

Fact Sheet

Job Loss - Important Information Workers Need To Know To Protect Their Health Coverage and Retirement Benefits

January 2013

The Department of Labor's Employee Benefits Security Administration (EBSA) administers the Employee Retirement Income Security Act of 1974 (ERISA), which governs retirement plans (including profit sharing and 401(k) plans) and welfare plans (including health, disability, and life insurance plans). ERISA also includes the health coverage continuation and portability provisions of the Consolidated Omnibus Budget Reconciliation Act (COBRA) and the Health Insurance Portability and Accountability Act (HIPAA). This fact sheet focuses on job loss and its effect on workers' health benefits and retirement benefits.

When facing job loss or a reduction in hours, workers need to know their options ahead of time to prevent loss of health coverage. There may be several options available to individuals who are losing their health coverage when they lose their jobs:

Special Enrollment in Another Group Plan. If other group health coverage is available (for example through a spouse's employer provided plan), special enrollment in that plan should be considered. It allows the individual and his/her family an opportunity to enroll in a plan for which they are otherwise eligible, regardless of enrollment periods. However, to qualify, enrollment must be requested within 30 days of losing eligibility for other coverage. After special enrollment is requested, coverage is required to be made effective no later than the first day of the first month following your request for enrollment. This type of coverage is usually the most cost-effective of all the options.

COBRA Continuation Coverage. If the individual's employer continues to operate and offer a group health plan, COBRA continuation coverage may be available. COBRA, which generally applies to employers with 20 or more employees, allows the individual and his/her family to continue the same group health coverage at group rates. An individual's cost for coverage may be higher than what the individual was paying before (and is usually higher than the cost for coverage under special enrollment in a spouse's plan), but generally the cost is lower than that for private, individual health insurance coverage. The plan should send a notice regarding the availability of COBRA coverage. After this notice is provided, the individual generally has 60 days to elect coverage and it is then available retroactive to the loss of coverage. ***(Note: Once an individual has elected COBRA, he/she won't be eligible for special enrollment in another group health plan, such as a spouse's plan, until all COBRA coverage available is exhausted. Therefore, it is important to consider special enrollment in another plan promptly.)*** COBRA coverage typically lasts 18 months, but may last longer in certain circumstances.

Health Coverage Through a Government Program. Health coverage may be available to certain qualified individuals through the State or Federal Governments. Information on government programs such as Medicaid (for low-income individuals and individuals with special needs), State Children's Health Insurance Program (for children of qualified families), or Medicare (for people aged 65 and over, and for certain people who are disabled or have end-stage renal disease), is available through your State insurance department, by visiting www.insurekidsnow.gov on the Web, or by calling the U.S. Department of Health and Human Services, Centers for Medicare and Medicaid Services at 1-800-MEDICARE.

You may also want to contact your State insurance commissioner's office to find out about your State's high risk pool for people who cannot otherwise get health benefits. Or visit <http://www.healthcare.gov/law/features/choices/pre-existing-condition-insurance-plan/index.html> for information on the Federal program -- the Pre-Existing Condition Insurance Plan.

Private, Individual Health Insurance. The last option for an individual to consider is private individual health insurance coverage. Individuals may qualify for guaranteed access to such coverage, without any pre-existing condition exclusions, if:

- They had health coverage for at least 18 months without a significant break in coverage (generally a break in coverage of 63 days or more) and the most recent period of coverage was under a group health plan;
- Group coverage was not terminated because of fraud or failure to pay premiums;
- They either were not eligible for COBRA continuation coverage (or similar State program), or if eligible for COBRA coverage (or similar State program), they both elected and exhausted COBRA coverage; and
- They are not eligible for other health coverage.

Even if they do not meet these criteria, they may still be able to obtain coverage. The cost of individual coverage is often higher than similar coverage under a group health plan obtained through special enrollment in another group plan or COBRA. More information on individual health coverage is available from your State insurance commissioner or the Department of Health and Human Services, Centers for Medicare and Medicaid Services at 410-786-1565 or www.cms.gov.

When considering health coverage options, individuals should examine the scope of the coverage (including benefit coverage and limitations, visit limits, and dollar limits), premiums, cost sharing (including co-payments and deductibles), and waiting periods for coverage. For information on the coverage through a particular group health plan, the worker should call the plan administrator and request a copy of the plan's summary plan description.

Note: The Affordable Care Act (ACA) adds important protections related to employment based group health plans that will improve health coverage for you and your family. Many of these protections are available now including extending dependent coverage until age 26, prohibiting pre-existing condition exclusions for children under 19, and banning lifetime limits on coverage for essential health benefits. Additional protections will be available in 2014. This publication does not reflect the provisions of the Affordable Care Act. For more information, visit the Employee Benefits Security Administration's ACA Web page at www.dol.gov/ebsa/healthreform.

Retirement Benefits. ERISA provides rules for those responsible for the management and oversight of your retirement plan. It also provides you with rights and responsibilities, including specific rights to plan information. If you lose your job, make sure you have a copy of your plan's current summary plan description (SPD) and your individual benefit statement. If not, request a copy. The SPD tells you if and when you can collect your benefits or how to roll over your 401(k) account to a new employer's plan or to an IRA (if your old plan permits you to do so). The individual benefit statement lets you monitor your account balance and is an important statement to keep on file. If your retirement savings remain in your former employer's plan, keep current on any changes the company makes, including changes of address, employer name, or mergers and give the plan any changes to your contact information. If your benefits are in a traditional pension plan and your plan ends without enough money to pay the promised benefits, the Pension Benefit Guaranty Corporation will assume responsibility as trustee of the plan and pay benefits up to a maximum guaranteed amount set by law.

The free publications listed below provide more information:

- [Retirement and Health Care Coverage...Questions and Answers for Dislocated Workers](#)
- [Your Health Plan and HIPAA...Making the Law Work for You](#)
- [An Employee's Guide to Health Benefits under COBRA](#)
- [What You Should Know About Your Retirement Plan](#)

They are available on EBSA's Web site or by calling toll-free 1-866-444-3272 to request copies. If you have questions about these options, you can contact one of our Benefits Advisors electronically at www.askebsa.dol.gov or by calling 1-866-444-3272.

For more information on the Pension Benefit Guaranty Corporation, visit www.pbpc.gov or call 1-800-400-7242.

This fact sheet has been developed by the U.S. Department of Labor, Employee Benefits Security Administration, Washington, DC 20210. It will be made available in alternative format to persons with disabilities upon request: Voice telephone: 202-693-8664; TTY: 202-501-3911. In addition, the information in this fact sheet constitutes a small entity compliance guide for purposes of the Small Business Regulatory Enforcement Fairness Act of 1996.

Health Care Services and Programs

The Foundation for Health Coverage Education® (FHCE) offers four ways to help you find health coverage in your area by using the website: www.coverageforall.org. You may also contact the U.S. Uninsured Help Line at 1-800-234-1317 for assistance in finding a broker near you that can help you sign up for coverage through an individual plan.

Licensed Health Insurance Broker – www.nahu.org or 1-202-552-5060

Pennsylvania Insurance Department Health Insurance consumer unit can answer questions about health insurance. Consumers are encouraged to call the consumer assistance unit at 1-877-881-6388 or visit www.pahealthoptions.com.

Healthcare.gov also provides tools to help you make decisions about healthcare on their website www.healthcare.gov. Click on “Find Insurance Options,” or you may go down to the blue box, select your state and click on “GO.” (Individual Market Plans)

Updates on Insurance Options -- The PA Insurance Department’s Web site, www.insurance.pa.gov, offers information and updates on insurance options in Pennsylvania, including a list of licensed insurance companies. For updates on insurance options, click on the “Health Insurance” tab in the middle of the page. For information on private insurance options, click on “Services for Consumers,” on the left menu, then “Find an Insurance Professional,” then “Find Insurance Company. Scroll down to click on the “Accident & Health” radio button to view licensed companies in Pennsylvania. This information may also be requested by calling the Department’s automated Consumer Hotline at 1-877-881-6388.

Certificate of Creditable Coverage – If you are laid off or otherwise lose your group coverage, ask your employer or its insurer for this certificate. If you purchase new health insurance, this certificate may help reduce or eliminate the amount of time you'll have to wait for coverage of a pre-existing condition, as long as you don't have a lapse in coverage of more than 63 days.

Special Enrollment in another group plan – If your spouse is eligible for health benefits at his or her job, be sure to check there. If you lose your health insurance you have 30 days during which you and your children can join your spouse’s plan if you are otherwise eligible.

- **Spousal:** If your spouse has access to benefits via his/her employer, loss of your coverage due to layoff allows you to by-pass “Open Enrollment” for you and/or your dependents to enroll in your spouse’s employer sponsored group health plan.
- **Parental:** Under the Affordable Care Act, if you are under the age of 26, the loss of your employer sponsored coverage may allow you to by-pass “Open Enrollment” and enroll in your parent’s employer sponsored group plan.

COBRA Benefits -- If you have been laid off from a company that offered health insurance, COBRA allows you to continue to purchase your employer-based health benefits for you and/or your family members. COBRA premiums can be costly. To learn more, contact your former employer or go to www.dol.gov/ebsa. Under Consumer Information, click on “Health Plans.” Scroll down and choose from several COBRA related publications. (30/14/60/45)

COBRA for Public Sector Employees: Health and Human Services – <https://www.cms.gov/> or 1-410-786-1565

Children’s Health Insurance Program (CHIP) -- Pennsylvania offers high quality, comprehensive free or low-cost health care coverage for every child up to age 19, who is not eligible for Medical Assistance. There are three easy ways to apply: online at www.chipcoverspakids.com; over the phone by calling 1-800-986-KIDS (5437); or download (print) a paper application at www.chipcoverspakids.com. You may also apply for CHIP on the COMPASS site at www.compass.state.pa.us. The Children’s Health Insurance Program (CHIP) is sponsored by the PA Insurance Department.

SpecialCare Health Insurance- Pennsylvania’s Blue Cross and Blue Shield plans offer SpecialCare, a subsidized health insurance plan for individuals and families. This statewide limited benefits program is designed to meet the needs of uninsured individuals whose income is too high to qualify for Medical Assistance, but not high enough to purchase traditional individual coverage. Basic Coverage - Benefits include coverage for hospital, medical and surgical care, 4 office visits per year with low co-pays (\$15-20 PCP/\$25 Specialist) and immunizations covered at 100%. All preventive benefits covered. Maternity care covered at 100%. Prescription drug discount plan. Income Guidelines vary depending on the region.

For more information or to enroll in SpecialCare, contact the plan that provides services in your county:

Blue Cross of Northeastern Pennsylvania, 1-888-445-7930
Capital BlueCross, 1-800-682-2393
Highmark Blue Cross Blue Shield, 1-800-544-6679, TTY 1-800-452-8086
Highmark Blue Shield, 1-877-986-4571, TTY 1-800-562-0591
Independence Blue Cross, 1-866-282-2702, TDD/TTY: 215-241-2622

Medicaid/Medical Assistance/Access Card - You may apply for health care coverage at www.compass.state.pa.us to see if you qualify for Medical Assistance (MA). To learn more, go to www.compass.state.pa.us and click on "Do I Qualify?" to find out if you may be eligible or call the PA DPW Helpline at 1-800-692-7462.

Medicare-If you have turned 65, are disabled or meet other eligibility requirements, you may qualify for Medicare. For more information, go to: <http://www.ssa.gov/medicareonly/>. If you do not wish to apply online you may make an appointment by calling 1-800-772-1213. People who are deaf or hard of hearing may call the "TTY" number, 1-800-325-0778, between 7 a.m. and 7 p.m. on business days. (Certain people younger than age 65 with disabilities may qualify for Medicare).

APPRISE Medicare Counseling Program. APPRISE is a free health insurance counseling program designed to help older Pennsylvanians with Medicare. 1-800-783-7067

Community Health Centers - There are approximately 200 community health centers across the state that provide free or low-cost comprehensive, high quality medical health care for all ages on an ability-to-pay basis. In some locations, a full range of services such as dental care and prescription drugs may be available. Services may be free or low-cost, based on your household income. To find the health centers nearest you, call the PA Association of Community Health Centers, Monday through Friday, 8:30 a.m. to 5 p.m., at 1-866-944-CARE (2273), or go to http://www.pachc.com/health_find.html for a list of Pennsylvania health centers.

Veterans are encouraged to contact VA at 1-877-222 VETS (8387); or visit the VA health eligibility website at www.va.gov/healtheligibility, or contact their local VA facility's Enrollment Coordinator.

PA Fair Care-PA Fair Care is Pennsylvania's health insurance program for uninsured people with pre-existing medical conditions. To be eligible, the federal Affordable Care Act says you must be uninsured for six months and have a pre-existing condition. For information of PA Fair Care visit www.PAFairCare.com or call 1-888-767-7015. (\$283.20)

Financial Assistance with Hospital Bills – Most hospitals offer financial assistance for uninsured patients who need treatment but cannot afford to pay their bills. Patients who qualify will have their bills reduced or eliminated. If you have hospital bills that you cannot afford to pay, call the hospital's billing department and ask how you may apply for financial assistance.

Pharmacy Assistance - Pennsylvania residents who do not participate in any other state or federally funded prescription program may be able to receive free or low-cost prescriptions. If you have a prescription discount card, you may still qualify. Call 1-800-955-0989 for The Pennsylvania Patient Assistance Program Clearinghouse or go to www.aging.state.pa.us, click on "Prescription Assistance" and then on "Other Pharmaceutical Programs." The Clearinghouse will help you apply for free or low-cost prescription medicines available from drug manufacturing companies and other sources. You may also compare pricing at the state's website: www.parxpricefinder.com, and check with some of the larger retail chains for discounted prices. NeedyMeds, www.needymeds.com, offers information on where to check for a number of prescription discount programs. Some other programs are: Partnership for Prescription Assistance, www.pparx.com or 1-888-477-2669 Together Rx Access Card, www.TogetherRxAccess.com or 1-800-444-4106. Benefits Check-Up prescription & other assistance for ages 55+, www.benefitscheckup.org.

Special services offered by the Pennsylvania Department of Public Welfare 1-800-692-7462 or go to www.dpw.state.pa.us

- Medical Assistance for Workers with Disabilities (MAWD)
- SelectPlan for Women
- HealthyWoman Breast and Cervical Screening Program (HWP)
- Breast and Cervical Cancer Prevention and Treatment Program (BCCPT)
- Pregnancy/High-Risk Pregnancy (Healthy Beginnings/Healthy Beginnings Plus)
- Special Pharmaceutical Benefits (HIV/AIDS and Schizophrenia)
- Mental Health Treatment/Drug or Alcohol Abuse Treatment
- Children with Special Health Care Needs

Dental Care -- Free or low-cost dental care may be provided by a dentist or clinic in your area. For more information, go to www.padental.org and choose "Patients."

Individual Conversion Plan - Check with your current provider to see if a "Individual Conversion Plan" is available.

High Deductible - Higher deductible plan may be much less expensive but still provide catastrophic coverage

Short Term Plan – This option may provide interim coverage between jobs.

About

[Insurance Department](#) > [Types of Coverage](#)

Types of Coverage

Health Options

Health Insurance

Details about other health options and how to apply:

Life Insurance

There are a number of health care options that can be explored.

Auto Insurance

Homeowners Insurance

Medical Assistance:

You may apply for health care coverage at www.compass.state.pa.us to see if you qualify for Medical Assistance (MA). If your circumstances have changed since enrolling in adultBasic - for example, if you've become disabled, turned 65, or your income has decreased - you may qualify for MA. To learn more, go to www.compass.state.pa.us and click on "Do I Qualify?" to find out if you may be eligible or call the **PA DPW Helpline** at 1-800-692-7462.

All Types of Coverage

Services for Consumers

Medicare:

If you have turned 65, are disabled or meet other eligibility requirements, you may qualify for Medicare. For more information, go to: <http://www.ssa.gov/medicareonly/> If you do not wish to apply online you may make an appointment by calling 1-800-772-1213. People who are deaf or hard of hearing may call the "TTY" number, 1-800-325-0778, between 7 a.m. and 7 p.m. on business days.

Services for Producers & Other Licensees

Services for Insurance Companies

Mcare

SpecialCare™ Health Insurance:

Pennsylvania's Blue Cross and Blue Shield plans offer SpecialCare, a subsidized health insurance plan for individuals and families.

News and Media

For more information or to enroll in SpecialCare, contact the plan that provides services in your county. *Note: Special Care is not offered by the Pennsylvania Insurance Department, nor does identifying it here serve as an endorsement or sponsorship or other affiliation by or with the Pennsylvania Insurance Department. The Special Care products are offered by the Blue Cross and Blue Shield Plans, and these products and the website links are identified here as a resource to assist adultBasic enrollees in finding alternative coverage.*

Log In

Blue Cross of Northeastern Pennsylvania, 1-888-445-7930

<http://www.bcnepa.com/ohpSpecialCare.aspx>

Capital BlueCross, 1-800-682-2393

<https://www.capbluecross.com/Products/ForIndividuals/HealthConditions/SpecialCare/>

Highmark Blue Cross Blue Shield, 1-800-544-6679, TTY 1-800-452-8086

www.highmarkbcbs.com/SpecialCare

Highmark Blue Shield, 1-877-986-4571, TTY 1-800-562-0591

www.highmarkblueshield.com/SpecialCare

Independence Blue Cross, 1-866-282-2702, TDD/TTY: 215-241-2622

http://www.ibx.com/health_plans/low_income/special_care.html

Employer-based Coverage:

You may have the option to select coverage provided through your employer, or another family member's employer if applicable. In many cases, an employer subsidizes the cost of such coverage.

PA Fair Care:

PA Fair Care is Pennsylvania's health insurance program for uninsured people with pre-existing medical conditions. To be eligible, the federal Affordable Care Act says you must be uninsured for six months and have a pre-existing condition. For information of PA Fair Care visit www.PAFairCare.com or call 1-888-767-7015.

Community Health Centers:

There are approximately 200 community health centers across the state that provide free or low-cost comprehensive, high quality medical health care for all ages on an ability-to-pay basis. In some locations, a full range of services such as dental care and prescription drugs may be available. Services may be free or low-cost, based on your household income. To find the health centers nearest you, call the PA Association of Community Health Centers, Monday through Friday, 8:30

a.m. to 5 p.m., at 1-866-944-CARE (2273), or go to http://www.pachc.com/health_find.html for a list of Pennsylvania health centers.

Financial Assistance with Hospital Bills:

Most hospitals offer financial assistance for uninsured patients who need treatment but cannot afford to pay their bills. Patients who qualify will have their bills reduced or eliminated. If you have hospital bills that you cannot afford to pay, call the hospital's billing department and ask how you may apply for financial assistance.

Other Specialized Programs:

Prescription Drug Financial Assistance - Pennsylvanians who do not participate in any other state or federally funded prescription program may be able to receive free or low-cost prescriptions. Call 1-800-955-0989 for The Pennsylvania Patient Assistance Program Clearinghouse or go to www.aging.state.pa.us, "Prescription Assistance" and "Other Pharmaceutical Programs." The Clearinghouse will help you apply for free or low-cost prescription medicines available from drug manufacturing companies and other sources.

Medical Assistance for Workers with Disabilities (MAWD) - MAWD is a health insurance program for working individuals with a disability. There is no set requirement for how many hours you must work or how much you must earn, but you must work and receive wages to qualify. For more information, call 1-800-692-7462 or go to www.dpw.state.pa.us, type in "MAWD" in the Site Search box in the top right corner, then click on the first link to "Medical Assistance Benefits for Workers with Disabilities".

SelectPlan for Women - Pennsylvania's SelectPlan for Women is a free, confidential health care program for women between the ages of 18 and 44 that pays for family planning services and related preventive health screens provided by participating health care professionals. Family planning-related prescriptions are free at any participating pharmacy. For more information and to see if you are eligible, call 1-800-842-2020 or go to www.selectplanforwomen.com.

HealthyWoman Breast and Cervical Screening Program (HWP) - HWP offers breast and cervical exams at no cost for eligible women. These exams include mammograms, clinical breast exams, pelvic exams and Pap tests. You qualify if you are 40 to 64 years old; have no or limited insurance; and have low to moderate household income. For more information and to find the HWP check-up site near you, call 1-800-215-7494 or go to www.pahealthywoman.org.

Breast and Cervical Cancer Prevention and Treatment Program (BCCPT) - If you have been diagnosed with breast or cervical cancer or a pre-cancerous condition of the breast or cervix, you may be eligible for free care through BCCPT. The care covers your breast or cervical cancer treatment, as well as any other unrelated conditions while receiving your cancer treatment. You qualify if you are female; under age 65; meet the income requirements; and have no or limited insurance. For more information, call 1-800-842-2020 or [click here](#) for more information.

Pregnancy/High-Risk Pregnancy (Healthy Beginnings/Healthy Beginnings Plus) -- If you are pregnant, you may be eligible for Healthy Beginnings or Healthy Beginnings Plus -- free programs that provide comprehensive health care coverage to pregnant women and their babies for a full year. Call 1-800-842-2020 for more information on how to apply and for locations near you or [click here](#) for more information.

GET HELP NOW



**Partnership for
Prescription Assistance**

FREE SERVICE

Since the launch of the Partnership for Prescription Assistance in April 2005, millions of Americans have found programs that can help them pay for their medicines. Thousands more find help every single day. If you don't have prescription coverage and can't afford your medicines, call **1-888-4PPA-NOW**, or go to www.pparx.org. More than 2,500 brand-name and generic medicines are covered. You could get them **FREE** or **NEARLY FREE**.

FREE PHONE CALL

Finding out if you qualify is quick and easy. Here's all you have to do:

- 1.** Know the names of the medicines you take.
- 2.** Call toll-free **1-888-4PPA-NOW** (1-888-477-2669).
- 3.** A trained specialist will answer your questions and help you apply.



“I get all my medicines and there's no cost. Not to me.”

*Lois Jenkins
Melbourne, FL*



“I've always heard where there's a will, there's a way. And I think this was our way.”

*John and Tammy Jones
Camden, TN*



“I didn't feel any pressure...they were more than willing to help me out.”

*Scott Waldemer
Nampa, ID*



Saves more than \$1,000/month

*Kendall DePascal
San Diego, CA*

**Call today 1-888-4PPA-NOW (1-888-477-2669)
or visit www.pparx.org**



