

# Losing Job-based Coverage

If you lose your job-based health coverage, you have 2 main options for staying covered. You can buy an individual plan through the Marketplace. Or, you may be able to keep your employer's group health coverage for a limited time through a program called **COBRA continuation coverage**.

- **Option 1: Get an individual Marketplace plan.** If you leave your job for any reason and/or lose your job-based coverage, you qualify for a Special Enrollment Period and can choose to buy coverage from the Marketplace. You may qualify for a tax credit that can lower your monthly premiums and out-of-pocket costs (like deductibles, copayments, and coinsurance), depending on your household size and income. You'll have 60 days to enroll in the Marketplace from the time your coverage ends, which may or may not be the last day of employment. Keep any documents from your current coverage and effective dates—you may need them when you request a Special Enrollment Period.

**Note:** This option doesn't apply if you voluntarily gave up your job-based health coverage even though you stayed in your job.

## Applying for coverage through the Marketplace

You can apply for Marketplace coverage online at [HealthCare.gov](https://www.healthcare.gov) or by calling the Marketplace Call Center at **1-800-318-2596**. TTY users should call **1-855-889-4325**. When you apply, choose "No" when asked whether you currently have health coverage. When you apply, you'll also find out if you qualify for free or low-cost coverage through **Medicaid** or the **Children's Health Insurance Program (CHIP)**.

- **Option 2: Get COBRA coverage.** When you leave a job or lose your job-based coverage, you may be able to purchase your job-based health coverage (for you and your family members), usually for up to 18 months. This is called COBRA continuation coverage. With COBRA coverage, you usually have to pay the entire monthly premium yourself, plus a small administrative fee. Your former employer no longer pays any of your insurance costs, which means the premium is usually much higher than what you were paying before. You also won't be able to get a tax credit to lower costs on premiums and out-of-pocket costs that many people get through the Marketplace. COBRA coverage may be much more expensive than coverage through the Marketplace.

You generally won't be able to get a Marketplace plan outside of the Open Enrollment Period until your COBRA coverage has ended (usually after 18 months). If you voluntarily drop your COBRA coverage or fail to pay your COBRA premiums, you won't get a Special Enrollment Period through the Marketplace.

## Get covered to avoid the penalty

The law requires that you have **qualifying health coverage**, like job-based or Marketplace coverage. If you don't have health coverage, you may have to pay a **fee** when you file your taxes. You'll also have to pay all of the costs for your health care. If you get qualifying health coverage, you won't have to pay the fee for the months you have that coverage.

You have the right to get the information in this product in an alternate format. You also have the right to file a complaint if you feel you've been discriminated against. Visit <https://www.cms.gov/About-CMS/Agency-Information/Aboutwebsite/CMSNondiscriminationNotice.html>, or call the Marketplace Call Center at 1-800-318-2596 for more information. TTY users should call 1-855-889-4325.

