

ALABAMA DEPARTMENT OF INSURANCE

CONSUMER ALERT

Health Insurance Options After A Job Loss

When you lose your job, you may also lose your employer-funded health insurance. Fortunately, you have the option to either retain your current coverage or obtain new coverage. The following information may be of assistance as you consider your best option.

Healthcare.gov Federal Marketplace

You can purchase individual or family health insurance on [healthcare.gov](https://www.healthcare.gov), the federal marketplace, if you lose coverage due to job loss. This is called a Special Enrollment Period (SEP). You have 60 days to enroll after loss of coverage OR you can enroll now if you expect to lose coverage in the next 60 days.

Based on income, you may be eligible for a subsidy to assist with premium payment. Additional assistance for prescription or doctor visits may also be available if you are income eligible. To determine whether you qualify for a subsidy, the Alabama Department of Insurance recommends you visit the [Kaiser Family Foundation website](https://www.kff.org). Please note the website is for informational purposes only. You may also visit [healthcare.gov](https://www.healthcare.gov).

To sign up for a **Marketplace** plan, you will need to:

- ✓ Work with a licensed insurance agent; or
- ✓ Visit [healthcare.gov](https://www.healthcare.gov) to directly sign up for a plan with the federal Marketplace; or
- ✓ Call 1-800-318-2596.

When you look at the price of a plan, be sure to factor in the deductible and out-of-pocket expenses. You also need to confirm your medical providers participate in the selected plan.

If you purchase through the federal Marketplace, you will be asked to complete an application. You may also be asked for additional information regarding the loss of your previous health insurance. Once you fill out the application, you'll find out if you qualify for a subsidy to assist with the premium and out-of-pocket health care costs. You might also discover that you, or members of your family, may be eligible for **Medicaid** or the **ALL Kids** program. Coverage through the federal Marketplace starts the first day of the following month after you pay your premium.

There are two companies currently offering coverage on the Marketplace in 2020 in Alabama—Blue Cross Blue Shield of Alabama & Bright Health.

If you're not eligible to apply with a Special Enrollment Period for the rest of 2020, you can apply for a 2021 health plan Friday, November 1 through Sunday, December 15, 2020.

COBRA

If you had coverage through your employer, and your employer had more than 20 employees, you may be eligible for continuation of your health insurance coverage for up to 18 months. You may decide to choose this option if you already incurred significant medical expenses and have met the deductible or out-of-pocket expenses under your plan.

Carefully research your options before making a decision. The COBRA cost may be more expensive than a plan on the Healthcare.gov Marketplace. Be aware with a COBRA plan, you will pay the full premium cost, without contribution by your former employer or the government, plus you will pay an administrative fee. To find out more about those costs, contact your former employer's human resources division or representative.

If you opt for COBRA coverage, your ability to obtain a Healthcare.gov Marketplace plan may be limited until the next Marketplace Open Enrollment period. An Open Enrollment period typically runs from November 1 through December 15. If you are outside of the Open Enrollment timeframe, the only way to get into a Healthcare.gov Marketplace plan is through a Special Enrollment Period, during the next Open Enrollment period, or if the cost of your COBRA coverage changes. You may be locked into your COBRA plan for some time until one of those events occur resulting in significant cost to you. You can find more information at [healthcare.gov](https://www.healthcare.gov).

ALL KIDS

ALL Kids is administered by the Alabama Department of Public Health and provides low-cost healthcare coverage for children and teens under the age of 19 who live in Alabama. With ALL Kids, parents can have peace of mind knowing quality healthcare for their children is affordable, costing no more than a premium of \$104 per year per child, with low co-payments.

If your income or insurance coverage has changed recently, please apply online. A determination will be made if your child is eligible for **ALL Kids** or **Medicaid** or **Marketplace** coverage, depending on your household income.

[Apply Online Now](#)

You also may call **All Kids** toll-free at 1-888-373-KIDS (5437) Monday through Friday, but call volumes are high and online service likely will be faster.

MEDICAID

Medicaid will provide health coverage for dependents 18 or younger if your household income this year is expected to be 146 percent or less of the federal poverty level (\$2,098 per month for a family of two, add \$545 to the monthly income limit for each additional family member.)

Medicaid will also provide full health coverage for pregnant women in households at that income level and also provide at that income level limited coverage, for family-planning, for adults.

Medicaid in Alabama does not offer full health coverage for non-disabled adults aged 19 to 64 who are not pregnant or are not extremely low-income parents or other caretakers of dependents 18 or younger. There are a few exceptions, such as for former foster children 26 or younger.

Here is a link for apply for [Medicaid](#)

ADDITIONAL OPTIONS

Short-Term Limited Duration Plans

Short-term limited duration plans (STLD) are designed to fill temporary gaps in your insurance coverage, such as when you're between jobs. STLD plans are generally considered to be major medical coverage; however, these plans provide limited coverage for a limited period of time.

STLD plans are not required to cover essential health benefits such as maternity care, prescription drugs, mental health, preventative and wellness care. Since STLD plans may not cover preventative care, COVID-19 testing and treatment may not be covered. Most STLD plans are medically underwritten meaning people with pre-existing conditions can be turned down or charged higher premiums. STLD plans are not the same as plans sold on the Affordable Care Act Exchange at www.healthcare.gov.

For additional information on short-term limited duration plans, please visit <https://aldoi.gov/Consumers/ShortTermHealthIns.aspx>

In addition to Short-term Limited Duration Plans

There are other options available, however, none are likely to cover expenses associated with COVID-19. Some offers may be fraudulent and have not been filed or reviewed by the Department of Insurance. Feel free to contact the Department of Insurance if you have concerns about a plan. Call 334-241-4141 or email consumerservices@insurance.alabama.gov.

Questions regarding this consumer alert may be directed to:

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