COBRA: Keeping Your Health Coverage When You Lose Your Job

A federal law called COBRA allows you to continue your employer health insurance when you experience a job loss or reduction in hours. The following questions and answers will help you understand your right to COBRA coverage.

I lost my job. Can I keep my health insurance?
COBRA lets you keep your health insurance even if you:
• Quit your job
• Lose your job
• Have your work hours cut back

New York State’s mini-COBRA law provides more generous protections. Together, the federal and state laws cover most workers.

What will it cost to keep my insurance?
You pay 102% of the premium for the plan: your share, your employer’s share, and a small fee for administration. You keep paying the same co-pays and deductibles.

COBRA is usually a better deal than buying insurance on your own on the individual market.

How do I sign up?
Your insurance plan must send you a notice if you qualify for COBRA. You must sign up for COBRA within 60 days. The notice says where to send the premium and how much it costs. Talk to your employer right away if you do not get that notice.

Can I switch to a cheaper plan?
Yes. Employers that offer a lot of plans at different premiums must let you switch to a cheaper plan during their regular open enrollment period.

How long can I keep my coverage under COBRA?
Everyone can keep this coverage for up to 18 months. Under a new law, most New York employers have to let you keep your COBRA coverage for up to 36 months.

COBRA coverage can also end if you:
• Become eligible for Medicare or get other coverage after your COBRA coverage starts
• Do not pay the premium on time

My wife still has insurance at her job. Should I just join her plan?
Your spouse’s employer has to give you a chance to enroll in their plan. Joining a spouse’s plan may be cheaper than paying for COBRA coverage.

What if my company went bankrupt?
You will not be able to get insurance through COBRA if the company you worked for went out of business or cancelled their health insurance coverage for everyone at the company.

What other options besides COBRA do I have?
You have the option to purchase a plan on the individual health insurance market, which may be more expensive than COBRA. There are also subsidized plans available such as Healthy New York or the Bridge Plan for those eligible.

If you decide to go without health insurance and need medical services, low-cost clinics are available and charge patients using a sliding scale based on income. Additionally, in New York State, most hospitals must provide financial assistance to qualified individuals for services at the hospital.

For additional information on COBRA and available options, contact the Community Health Advocates (CHA) helpline: 1-888-614-5400