

COBRA vs. Marketplace: Helping Americans Make the Right Health Insurance Choice.

The COVID-19 pandemic has left millions of Americans without a job and, in many cases, also without health insurance. And, now more than ever, they need to remain covered.

Traditionally, the only insurance option when someone experiences unemployment has been an expensive one — continue their plan through COBRA. Many may settle for COBRA insurance, even though there are better options available.

Plans on the Health Insurance Marketplace offer the comprehensive coverage consumers have come to expect with their current coverage, and it's often much lower cost. **It's crucial to share this information with your constituents so they can remain insured, especially during this unprecedented global health event.**

	Group Plan	COBRA	Marketplace Plan
What's covered?	Usually full coverage with prescription drug benefits		
When can they enroll?	Typically offered to employees on a full-time status within a designated time from their date of hire	Within 60 days, retroactive from the date of job loss	Within 60 days from the date of job loss
How long is coverage available?	As long as employed full time and employer offers coverage	Typically 18-36 months	Coverage is active as long as monthly premium payments are made. Coverage will need to be renewed at the end of the calendar year.
How much does coverage cost?	Varies by plan and employer. Many employers cover some portion of the plan's cost.	The same as the qualifying group plan, but the employee pays the full plan cost, plus a COBRA administration fee	Varies by plan selected. Generally, these plans are significantly less than COBRA, and most people also qualify for financial assistance (subsidies) that reduce their premiums and in some cases further reduce copays, deductibles and out-of-pocket costs.

Continue to the following page to learn more about
Marketplace plans, subsidies and savings.

Marketplace Plans Save Money Over COBRA

Not only are Marketplace plans less expensive than COBRA, 80% of people will usually qualify for financial help from the government (called a subsidy) to help pay their premium.

To qualify for a subsidy, a person must make between 100% and 400% of the Federal Poverty Level amount. The subsidy amount is based on income and family size. The government applies the subsidy to the selected plan and the enrollee pays the rest. The premium amount depends on the plan level chosen.

Marketplace Plan Levels

Marketplace plans are available in different metal tiers. The difference between the metal tiers is a sliding ratio of premium cost vs. out-of-pocket costs (OOP).

- **Bronze** plans generally have lower premiums, but higher out-of-pocket costs if a lot of care is needed.
- **Gold** plans have higher premiums that help limit out-of-pocket costs.

The plan tier that provides the most value is Silver. Silver level plans provide the best value and most balance between their monthly premium payments and out-of-pocket costs, especially if they're eligible for financial assistance. Depending on eligibility, their copays and deductibles may be much lower than on other plans available.

It's important that businesses and employees know their health coverage options — especially during a difficult time such as a job loss.