



NEWS RELEASE

FOR IMMEDIATE RELEASE
May 15, 2014

Media Line: (916) 205-8403

COVERED CALIFORNIA CREATES LIMITED SPECIAL-ENROLLMENT PERIOD FOR THOSE COVERED BY COBRA

COBRA Enrollees Have 60 Days to Switch to an Exchange Plan; Move Is Expected to Save California Consumers Money on Health Insurance

SACRAMENTO, Calif. — Beginning Thursday, May 15, Covered California will launch a limited-time special-enrollment period for people who have COBRA health insurance and would like to switch to an exchange plan.

People who have health coverage through COBRA (the Consolidated Omnibus Budget Reconciliation Act) will be eligible to shop for and buy coverage through Covered California from May 15 through July 15, 2014. The two-month window mirrors a U.S. Department of Health and Human Services (HHS) ruling announced May 2 that allows COBRA enrollees to buy plans through the federal exchange until July 1.

The federal policy for the COBRA special-enrollment period was approved amid concerns that notifications did not give consumers clear information about options in the new marketplace. HHS encouraged state exchanges to follow suit.

“COBRA coverage has given vital protection for nearly three decades to people who lost coverage from their employers, especially those who couldn’t get affordable insurance because of their age or a pre-existing condition,” said Covered California Executive Director Peter V. Lee. “Since the passage of the Affordable Care Act, plans in the individual market could be preferable to COBRA coverage because of premium assistance and cost-sharing reductions, available only through the exchanges. For some people who have COBRA coverage, purchasing a plan in the Covered California marketplace during this special-enrollment period could save thousands of dollars a year.”

Under COBRA, individuals who experience a job loss can purchase the coverage they had through their employer but are responsible to pay the full cost. In some cases, individuals and families, particularly if they qualify for subsidies, can purchase more affordable coverage in the health benefit exchanges.

(more)

“COBRA will continue to be a cornerstone of coverage for workers after a job loss, but it’s important for employees to know that there are options in the marketplace that could save them money,” Lee said.

This newest category of special enrollment joins a host of “qualifying life events” under the federal Patient Protection and Affordable Care Act that allow consumers to get exchange coverage during a time when open enrollment is not available. Other events include losing coverage, having a child, getting married and moving.

COBRA enrollees who would like to take advantage of this limited special-enrollment period can apply at the Covered California website and select “Other qualifying life event” during the special-enrollment application process.

For more information, visit www.CoveredCA.com/faqs/cobra/.

In addition to special-enrollment period opportunities for private health insurance plans, Medi-Cal enrollment for low-cost or no-cost health coverage continues year-round on the Covered California website. For more information on applying for Medi-Cal, visit www.CoveredCA.com and click on “Apply Today!”

About Covered California

Covered California is the state’s marketplace for the federal Patient Protection and Affordable Care Act. Covered California, in partnership with the California Department of Health Care Services, was charged with creating a new health insurance marketplace in which individuals and small businesses can get access to affordable health insurance plans. With coverage starting in 2014, Covered California helps individuals determine whether they are eligible for premium assistance that is available on a sliding-scale basis to reduce insurance costs or whether they are eligible for low-cost or no-cost Medi-Cal. Consumers can then compare health insurance plans and choose the plan that works best for their health needs and budget. Small businesses can purchase competitively priced health insurance plans and offer their employees the ability to choose from an array of plans and may qualify for federal tax credits.

Covered California is an independent part of the state government whose job is to make the new market work for California’s consumers. It is overseen by a five-member board appointed by the Governor and the Legislature. For more information on Covered California, please visit www.CoveredCA.com.

###