

# Healthcare Navigation, LLC



## Understanding Options when Group Healthcare Coverage Ends

Presentation to the New York Women's Forum  
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# Introduction



The involuntary loss of GROUP healthcare coverage (coverage through employer or union) is a protected event which allows those affected to obtain other coverage within SIXTY days (Medicare and Medicaid have different enrollment rules).

Often there are many options for coverage to be evaluated by those affected. Understanding one's options and the pros and cons of each is critically important to making a sound decision.

We will briefly review the options and then walk through them with our fictional Martin family created for purposes of this presentation.

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# Options to Consider

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- “Package” from former Employer
- Spouse or parent’s group plan
- COBRA
- Individual plan – Off Exchange
- Individual plan – On Exchange
- Medicare
- Medicaid



# Options to Avoid

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- Short-term Medical Plans (not available in NY, NJ or CT)
- Christian Healthcare Plans (they are not insurance)
- Other “creative” plans suggesting you can join a union and be part of a group
- A relative, former spouse, friend who is a business owner who says you can “be added to their plan” as an employee when you are not an employee



# Compare Options



- Premiums
- Plan design – product, deductible, coinsurance
- Other projected out-of-pocket costs
- Network of hospitals
- Network of doctors and other providers
- Prescription drug formulary

# Our Fictional Family and Their Options

## Mom



- Jessica Martin
- Subscriber
- 52-year-old Hotel Executive at large chain
- Laid off

## Dad



- Mark Martin
- Dependent on wife's plan
- 65 years old
- Retired investment banker

## Elder Son



- Joseph Martin
- Subscriber on separate restaurant plan
- 32 years old
- Just closed both restaurants

## Daughter



- Annie Martin
- Dependent on mother's plan
- 25-year-old self-employed writer
- Engaged to be married

## Younger Son



- Jeremy Martin
- Dependent on mother's plan
- 23-year-old graduate student who opted out of school's plan

# Jessica, 52

## Laid Off Hotel Executive

### Options

- Company's "package"
- COBRA (federal since employer 20 or more and plan is self-insured) for up to 18 months. (A NY group plan would provide up to 36 months of COBRA). Check state laws especially when employer is smaller than 20 employees.
- Individual Plan – Off Exchange
- Individual Plan – On Exchange
- Sole Proprietor?
- Establish Small Business?

**MOM**

# Mark, 65

## Retired Investment Banker

### Options

- Might consider wife's "package" but beware of Medicare enrollment rules
- Medicare
- One 65 and over should not consider COBRA unless already on Medicare A and B as rules of insurance are COBRA should be secondary to Medicare
- He can opt out of Medicare B and other products should Jessica return to work with active large group coverage

**DAD**

# Joseph, 32

## Former Restaurant Operator

### Options

- No COBRA option. The business closed so there is no active group.
- Individual Plan – Off Exchange

- Individual Plan – On Exchange
- Medicaid?

**ELDER  
SON**

# Annie, 25

## Self-employed writer

### Options

- Consider mother's "package" if applicable
- COBRA – for up to 36 months (federal law) in any state

- Individual Plan – Off Exchange
- Individual Plan – On Exchange
- Medicaid?
- Pursue domestic partner coverage/marriage to join fiancée's plan

Daughter

# Jeremy, 23

## Graduate Student

### Options

- Consider mother's "package" if applicable
- COBRA - for up to 36 months (federal law) in any state
- Individual Plan – Off Exchange

- Individual Plan – On Exchange
- Enroll in college plan due to "involuntary loss of coverage"
- Not eligible for Medicaid (affluent parents claim as dependent)

Younger  
Son

# Implementing Your Plan

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- ✓ Have written proof of loss of active group coverage
- ✓ Read all material thoroughly and comprehend completely
- ✓ Act timely
- ✓ Document everything
- ✓ Follow-up
- ✓ It's not over until all affected have an i.d. card in their possession that is associated with an active plan or a soon to be active plan



# Summary



- Coverage transition issues can be complex. Plan accordingly.
- HR/Benefits professionals are experts in group coverage matters but rarely Medicare, individual coverage, or Medicaid.
- U.S. system places great responsibility on those outside of employer/corporate coverage “cocoon.”
- If not facing a transition, become familiar with features of your current coverage and think about a Coverage Plan.

**THANK YOU**

