

views you can use



By Paul Breslau

Insurance & Benefits

Unemployment and Health Insurance

Reportedly five and a half percent of the United States is now unemployed. Hopefully, you are not in this rising demographic. Some of us are in ownership, management, or HR positions responsible for employee terminations. More of us have a spouse, child, parent, or friend who has been, is, or will be laid off. Finally, we are all impacted by cost shifting and other economic impacts of unemployment that are subtle, complicated, and pernicious. This article focuses on simple health insurance aspects of unemployment.

Individual Approach

My personal employment termination occurred three recessions ago. After fifteen years at a 45,000 employee insurance company, I was laid off with thousands of others. You could have started a leading insurance company with the talent in the outplacement center. However, we all evaluated our individual situations and went our separate ways.

Now, we hear of major Arizona employment reductions at technology, construction, and other employers. Thousands more quietly join the ranks from small and mid-size employers as well as from government and non-profit organizations.

Here is a recommended sequence each terminating individual might take regarding health insurance. The first step is to have the person with the need for health insurance take stock of their

personal situation.

Evaluate Yourself

The route people take on health insurance is highly personal. Evaluate your situation and communicate it with people trying to help you. Three big questions: 1. Are you (and family) in good health? 2. Will you find a new job, marry, or turn 65 soon? 3. What are your age and sex and family status?

COBRA – Guarantee Issue

Your next step is to contact the person responsible for health insurance at your soon-to-be former employer. COBRA may be an option if your employer had 20 or more employees for the majority of the preceding calendar year where you can continue your insurance at your own expense. The older and sicker you are, the more likely you will benefit from COBRA. Younger and healthier people will benefit from other options.

If COBRA is not an option, or you have exhausted COBRA, then Guarantee Issue is an expensive option for ill people. Families can be split so one can take COBRA or HIPAA and the others in the family can follow a less expensive route outlined below.

Short-Term Health (STH)

If you will find employment with health insurance or become insured in another manner, then STH insurance is an excellent option. "Individuals and families

can be insured immediately for up to a year," according to Brand Bonsall, District Manager at Assurant. "Premium savings can be hundreds of dollars each month. Enrollment is easy with minimal underwriting."

"On a major layoff, the employer is obligated to present COBRA, but in many instances Short Term Health will be the best and most affordable option," continues Brand. "If you, the terminating employee, cannot find this option, call (602) 667-3006 x5320 or e-mail brand.bonsall@assurant.com and be connected with an agent who offers Assurant and other STH options. HR staffs are also welcome."

Individual Family Health Insurance

Those to be self-employed, retired early, 1099 contractors, or otherwise without future health insurance will need a more permanent solution. Your next step is to consider an individual or family policy.

"Most health insurance companies offer an array of health insurance policies to the public," advises Jeremy McCoy, HumanaOne Account Executive. "People are looking for alternatives to their employer benefits to fit their family budget."

"There are Arizona insurance agents that specialize in health insurance. If you cannot find one, please call (480) 515-6422 or e-mail jmccoy@humana.

com and be connected with an agent who can offer you HumanaOne and other options.”

Government Health

A concurrent step for everyone is to consider the many government programs that offer health insurance. Here are some links to research:

AHCCCS - www.azahcccs.gov

KidsCare - www.azkidsicare.gov

Veterans - www.va.gov/health

Indian Health - www.ihs.gov

Medicare - www.medicare.gov

Pre-Panic

Panic is the last step that few people reach. Prior to that extreme, consider getting health insurance by starting a business, getting married, moving to Canada, or getting a job. In the event that none of these are reasonable, other steps include getting a low-cost Health Savings Account policy with a high deductible. If you have illness, a limited benefit policy may be your solution. Again, contact Brand or Jeremy to be connected with agents who can help with these products.

Green and Feedback

One problem is there are too many layoffs and uninsured people with not enough health agents to help. The health insurance industry is moving online and automating the steps above may be possible. Be green! There is no reason to drive. ■

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