

What If You Are Insured Through Your Job and You Leave?

If you leave a job where you have had employer-sponsored health insurance, you will want to ensure that you have continued protection against the high costs of health care. Whether you leave the job on your own or you are forced to leave, there is a Federal law that may help you to maintain coverage.

Under the Consolidated Omnibus Budget Reconciliation Act of 1985 (commonly known as COBRA), group health plans sponsored by employers with 20 or more employees are required to offer continued coverage for you and your family for 18 months after you leave the job. In some cases, the COBRA period may be extended past 18 months. In order to continue your coverage under COBRA, you must notify your employer that you intend to do so within 60 days of losing your employer's health coverage. You also must pay the entire premium for the cost of the coverage.

Some States have laws similar to COBRA that apply to employers with fewer than 20 employees. To find out if this applies in your State, contact your State Insurance Commissioner. Check the blue pages of your local phone book for contact information.

If COBRA doesn't apply in your case, you may be able to convert your group policy to individual coverage. Or, you may decide to purchase a short-term policy if you plan to take another job in the near future. If you open your own business and become self-employed, you may be able to obtain health insurance through a trade or professional association.