

# Application Assister Open Enrollment



## Insight

The Insight newsletter provides useful updates and helpful tips for Application Assisters when processing Federal Marketplace and Medicaid applications.

### COBRA Coverage

Open Enrollment (OE) is the only time that an individual can stop their COBRA coverage to enroll in a Qualified Health Plan (QHP) on [HealthCare.gov](http://HealthCare.gov).

**There are only 3 days left for Open Enrollment 2020! The Open Enrollment deadline is Sunday, December 15<sup>th</sup>.**

**Please Note:** If an individual misses this deadline to enroll and chooses to stop paying for COBRA, they will be denied. Once OE passes, their only option is to continue paying COBRA premiums until their COBRA benefits are exhausted or until the next Open Enrollment (OE 2021).

<b>Question:</b> What is COBRA?	<b>Answer:</b> Consolidated Omnibus Budget Reconciliation Act (COBRA), also referred to as Continuation Coverage are health plans offered through an employer due to a qualifying event that would cause an individual to lose health coverage for the employee or their families (spouses, former spouses, and dependent children).  A temporary extension may be offered for a limited period of 18 to 36 months depending on the qualifying event. The length of time depends on the type of qualifying event.
<b>Question:</b> How does an individual become eligible for COBRA continuation coverage?	<b>Answer:</b> An individual must have been enrolled in their employer’s health plan while employed and the health plan must continue to be in effect for active/current employees. COBRA continuation coverage is available upon the occurrence of a qualifying event that would cause an individual to lose his or her health coverage (excluding COBRA).

- The following are considered qualifying events:
- Termination of the employee’s employment for any reason other than gross misconduct
  - Reduction in the number of hours worked/employment
  - Covered employee becomes eligible for Medicare
  - Divorce or legal separation of the spouse from the covered employee
  - Death of the covered employee

**Please Note:** COBRA is not worker’s compensation. COBRA continuation coverage is often more expensive than the amount that active/current employees are required to pay for employer health coverage because the employer usually pays a portion of the employee’s health insurance. While on COBRA continuation coverage the individual is responsible for paying the full cost.

### Advanced Premium Tax Credit (APTC) & Repayment

**Question:** If an individual obtains a better paying job or begins receiving other unexpected income, how does this affect the APTC repayment?  
**Answer:** Depending on the individual’s final annual income, they may be required to pay all, some, or none of it back. Please reference the chart for 2019 APTC repayment caps:

For more information on 2019 APTC repayment limitations, visit <https://www.irs.gov/pub/irs-pdf/i8962.pdf>.

IF the amount on Form 8962, line 5, is . . .	THEN enter on line 28 . . .	
	for a filing status of Single—	for any other filing status—
Less than 200 . . . . .	\$300	\$600
At least 200 but less than 300 . . . . .	\$800	\$1,600
At least 300 but less than 400 . . . . .	\$1,325	\$2,650
400 or 401 . . . . .	leave line 28 blank	

### Affordability of Health Insurance Plans

Health coverage through an employer is considered “affordable” if the monthly premiums is less than **9.86% of the household income**. Affordability is determined by the amount an individual pays for the lowest-cost self-only coverage. To find out if health insurance meets affordability and coverage standards, individual’s should ask their employer to fill out the [Employer Coverage Tool](#) form.