

## New Rule Requires Employers To Notify Laid-Off Workers Of ACA Insurance Option

Employers must inform laid-off employees that they are eligible to buy health-care coverage through new online insurance exchanges as an alternative to paying full premiums for their old employer policies, the Obama administration said Friday.

Under the Consolidated Omnibus Budget Reconciliation Act of 1985, or Cobra, workers who lose their jobs have long had the option of staying on their company insurance as long as they pay their share of the premium, as well as the share their employer had been paying for them.

Since employers often pay the majority of workers' premiums, the cost of continuing coverage often came as a shock to people, although some elected to bear the expense anyway because they needed to continue receiving care.

The Department of Labor and Department of Health and Human Services set new guidance for employers on Friday requiring them to tell workers who lose their employer-sponsored insurance about new options to get coverage on their own, as well as their eligibility for Cobra.

Under the health law, most Americans can buy coverage through the new online insurance exchanges for a defined period each year. Enrollment for 2014 coverage closed in the majority of states last month. People are allowed to sign up after the deadline, however, if they have life events that affect their insurance coverage, including a job loss.

Many people may consider getting coverage through the exchanges more advantageous than paying Cobra, since they could qualify for tax credits from the federal government to offset the cost of their premiums. The value of those tax credits is tied to their household income, and while unemployment compensation counts as income, the subsidies could offset the cost of the plan.

But others, who may want to stay with doctors and hospitals that aren't part of the networks of insurers selling on the new exchanges, could consider Cobra to be a preferable option.

Other rules released by the administration Friday included requirements for insurance plans to cover at least two tobacco-cessation attempts in each year.