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What You Can Do If You Lose Your Health Insurance Coverage

In these economic times, some Marylanders are losing their jobs, and as a result, their health insurance coverage. Here are some options that you may want to consider if you lose your health insurance coverage:

Option 1:

If you lost your health coverage because you were terminated or your hours have been reduced, you may be able to obtain coverage through your spouse if you are married, or a parent if you are a dependent. Eligibility depends upon the reason for your termination, whether your spouse or parent is eligible for coverage under his/her employer's plan, and whether Maryland's Continuation Coverage Law (see "Option 3") or the federal COBRA law (see "Option 2") applies. There are also strict time deadlines—some may be as short as thirty days – for enrolling. Your spouse or parent should check with the human resources department of his/her employer to find out if you and your family are eligible, what time deadlines apply and how to enroll.

Option 2:

If you are enrolled in your employer's group plan, you may be able to continue your existing coverage under COBRA, which is a federal law. COBRA only applies to employers with 20 or more employees. Additional information about COBRA is available at www.dol.gov.

Option 3:

You may be able to continue your group coverage under Maryland's Continuation Coverage Law. These laws apply to employers of any size, including those with 20 or fewer employees, if the group policy is a Maryland contract and is not self-funded. Check with your human resources department to find out if your policy was issued and delivered in another state or is self-funded.

Under Maryland law, you are eligible for continuation coverage if:

- You quit your job voluntarily, or you are involuntarily terminated, but not for cause;
- You were covered under the group health plan for at least 3 months before termination; and

- You are a resident of Maryland.

You must notify your employer as soon as possible if you want to continue coverage. Your employer is required by law to supply you with an election notification form within 14 days of your request. You must complete, sign, and return this form to your employer within 45 days of your termination.

You should carefully read your certificate of coverage to learn more about continuation options. There are some important differences between Maryland law and COBRA.

Option 4:

You may also be able to obtain an individual conversion policy without regard to your health status. This policy may not include all of the benefits you had under your group policy and may be more expensive than group coverage.

Option 5:

You may purchase an individual health insurance policy. You should consider your needs and budget carefully before applying for a policy. Policies offer different deductibles, coinsurance, copayments and out-of-pocket maximums for different monthly premiums. A list of carriers offering individual policies is available on the Maryland Insurance Administration's (MIA's) website, www.mdinsurance.state.md.us or by calling the MIA at 800-492-6116.

When you apply for individual health insurance, you will be asked questions about your health. Be sure to answer all the questions on the application and to answer these truthfully. If the insurer finds out later that you had a medical condition that you did not tell them about on the application, they can rescind your policy and take back the money that they have paid on your behalf, leaving you with unpaid claims.

If a health insurer denies you or a family member coverage because of a health condition, you or your family member can enroll in the Maryland Health Insurance Plan (MHIP). For more information about MHIP, visit MHIP's website, www.marylandhealthinsuranceplan.net or call 888-444-9016.

For more information on what you should consider when purchasing an individual policy, refer to *A Consumer Guide to Health Insurance*, available on our website at www.mdinsurance.state.md.us/sa/documents/CGHealth-10-08-web.pdf.

Option 6:

Depending upon your age and health status, you may also qualify for Medicare. Medicare is the federal health insurance program for people age 65 or older, people under 65 with certain disabilities, and persons of any age who have End-Stage Renal Disease. Enrollees may choose between the "Original Medicare Plan" and "Medicare Advantage Plan." For additional information about Medicare, including premium rates and specific services covered, view the federal government's consumer guide, "*Medicare & You*" on its website, www.medicare.gov or call 800-633-4227 to request a copy of the Guide.

Option 7:

Depending upon your household income, you may be eligible to receive benefits under Medicaid or Maryland's Medical Assistance Program. Maryland's Medical Assistance Program is a government-funded health insurance program for people with limited income and people with disabilities who meet income-sensitive eligibility guidelines and other criteria. If you receive benefits under Supplemental Security Income Program (SSI) or Temporary Cash Assistance (TCA), you are automatically enrolled in Medicaid. Otherwise, you must apply. You must show that you are income-eligible and:

- a. 65 years or older; or
- b. disabled; or
- c. blind; or
- d. under 21 years old; or
- e. caring for a related child in your home; or
- f. pregnant; or
- g. the parents of an unmarried child under 21.

Because countable income is not the same as your actual income, determining whether your income qualifies is a complicated process. Thus, the Maryland Department of Health and Mental Hygiene (DHMH) advises that if you think you may qualify for Medicaid, you should apply and a caseworker will determine whether you meet the eligibility requirements.

For those who qualify, the state also offers a prescription plan called "Maryland Medicaid Pharmacy Plan."

To find out more information, contact your local department of social services or your local health department. You may also contact the DHMH Recipient Relations Hotline at:

410-767-5800

800-492-5231

www.dhmh.state.md.us

Option 8:

If you are pregnant and have a newborn child, or have a child age 19 or younger, you may be able to obtain coverage through Maryland's Children's Health Insurance Program (MCHIP). Through this program, participants receive Medicaid (also known as Maryland Medical Assistance) benefits.

For more information about MCHIP and Maryland's Medical Assistance, visit the DHMH's website at www.dhmh.state.md.us; the contact information for your local department of social services is also available on this website. You may also contact the DHMH Recipient Relations Hotline at 410-767-5800 or 800-492-5231.

Option 9:

The State of Maryland has also developed a program to assist families with limited income obtain health care. To find out whether you are eligible for this program, contact the Department of Health and Mental Hygiene at 800-456-8900 or visit their website at www.dhmh.state.md.us/ma4families.