

FEDERAL COBRA SUBSIDY

10 KEY FACTS



The Actors Fund,
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1 WHAT IS THE FEDERAL COBRA SUBSIDY?

The federal COBRA subsidy is a provision in the American Rescue Plan Act (ARPA) that allows those who are eligible 6 months of free COBRA health insurance coverage. It contains a broad array of benefits and protections for Americans suffering from the COVID-19 pandemic.

2 HOW MUCH WILL IT COST? You will not pay a premium for any months of coverage that fall within the subsidized COBRA period, from April 1, 2021 to September 30, 2021. However, you will need to pay premiums for any months you remain on COBRA after the subsidized period.

3 HOW LONG WILL THE SUBSIDY LAST? Your premium assistance can last from April 1, 2021 through September 30, 2021. However, it will end earlier if you become eligible for Medicare, or another group health plan (such as a plan sponsored by a new employer or a spouse's employer, or a different tier of coverage through your current employer/union), or if you reach the end of your maximum COBRA continuation coverage period.

4 HOW DO I KNOW IF I AM ELIGIBLE? Anyone who was eligible for COBRA as far back as November 2019 is eligible for the subsidy; you can get it even if you didn't originally choose COBRA, or if you let your coverage lapse. You don't have to back-pay for the months you didn't have COBRA—you can sign up for COBRA for April 1, 2021 onward and get the subsidy, as long as you still have months remaining on COBRA.

5 WHAT MAKES ME NOT ELIGIBLE? You are not eligible for the COBRA subsidy if you are eligible for other group health coverage, such as through a new employer's plan or a spouse's plan, or if you are eligible for Medicare; you are also ineligible if you are receiving COBRA due to turning 26 and aging out of your parents' insurance, or due to the death of a spouse, or divorce.

6 IF I AM ON ONE OF THE MARKETPLACE PLANS OR MEDICAID; CAN I SWITCH? Yes, if you are on a Marketplace plan, contact your Marketplace and update your application. You will be disenrolled from your coverage but have the opportunity to enroll again once the COBRA subsidy ends. If you are currently on Medicaid/MediCal, then it may become your secondary insurance. Make sure to update your application to reflect that you have COBRA. You can do that through the Marketplace or the agency that you received your Medicaid/MediCal from.

7 HOW DO I ENROLL? The plan or issuer should provide you with a notice of your eligibility to elect COBRA continuation coverage and to receive the federal COBRA subsidy. The notice should include any forms necessary for enrollment. You should return these forms to the address or email address listed on them. If you are eligible, you must elect COBRA continuation coverage and the subsidy within 60 days of receipt of the relevant notice or forfeit your right to elect COBRA continuation coverage with the subsidy.

8 WILL I RECEIVE ANY NOTICE THAT MY COBRA SUBSIDY IS ENDING? ARPA requires that plans provide individuals with a notice of expiration of assistance explaining that the premium assistance will expire soon, the date of the expiration, and that the individual may be eligible for coverage without any premium assistance through COBRA continuation coverage or coverage under a group health plan. This notice must be provided 15–45 days before the individual's premium assistance expires.

9 WHAT DO I DO WHEN THE COBRA SUBSIDY ENDS? If you were enrolled in Medicaid/MediCal or a Marketplace plan, you will need to update your application again so it reflects that your insurance will be ending on September 30, 2021. Please do this between August 16 and September 15, 2021, so you will have a start date of October 1, 2021, without any gap in coverage. If you were not on a Marketplace plan previously, you will have 60 days from the date your COBRA subsidy ends to enroll in other coverage. To find your Marketplace and enroll in coverage, visit healthcare.gov. If you would like assistance enrolling in other coverage, complete the short online form at <https://theactorsfund.submittable.com/submit>.

10 HOW CAN I GET MORE INFORMATION? More information is available at dol.gov.