



WEST VIRGINIA INSURANCE BULLETIN

No. 20 – 10

Insurance Bulletins are issued when the Commissioner renders formal opinions, guidance or expectations on matters or issues, explains how new statutes or rules will be implemented or applied, or advises of interpretation or application of existing statutes or rules.

► **Loss of Health Insurance by Furloughed Workers** ◄

The Offices of the Insurance Commissioner (OIC) has received questions from many West Virginians regarding the loss of employment due to COVID-19 and the loss of health insurance. This Bulletin is intended to assist West Virginians who have lost their jobs or face reduced income from due to furlough, and to advise of resources that may provide health insurance coverage or assistance in obtaining health insurance coverage.

The Consolidated Omnibus Budget Reconciliation Act (COBRA)

COBRA generally applies to group health plans maintained by private sector employers with at least 20 employees or by state and local governments. If you lose your employer-based group health plan coverage due to a loss of your job, your plan must give you, at least, 60 days to elect COBRA continuation coverage beginning from the date the election notice is provided to you or the date you would otherwise lose coverage under your group health plan due to losing your job, whichever is later. COBRA requires continuation coverage to extend from the date of the loss of your job for a period of 18 or 36 months. Qualified beneficiaries may also be eligible for 18 months of continuation coverage.

Your employer or group health plan can require you to pay for COBRA continuation coverage. The maximum amount charged cannot exceed 102% of the cost to the plan for similarly situated individuals covered under the plan. However, your employer or group health plan cannot require you to pay a premium when you make the initial COBRA election. It must provide at least 45 days after your election of COBRA continuation coverage for you to make an initial premium payment. If you fail to make any payment before the end of the initial 45-day period, the plan can terminate your COBRA rights. Employers may not subsidize or pay the cost of COBRA continuation coverage. If you are receiving this type of benefit, talk to your plan administrator about how this impacts your COBRA coverage or your special enrollment rights.

For a more detailed explanation of COBRA, please visit the U.S. Department of Labor's website at: <https://www.dol.gov/agencies/ebsa/laws-and-regulations/laws/cobra>.

The Affordable Care Act (ACA)

You may qualify for a Special Enrollment Period under the ACA if you or anyone in your household lost qualifying health coverage in the past 60 days OR expects to lose coverage in the next 60 days. Coverage losses that may qualify you for a Special Enrollment Period are: losing job-based coverage, losing individual health coverage for a plan or policy you bought yourself, losing eligibility for Medicaid or CHIP, losing

eligibility for Medicare, or losing coverage through a family member. While purchasing private health insurance can be expensive, in West Virginia, approximately 90% of enrollees in the federal marketplace receive an advance payment tax credit to assist with premiums. In the first half of 2019, the average premium for West Virginians in the federal marketplace was \$931.02, but the average advance payment tax credit was \$765.06, reducing the average net premium to \$166.00. Additionally, approximately 50% received additional cost sharing reductions to lower out of pocket expenses. Highmark West Virginia and CareSource currently provide health insurance coverage in the West Virginia Marketplace.

For more information on the ACA, please visit: www.healthcare.gov.

Medicaid

Medicaid is a public benefit program that provides health insurance and medical benefits to qualified West Virginians. It is financed by both the state and federal governments but administered by the State. The West Virginia Department of Health and Human Resources, Bureau for Medical Services (BMS), is the designated State agency responsible for the administration of the State's Medicaid program.

West Virginia offers traditional Medicaid and expanded Medicaid pursuant to the ACA. With expanded Medicaid, adults aged 19-64 with incomes of up to 133% of the federal poverty level may be eligible for Medicaid benefits. Your eligibility for Medicaid will depend on your modified adjusted income and the size of your household. To apply, you should know your approximate income for the coming year and the sources of that income, how many people you can claim as a dependent in your household or if you will be claimed as a dependent by someone else, employer and income information for every member of your household who needs coverage, and your Social Security number.

You can apply online at www.wvpath.org or by telephone the federal call center at 1-800-318-2596. You may also apply for Medicaid in person at your local West Virginia Department of Health and Human Resources office (please check in advance about office closings due to COVID-19 before traveling to an office). As noted below, there are also community navigators available to assist you.

West Virginia Navigator

West Virginia Navigator is a free, non-profit program that receives funding from the federal government and offers free enrollment assistance to West Virginia citizens in both Medicaid and with private insurance through the Affordable Care Act (ACA). West Virginia citizens who lose health insurance due to the COVID-19 crisis are eligible for free assistance from West Virginia Navigator. WV Navigator can process Medicaid enrollments over the phone.

Consumers can contact WV Navigator at 1-844-WV-CARES or www.acanavigator.com/wv/home.

OIC Consumer Services Division

As always, the OIC's Consumer Services Division is available to assist all West Virginia consumers, insurance companies and agents with insurance questions or complaints. You can contact the OIC's Consumer Services Division at 1-888-TRY WVIC (888-879-9842) or OICConsumerServices@wv.gov.

Any questions concerning this Bulletin, or any other Bulletin, may be directed to OICBulletins@wv.gov.

Issued: April 1, 2020

