



WORK CHANGES REQUIRE HEALTH CHOICES

PROTECT YOUR RIGHTS



EMPLOYEE BENEFITS SECURITY ADMINISTRATION
UNITED STATES DEPARTMENT OF LABOR

Work Changes Require Health Choices... Protect Your Rights



Opportunities and setbacks are part of life — especially when it comes to work. Learn how changes in

employment status can affect health coverage. Whether you are thinking about changing employers, have landed a new job, or lost or retired from one, find out today how to have the health benefits you might need tomorrow. Know your rights. Exercise your options.

Your First Job

Starting your very first job? Your new employer should provide you with a notice of your health coverage options. Consider enrolling in your employer's health care plan. If your employer offers more than one option – an HMO plan, a preferred provider option, and a fee-for-service plan, for example – compare each to your needs and preferences before making a decision. Ask for copies of two key documents – the Summary Plan Description (SPD) and the Summary of Benefits and Coverage (SBC) – to get details about covered benefits and costs. Find out what type of plan you have, how it works, and what eligibility requirements you may have to meet. Know what portion of your premium and costs you will pay, how much they will be, and who to talk to if you have questions.

Another option to consider is enrolling in coverage through the Health Insurance Marketplace (Marketplace). The Marketplace offers health insurance plans that provide comprehensive health coverage that present their price and benefit information in an SBC so you can make comparisons. Keep in mind that with most job-based health insurance plans, your employer pays part of your premiums. If you pick a Marketplace plan instead, the employer usually doesn't contribute to your premiums.

Job Loss

What if your health care coverage ends

because you lose your job, have your hours reduced, or get laid off? Knowing your rights ahead of time can prevent these situations from meaning an end to health care coverage. Under the Health Insurance Portability and Accountability Act (HIPAA), you may be eligible to enroll in your spouse's health plan without waiting for an open enrollment period. Under the Patient Protection and Affordable Care Act (ACA), you can buy individual insurance coverage through the Health Insurance Marketplace. For other employment-based coverage (such as a spouse's plan), you must request enrollment within 30 days of your loss of coverage. For Marketplace coverage, you must select a plan either within 60 days before losing coverage or within 60 days after losing coverage. You, your spouse, and your dependent children also might be able to purchase extended health coverage for up to 18 months under the Consolidated Omnibus Budget Reconciliation Act (COBRA). You may have to pay the entire premium plus a 2 percent administrative fee. Also, contact your state government to find out if you or your dependents are eligible for public health insurance, like Medicaid or the state Children's Health Insurance Program. Get information and compare your options before you decide which coverage to elect.

Looking for a New Job?

Before switching jobs, ask about the type of health plan offered by the potential employer and compare it to your current plan. Ask about the premium you'll pay under the new plan, what it covers, whether you can continue with the same doctors, or whether you will have to see new ones. Check to see if your potential employer's plan has a waiting period before you can enroll in coverage – generally, it may last up to 90 days from the date you become eligible for the plan. COBRA may give you the opportunity to purchase temporary extended health care benefits offered by your former employer while you are looking for a new job or during a waiting period for health benefits imposed by your new employer.

Retirement

When you're thinking about retiring, be sure you understand the documents governing your health care plan. Review your SPD and any documents you have received that modify it. Also, request copies of any formal written documents that outline how your plan operates, and any other information on your employer's policies on retiree health care benefits. Realize that although some employers continue to provide health care benefits to their retired employees, private-sector employers are not required to provide retiree health benefits. And remember, Federal law does not prevent employers from cutting or reducing health benefits under plans available to participants and their families, unless there has been a specific promise to continue them and that promise can be legally enforced.

If you want to retire early, consider what you will do for health coverage before you are eligible for Medicare. Your options may include enrolling in a spouse's employer plan or in a Marketplace plan or temporarily continuing your employer coverage by electing COBRA. Your rights to these options will depend on your individual circumstances, so find out what your options are before you retire.

At a Glance

HIPAA

HIPAA allows you and your family members to special enroll in your employer-sponsored health plan or your spouse's when you lose other coverage or experience certain life events such as marriage, birth, adoption or placement for adoption.

HIPAA also protects you against discrimination in health coverage based on certain health factors such as prior medical conditions, previous claims experience, and genetic information.

ACA

The ACA protections related to employment-based group health plans include extending dependent coverage until age 26, prohibiting preexisting condition exclusions, banning annual and lifetime limits on coverage for essential health benefits, and requiring group health plans and insurers to provide an easy-to-understand summary of a health plan's benefits and coverage. The ACA also allows you to enroll in health coverage through the Health Insurance Marketplace. If you enroll in Marketplace coverage, you may be eligible for a tax credit that will lower your monthly premiums and cost-sharing reductions that will lower your out-of-pocket costs for deductibles, coinsurance and copayments.

COBRA

If you are covered under your employer's health plan and you lose your job, have your hours reduced, or get laid off, and your employer's health plan continues to exist, you and your dependents may qualify to purchase temporary extended health coverage at group rates under COBRA. Divorce, legal separation, loss of dependent child status, the covered employee's death, or entitlement to Medicare may also give your covered spouse and dependent children the right to elect continued coverage under COBRA. Your plan must be notified of these events. Generally, COBRA covers group health plans maintained by employers with

20 or more employees. The group health plan is required to provide you with a written notice indicating your eligibility for COBRA coverage. If you are eligible, you will have 60 days from the date the notice is sent or from the date your coverage ends – whichever is later – to elect COBRA. If the employer is too small to be subject to COBRA, state law may require the plan’s insurer to provide some continuation coverage.

For More Information:

The Department of Labor’s Employee Benefits Security Administration (EBSA) administers several important health benefit laws covering employer-provided health plans and your basic rights to information on how your health plan works, how you qualify for benefits, and how to make claims for benefits. In addition, there are specific laws protecting your right to health benefits when you lose coverage or change jobs.

Visit the Employee Benefits Security Administration’s Website at dol.gov/ebsa to view the following publications. To order copies or to request assistance from a benefits advisor, contact EBSA electronically at askebsa.dol.gov or call toll free **1-866-444-3272**.

- Retirement and Health Care Coverage...Questions and Answers for Dislocated Workers
- An Employee’s Guide to Health Benefits Under COBRA
- Your Health Plan and You – Know Your Health Coverage Protections
- Can the Retiree Health Benefits Provided by Your Employer Be Cut?
- Top 10 Ways to Make Your Health Benefits Work for You
- Life Changes Require Health Choices...Know Your Benefit Options
- Taking the Mystery Out of Retirement Planning

You also may visit the U.S. Department of Health and Human Services Website at HealthCare.gov or call **1-800-318-2596** to find out more about Marketplace plans. Or contact your state insurance commissioner’s office.



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