|  |  |  |
| --- | --- | --- |
| |  | | --- | |  |  |  | | --- | |  | |
| |  |  |  |  |  | | --- | --- | --- | --- | --- | | |  |  |  |  | | --- | --- | --- | --- | | **Don’t Panic If You Lose Your Job—and Your Health Insurance**  **Job loss, whether through early retirement or layoffs, can cause you to lose your employment-based health insurance. Fortunately, you have several options—even if you do not qualify for Medicaid or Medicare.**  Medicaid provides health coverage for low-income Americans and Medicare is available once you turn 65. If you are too wealthy or too young for these programs, you’ll need to find an affordable alternative to protect you and your family from the rising costs of healthcare. The 2021 American Rescue Plan (ARP) provides alternative solutions at more affordable prices.  The new COBRA program. One of the popular options for continuing your work-based health insurance for 18 months has been the COBRA program. While widely available, it is also very expensive, as applicants had to absorb the premiums that the employer used to pay (averaging 82% of individual premiums, 70% of family premiums1). Currently, the ARP subsidizes 100% of premiums through Sept. 30, 2021 if you lost your job involuntarily2. You can use the subsidized period to choose a more permanent form of health insurance, such as a policy from your state Health Insurance Marketplace.  The Marketplace offers significant savings. If you lose your job, you usually have 60 days of open enrollment to sign up health insurance sold by a state’s Health Insurance3. You may be eligible for tax credits to reduce your premiums and savings on out-of-pocket expenses, including deductibles and co-payments4. Your savings are based on your income and household size, and if your income is low, you may pay a very small premium for your Marketplace insurance plan, especially with the increased subsidies provided by the ARP.  Does your spouse have coverage? Some folks are lucky enough to have a spouse who is covered by a workplace health insurance plan. If you’re in this group, you may be able to join the plan as a dependent once you’ve lost your old insurance. Your household premiums will increase, but most of the extra cost will be absorbed by your spouse’s employer. Carefully examine all the explanatory materials to ensure you get the options that mean the most to you.  You may qualify for CHIP. Even if you earn too much income to qualify for Medicaid, your children may be eligible for the Children’s Health Insurance Program5. CHIP provides low-cost health insurance for children in families that may not be able to afford private health insurance. In most states, children up to age 19 are eligible for CHIP.  Health insurance can’t wait. Illness and injuries can occur whether you’re currently working or not. It’s vital that you remain covered at all times, as the cost of healthcare can be astronomical. Contact me today to discuss how to adjust your plans when you lose your job or retire early. Good planning can help you respond to life’s challenges, planned or not, with options that address your financial (and physical) health.   |  |  | | --- | --- | | |  | | --- | | [LET'S CONNECT](mailto:##AdvisorEmail##) | |  |  | | --- | | 1 [peoplekeep.com/blog/what-percent-of-health-insurance-is-paid-by-employers#](https://www.peoplekeep.com/blog/what-percent-of-health-insurance-is-paid-by-employers) [8/12/20] 2 [dol.gov/general/american-rescue-plan](https://www.dol.gov/general/american-rescue-plan) 3 [healthcare.gov/coverage-outside-open-enrollment/special-enrollment-period/](https://www.healthcare.gov/coverage-outside-open-enrollment/special-enrollment-period/) 4 [healthcare.gov/more-savings/](https://www.healthcare.gov/more-savings/) 5 [healthcare.gov/medicaid-chip/childrens-health-insurance-program/](https://www.healthcare.gov/medicaid-chip/childrens-health-insurance-program/)  Tracking #1-05168605 Expiration 07/24 | | | |