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Grim Times and Health Insurance

Maintaining Coverage During the Pandemic

A Consumer Guide

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Along with the grim daily update on increases in coronavirus infections and deaths in New York, a second set of numbers highlights a growing additional risk: mounting job losses threatening not just livelihoods, but also the valuable health benefits for some of the 10 million New Yorkers who have coverage through their jobs or who may not be able to afford coverage. With over 6.4 million Americans applying for unemployment insurance the week ending March 28, 2020—including 367,000 in New York—the pandemic's economic destruction seems certain to trigger job losses that far exceed those suffered during the Great Recession about a decade ago. In January 2010, unemployment peaked at 8.9% in New York State (851,309 people unemployed) after reaching 10.1% in New York City two months before (400,263 people).

*If there is a bright spot in the current crisis, it is that **there are many more affordable health insurance coverage options for New Yorkers** than there were a decade ago and that it's easier to shop for and enroll in coverage than ever before. Based on existing state and federal consumer protection laws and new Affordable Care Act reforms and initiatives that supplemented existing state programs, here are some options for individuals to consider.*

Employer-Based Coverage

My spouse lost his job, and so our health coverage was lost too. I turned down coverage at my job last year, because we all went on my spouse’s plan. Do I have to wait until next year to sign up for coverage?

No, you should be able to apply now. Enrollment in coverage through an employer is typically limited to one annual enrollment period late in the year. But the federal [Health Insurance Portability and Accountability Act](#) provides for “special enrollment periods” after certain “qualifying events,” such as the loss of job-based coverage. For example, if you lose your group coverage, are married, and your spouse’s employer offers coverage, the family is eligible to sign up for coverage through the spouse’s plan at any time during the year. In order to take advantage of this right, employees must notify their plan administrator within 30 days of the qualifying event, such as the day a job or job-based coverage ended.

I was laid off and lost my coverage at work. Is there any way to stay on my company’s plan?

Yes—but without any employer contribution, the premiums will be very expensive. A federal law known as [COBRA](#) provides rights for most workers to “continue” coverage under their employer’s or union’s health plans for at least 18 months, and New York’s own COBRA law covers most of the gaps in the federal law, such as requiring small businesses to provide COBRA benefits. COBRA rights are triggered when a family experiences a “qualifying event,” such as a layoff, reduction in hours, divorce, death, or other major life change. However, under COBRA, employees can be required to pay the full cost of the coverage themselves, and health plan administrators can tack on an additional 2% fee. Based on an annual federal survey, the average monthly COBRA premium for individuals in New York was about \$658 in 2018, and \$1,890 for families. For those families with resources, electing expensive COBRA coverage could be a way to

maintain relationships with important health care providers, finish an ongoing course of treatment, get credit for deductible expenses incurred during 2020 rather than restarting under a new plan, or maintain a benefit package that provides some reimbursement for services from “out-of-network” providers.

When considering these options, a good first step is to find and review documents from your employer or union regarding your health plan, such as the Summary Plan Description. These documents spell out the responsibilities of plan administrators and employees, important deadlines, and contact information. ([Here is an example](#) of a model employer COBRA disclosure document.) Families who believe they have been unfairly denied a benefit by their employer can file a complaint with the U.S. Department of Labor’s Employee Benefits Security Administration (1.866.444.3272).

Are there more affordable options than COBRA?

Yes. Because of programs created under the Affordable Care Act, New Yorkers looking for coverage have a range of more affordable options and different products to choose from. As long as you live in New York State, are a U.S. citizen, a U.S. national, or a [lawfully present](#) immigrant, and are not incarcerated, you can shop for and enroll in all of these options at the [NY State of Health Marketplace](#). Some options described below are available regardless of immigration status.

Replacing Lost Coverage or Finding New Coverage Through the Marketplace

What is the Marketplace and how does it work?

As part of its implementation of the Affordable Care Act, New York created its own “exchange,” called the [NY State of Health Marketplace](#). Run by the New York State Department of Health with assistance from the Department of Financial Services, the Marketplace is a one-stop shop for all individual and family health coverage—it is also the only place where most people can apply for and sign up for free or low-cost coverage, as well as subsidies that make coverage more affordable. The Marketplace maintains a [website](#) where you can learn about coverage and enroll, and it has a helpline (1.855.355.5777) with counselors who can answer questions and assist with the enrollment process. The counselors are available from 8 a.m. to 8 p.m. Monday through Friday, and 9 a.m. to 1 p.m. on Saturdays.

Many consumers find that personal enrollment assistance is very helpful in our complicated health system—and it’s free. The Marketplace also trains and certifies thousands of [community enrollment counselors](#) across the state to advise consumers, and shoppers on the website can click on a [button](#) to find assistors. During this emergency, assistors are helping consumers by phone, rather than in person. Consumers can also chat with counselors live by clicking a button on the Marketplace homepage. [This video](#) is a good introduction to the Marketplace, the enrollment process, the types of documents that may be required, and how the income eligibility process works.

What coverage is available on the Marketplace?

A wide range of plans are available, with financial assistance based on income and family size:

Medicaid, the federal/state coverage program for low-income children and adults, is open to an individual earning less than

\$17,609 annually (\$1,468 per month), or a family of four earning less than \$36,156 (\$3,013 per month). Slightly higher income limits apply to children and pregnant women. A family's assets—such as a house, car, or savings account—are no longer included in eligibility determinations. Immigrants in some categories cannot enroll in Medicaid, but most are eligible for the Essential Plan described below. Enrollment in Emergency Medicaid (described below) is an important option for undocumented immigrants. Most Medicaid recipients are required to enroll in managed care plans and select a primary care provider in order to access comprehensive benefits with no premiums and almost no copays. In total, over six million New Yorkers are enrolled in Medicaid.

Different eligibility rules apply to low-income individuals over age 65 and those who qualify for coverage based on a disability; these individuals must apply through [local departments of social services](#), instead of the Marketplace.

The Essential Plan (EP) provides comprehensive managed care coverage with premiums ranging from \$0 to \$20 per month and very limited cost sharing for individuals earning between \$17,609 and \$25,520 annually, and individuals earning less than \$17,609 who are not eligible for Medicaid but who are lawfully present in the U.S. [This chart](#) shows EP benefits and cost sharing for the four kinds of EP benefit packages, and [here is a map](#) with participating health plans by county. Nearly 800,000 New Yorkers are enrolled in the EP.

Qualified Health Plans (QHPs) with Affordability Subsidies are available for individuals earning between about \$25,000 and \$50,000 annually, or \$68,000 and \$103,00 for a family of four. These plans also have comprehensive benefits, with dental and vision coverage available as part of comprehensive plans or from dental- and vision-only insurers. There are four different premium categories: 1) adult; 2) adult/child; 3) two adults; and 4) two adults and one or more children. QHPs are also organized into four “metal level” categories (platinum, gold, silver, and bronze) based on how much out-of-pocket expenses a typical consumer would incur. A Kings County resident earning about \$25,000 could buy a silver plan for as low as \$135 per month, compared to

\$383 per month for an individual earning about \$47,000. Families in this subsidy-eligible category are usually better off purchasing silver plans.

[This chart](#) shows QHP benefits and cost sharing for a standard plan, and [this chart](#) provides details for a plan providing three free primary care visits. [This map](#) shows plan participation by county. New Yorkers in this income category (individuals earning between about \$25,000 and \$50,00 annually, and families of four earning between \$68,000 and \$103,000 annually) who are eligible for COBRA may find a much more affordable health plan through the Marketplace. About 160,000 people were enrolled in QHPs with financial assistance in 2019.

Full-Premium Qualified Health Plans are also available from the Marketplace and directly from health plans. In Queens County, the lowest-cost silver plan is about \$620 per month for an individual resident and \$1,765 per month for a family of four. Families eligible for COBRA may be able to find a plan through the Marketplace that costs less than COBRA, but it might come with higher deductibles and other out-of-pocket costs—or with a more limited provider network. The benefits are the same as subsidized QHPs, and the same plans participate. Full-premium QHPs can be purchased through the Marketplace or directly through participating health plans, known as the “off-exchange” market. The off-exchange market operates under the same rules as the Marketplace with respect to special enrollment periods, and the special coronavirus enrollment period. Some products available off-exchange are not available through the Marketplace, but both segments have the same basic benefit requirements. About 170,000 New Yorkers were enrolled in full-premium QHPs in 2019.

Catastrophic plans are available through the Marketplace or directly from insurers for individuals under age 30 or older people who qualify for an [affordability exemption](#) and a [hardship exemption](#). While these policies are less expensive, the out-of-pocket costs are high: for most services, an enrollee must pay out more than \$8,150 before benefits begin. Catastrophic plans are also not eligible for affordability subsidies. About 5,400 New Yorkers were enrolled in catastrophic plans in 2019.

Child Health Plus (CHP) is available for all children up to age 19, regardless of immigration status. There is no cost-sharing of any kind permitted, and the [benefits](#) are comprehensive and include vision and dental. Coverage is free for a family of four earning less than \$41,920 annually, and a family of four earning above that amount but less than \$104,800 pays [sliding scale](#) monthly premiums ranging from \$9 to \$60 per child, with payments capped at three children. A family of four earning above \$104,800 would pay the full premiums, but without any cost sharing for services. Child-only coverage QHPs are also available through the Marketplace. Many families piece together coverage for everyone with CHP, EP, a QHP, or employer-sponsored coverage. Over 450,000 children were enrolled in CHP in New York in 2019.

Can I be turned down for coverage because of a pre-existing condition?

No. Federal and state laws do not permit coverage denials based on health status, and individuals cannot be charged higher premiums because of a medical condition.

Can I get coverage on the Marketplace now?

Yes. Enrollment is open year-round for CHP, Medicaid, and the EP. In addition, the Marketplace also announced a [coronavirus special enrollment period](#), so consumers can also enroll in any QHP. Governor Cuomo recently announced that the period was now extended until July 15, 2020. Finally, consumers who experience a “qualifying life event,” such as the loss of coverage, are eligible to apply during a [special enrollment period](#). [This chart](#) explains in detail how special enrollment periods work for families.

I already have Marketplace coverage, but I can't afford it anymore because I lost my job. Can I reapply?

Yes. Eligibility for more financial assistance for a QHP because of a decrease in income would trigger a special enrollment period at the Marketplace. These special enrollment periods allow applicants to update their income so that tax credit amounts can

be adjusted to make coverage more affordable. Consumers may also be eligible for more affordable programs than a QHP, such as Medicaid or the EP.

If I am eligible for COBRA, does that mean I can't get coverage on the Marketplace?

No. COBRA eligibility does not affect your status with the Marketplace. If you do continue your employer coverage through COBRA, however, you may not be eligible to purchase coverage through the Marketplace until your COBRA coverage ends, or until the next open enrollment period, unless certain circumstances are met. [This chart](#) summarizes these issues.

My family's income now is a fraction of what it was compared to last week, let alone last year. How will the Marketplace handle that?

Applicants applying to the Marketplace will be asked to estimate what their family's income will be in 2020 as a preliminary step in the enrollment process. If your estimated income makes you eligible for Medicaid or the EP, you can enroll in that program. If your estimated income for the year exceeds the Medicaid/EP eligibility level, you will have the opportunity to use current income (from the last full month) to check eligibility for Medicaid or the EP, and enroll. If your income still exceeds Medicaid or EP eligibility levels, you will be shown options for QHPs through the website or enrollment counselors, including plans with premium subsidies.

If your income has dropped significantly compared to 2018, you may be asked to give a reason for the sharp difference in income. Having some relevant documents on hand—like a letter from your employer or former employer, a “pink slip,” or a determination letter from the Unemployment Insurance office—can help you explain changes in income. If you do not have documentation because of the coronavirus emergency, you can attest to this information. If you are having trouble getting documents, you can also contact the Marketplace helpline to explain your change in circumstances. If you do not need help paying for coverage, you can also choose to skip the financial assistance process.

At the end of the year, there will be a reconciliation as part of your tax filing. If the income you estimated is less than your actual income for 2020, you might receive an additional tax credit or refund on your return. If your income is more than you estimated, you may be required to pay more in taxes, but this additional tax liability is capped at specific amounts for some enrollees, based on income. If you would like to get a better picture of how different income estimates play out, you can click on the [“Compare Plans and Estimate Costs” tool](#) to plug in different family incomes and see what your monthly premiums and financial assistance would be under different scenarios.

How is income from unemployment insurance treated for eligibility purposes?

The maximum weekly unemployment benefit is based on an applicant’s recent wages, and for New York payments are capped at about \$500. All Marketplace applicants must include these anticipated standard state unemployment benefits in their estimated annual income for all programs. The federal CARES Act included an enhanced unemployment benefit of \$600 per week. Medicaid and CHP enrollees are not required to include this enhanced federal amount in their income estimates, but enrollees in the EP and subsidized QHPs must add this income to their estimates. In addition to the enhanced benefit, the CARES Act also increased eligibility for unemployment insurance. Applicants can contact an application counselor or the Marketplace helpline if they have questions on what to include in their application. [This resource page](#) from the New York State Department of Labor explains how the CARES Act improves unemployment benefits for workers.

Is it possible to keep the same doctors and hospitals if we have to switch plans?

Marketplace provider networks differ among health plans and for different products, and they sometimes have more limited networks than employer-sponsored plans, particularly downstate. Plans with out-of-network benefits are offered only in limited areas

of the state and are noted in Marketplace shopping tools. You can use the State Department of Health [“NYS Provider & Health Plan Look-up” tool](#) to learn which providers (including specialists) and facilities participate in the different health plans; [this video](#) shows how it works. It is also a good idea to call your provider’s office and check before joining a plan.

I heard that Obamacare coverage has really high deductibles. Is that true?

Platinum-level QHPs plans have high premiums but \$0 deductibles. Bronze plans, the lowest-value QHPs, have much lower premiums but carry deductibles of around \$4,400 for individuals. It is important to remember, though, that preventive care services are free, and services like prescription drugs are handled on a pre-deductible basis, so you pay only applicable copays, not deductibles toward the cost of the medication. Finally, [some plans](#) cover three free primary care physician “sick” visits per year.

I can’t afford to buy coverage—are there any other ways to get financial help?

Yes. Here are some options:

Emergency Medicaid covers emergency services for undocumented New Yorkers who are otherwise eligible for Medicaid, except for their immigration status. Recently, New York [announced](#) that coronavirus testing, treatment, and services are all covered. Undocumented noncitizens without coverage can learn more about this program from [this flier](#) and enroll through the Marketplace.

Federally Qualified Health Centers in New York provide primary care and preventive services to the uninsured, regardless of immigration status, with fees for low-income patients set on a sliding scale basis. You can use [this tool](#) to find one of over 800 New York health centers located near you.

Hospital Financial Assistance Law requires New York hospitals to provide discounts on services to uninsured low- and moderate-income patients and follow state guidelines for collections. Generally, charges to patients earning under \$37,000 are limited

based on a sliding scale, with only nominal charges for very low-income patients. Hospitals are required to provide patients with applications and a summary of how their financial assistance programs work. New York City Health + Hospitals provides two extraordinary [programs of financial assistance](#) (Options and NYC Care) for uninsured New York City residents and Nassau and Westchester county residents who access services at New York City hospitals, regardless of their immigration status.

This seems really complicated. Is there anywhere I can go for help?

Yes. In addition to the assistors at the NY State of Health Marketplace, help is available through many community groups and government agencies. See below for a partial list.

Important Resources

NY State of Health Marketplace

<https://nystateofhealth.ny.gov/>

1.855.355.5777

TTY: 1.800.662.1220

NYS Community Health Advocate Program

<http://www.communityhealthadvocates.org/>

1.888.614.5400

NYS Department of Financial Services

https://www.dfs.ny.gov/consumers/health_insurance/

[new_york_health_insurance_policies_programs](https://www.dfs.ny.gov/consumers/health_insurance/new_york_health_insurance_policies_programs)

1.800.342.3736

NYS Attorney General Health Care Bureau

<https://ag.ny.gov/bureau/health-care-bureau>

1.800.428.9071

U.S. Department of Labor, Employee Benefits Security Administration

<https://www.dol.gov/agencies/ebsa/about-ebsa/ask-a-question/>

[ask-ebsa](https://www.dol.gov/agencies/ebsa/about-ebsa/ask-a-question/ask-ebsa)

1.866.444.3272

NYS Department of Labor, Unemployment Insurance

<https://labor.ny.gov/unemploymentassistance.shtm>

1.888.209.8124

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Note: Updated to note that New York's coronavirus special enrollment period was extended to July 15, 2020.