a special enrollment opportunity you must have had other coverage when you previously waived coverage in the plan you are trying to enroll and you must request special enrollment within 30 days of loss of coverage.

Individual Health Insurance. Federal law allows individuals who are losing group coverage to buy individual coverage that does not impose a pre-existing condition exclusion as long as the individual has at least 18 months of creditable coverage without a break in coverage of more than 63 days.

State Health Insurance Options. Please contact your state insurance department for information about coverage options that may be available to you in the state you reside.

If You Have Questions

Questions concerning your Plan or your MA COC rights should be addressed to [Marsha Gorewitz via email at mgorewitz@monumentstaffing.net

Keep Your Employer Informed of Address Changes

In order to protect your family’s rights, you should keep the employer informed of any changes in the addresses of family members. You should also keep a copy, for your records, of any notices you send to the employer.

MA COC Qualifying Events and Corresponding Coverage Grid

Qualifying Event	Who is eligible for coverage “Qualified Beneficiary”	Continuation Coverage available up to:
Subscriber’s employment ends (for any reason other than gross misconduct) or hours are reduced	Subscriber Spouse Dependent children	18 months*
Divorce or legal separation	Spouse Dependent children	36 months
Death of subscriber	Spouse Dependent children	36 months
The child stops being eligible for coverage under the plan as a dependent child, i.e. aging out	Dependent child	36 months
Subscriber becomes entitled to Medicare benefits (under Part A, Part B, or both)	Spouse Dependent children	36 months
Chapter 11 Bankruptcy proceedings (for plans that extend coverage to retirees)	Retiree ----- Spouse Dependent Children	For life ----- Until the retiree dies, then up to 36 months

** Coverage may be extended up to a maximum of 29 months for the subscriber, spouse and dependent children if the Social Security Administration determines either the subscriber, spouse or a dependent child is disabled. You would need to notify the employer of the disability, the disability would have to have started at some time before the 60th day of MA COC and the disability must last at least until the end of the 18 month period of continuation coverage.*

If a qualified beneficiary experiences another qualifying event while receiving 18 months of MA COC, 18 additional months of continuation coverage, for a maximum of 36 months, is available if notice of the second qualifying event is given to the employer. A second qualifying event could be: the employee or former employee dies, becomes entitled to Medicare benefits (under Part A, Part B, or both), gets divorced or legally separated, or if the dependent child stops being eligible under the Plan as a dependent child, but only if the second event would have caused the spouse or dependent child to lose coverage under the Plan had the first qualifying event not occurred.