

UNDERSTANDING YOUR PLAN COVERAGE OPTIONS UNDER THE American Rescue Plan Act of 2021 (ARPA)



Effective April 1, 2021, employees on furlough or part-time variable status will be eligible to continue their medical/vision and/or dental coverage under the Consolidated Omnibus Budget Reconciliation Act (COBRA) as part of the American Rescue Plan Act (ARPA). ARPA will provide a 100% COBRA premium subsidy for medical/vision and/or dental coverage through September 30, 2021, provided you are not eligible for other group health coverage* or Medicare.

COBRA

COBRA allows eligible employees to continue their current health insurance coverage for up to 18 months, at a cost of up to 102% of the total plan premiums. Your COBRA coverage will be at the same level as that offered to other participants under the plan; if you elect COBRA coverage, you will have the same rights as other participants under the plan.

The ARPA provides COBRA subsidies for assistance-eligible individuals** who lose coverage and become eligible for COBRA due to involuntary termination of employment or reduction in hours. Your COBRA packet will have information regarding your eligibility. The subsidies created by ARPA are equal to 100% of COBRA premiums.

COBRA subsidies are not available if you are eligible through another employer-provided plan (such as a spouse's plan) or Medicare. Assistance-eligible individuals are required to report to North Coast Administrators, the COBRA vendor, when they become eligible for other health care coverage, or they could face a fine of up to \$250 (or more in cases of fraud). If you are not eligible for the COBRA subsidies, there may be more affordable coverage options for you and your family through other group health plan coverage available in the Health Insurance Marketplace.

* Group health coverage is any medical insurance policy for employees or members of a company or organization.

** An assistance eligible individual is someone who, in the time period between April 1 and Sept. 30, 2021, is eligible for COBRA coverage due to an involuntary termination (other than for gross misconduct) or a reduction in hours and elects such coverage.

Health Insurance Marketplace

The Health Insurance Marketplace (also referred to as “the Exchange”) is available in every state to help individuals and families shop for and enroll in affordable, quality medical insurance. Visit www.HealthCare.gov or call **1.800.318.2596** for more information on your state's health insurance marketplace.

The ARPA eliminates the Affordable Care Act (ACA) subsidy cutoff if an individual earns more than 400% above the federal poverty level (FPL) (about \$51,520) by:

- Extending ACA subsidies to higher-income people who do not currently qualify for 2021 and 2022
- Increasing ACA subsidies for lower-income people who already qualify for ACA subsidy for 2021 and 2022

The amount you pay would be limited to 8.5% of your income, as measured by the Exchange. When you fill out a Marketplace application, you'll find out how much you would save if you enroll in a medical insurance plan. You'll also learn if you qualify for Medicaid and the Children's Health Insurance Program (CHIP).

