



Finding Affordable Alternatives to COBRA Coverage

As a manager of employees, you are often faced with the difficult decision of laying off or terminating an employee. As a part of the severance process, employees need to find the best option to retain health insurance. Traditionally, the only option has been an expensive one — to continue their plan through COBRA.

You may not be familiar with the Health Insurance Marketplace (HIM) and the plans available, especially as an affordable alternative option to COBRA. Below is overview of Group, COBRA and Marketplace Plans:

	Group Plan	COBRA	Marketplace Plan
What's covered?	Usually full coverage with prescription drug benefits		
When can they enroll?	Typically offered to employees on a full-time status within a designated time from their date of hire	Within 60 days, retroactive from the date of job loss	Within 60 days from the date of job loss
How long is coverage available?	As long as employed full time and employer offers coverage	Typically 18-36 months	Coverage is active as long as monthly premium payments are made. Coverage will need to be renewed at the end of the calendar year.
How much does coverage cost?	Varies by plan and employer. Many employers cover some portion of the plan's cost.	The same as the qualifying group plan, but the employee pays the full plan cost, plus a COBRA administration fee	Varies by plan selected. Generally, these plans are significantly less than COBRA, and most people also qualify for financial assistance (subsidies) that reduce their premiums and in some cases further reduce copays, deductibles and out-of-pocket costs.

See the other side for more information on Marketplace plan levels and subsidies that can lower premiums even more.



Marketplace Plans Save Money Over COBRA

Not only are Marketplace plans less expensive than COBRA, 80% of people will usually qualify for financial help from the government (called a subsidy) to help pay their premium.

To qualify for a subsidy, a person must make between 100% and 400% of the Federal Poverty Level amount. The subsidy amount is based on income and family size. The government applies the subsidy to the selected plan and the enrollee pays the rest. The premium amount depends on the plan level chosen.

Marketplace Plan Levels

Marketplace plans are available in different metal tiers. The difference between the metal tiers is a sliding ratio of premium cost vs. out-of-pocket costs (OOP). Bronze plans generally have lower premiums, but higher out-of-pocket costs if a lot of care is needed. Gold plans have higher premiums that help limit out-of-pocket costs.

The plan tier that provides the most value is Silver. Silver level plans provide the best value and most balance between their monthly premium payments and out-of-pocket costs, especially if they're eligible for financial assistance. Depending on eligibility, their copays and deductibles may be much lower than on other plans available.

Consider Ambetter as an Alternative to COBRA

Ambetter is the largest provider on the Health Insurance Marketplace. Ambetter covers more than 2 million members and is available in 18 states. All Ambetter plans provide the quality, comprehensive coverage your employees are used to, but at lower monthly premiums.

With Ambetter, members get:



A network of trusted providers. Plus, in-network urgent care centers, hospitals and points of care near them.



Affordable plan options to fit their budget and needs. Plus, they may be eligible for financial assistance to further lower their premiums. This makes Ambetter Silver plans an even greater value.



Full benefits, including annual checkups, preventive care, wellness screenings and Telehealth services, plus a rewards program — and some plans even include vision and dental.

Consider Ambetter as an Alternative to COBRA

A Marketplace plan, especially from Ambetter, is an affordable alternative to COBRA coverage. For questions or additional information, call: