



## Health Plan Options for COVID-19 Business Disruption Frequently Asked Questions

Updated: March 16, 2020

Governor DeWine recently announced policies suspending or modifying business operations to help stem the spread of COVID-19. In light of this announcement, we know your groups will have questions regarding continuing health insurance coverage for their employees. To assist you, Medical Mutual has prepared the following FAQ.

- Q. My plan is fully insured. If I lay off part of my workforce in response to the COVID-19 crisis, can the company continue to cover those employees?**
- A. Yes. Through May 31, 2020, Medical Mutual is relaxing its requirement that employees be actively working to be eligible for coverage and will allow you to cover laid-off employees, as long as you pay the monthly premium. Please note that you must offer this coverage on a uniform, non-discriminatory basis. In other words, you may not choose only certain people for whom you continue to pay premium.
- Q. My plan is fully insured. If I have to lay off my entire workforce in response to the COVID-19 crisis, can the company continue to cover those employees?**
- A. If one person remains employed by the company and covered by the plan, e.g. the owner or a management employee, the company can continue to cover laid-off employees as long as premium is paid. Please note that you must offer this coverage on a uniform, non-discriminatory basis. In other words, you may not choose only certain people for whom you continue to pay premium.
- Q. If I lay off a significant part of my workforce today, will coverage extend until the end of the month?**
- A. If premiums have been remitted for the month of March, coverage will continue through the end of March.
- Q. If my group's enrollment drops by more than 10% as a result of the COVID-19 situation, will my rates/premiums be subject to change?**
- A. Through May 31, 2020, if the loss of enrollment is a result of the COVID-19 situation, rates and premiums will not be adjusted.
- Q. What about continuation coverage if my plan is fully insured?**
- A. If your group is subject to COBRA, as long as one person remains actively employed, employees may elect to continue coverage under COBRA under the normal notice and election procedure. If the plan has no active employees, the plan is terminated and COBRA is not an option. In that case, employees would have a special enrollment period to enroll in individual coverage or could purchase a short-term plan that is subject to medical underwriting.

If your group is not subject to COBRA (for example, it employs fewer than 20 people), as long as one person remains actively employed, employees may elect to continue coverage under Ohio's state continuation statute for up to twelve months. Small employers should notify laid-off employees of this right at the time they are laid off. If the plan has no active employees, the plan is terminated and continuation is not an option. In that case, employees would have a special enrollment period to enroll in individual coverage or could purchase a short-term plan that is subject to medical underwriting.

**Q. My plan is self-insured. If I lay off part of my workforce in response to the COVID-19 crisis, can the company continue to cover those employees?**

A. Yes. If Medical Mutual is your stop loss carrier, as long as you continue to pay administrative fees and claims costs, along with your stop loss premium, you may continue to cover laid-off employees even though they are not actively at work. Please note that you must administer the plan on a uniform, non-discriminatory basis. In other words, you may not choose only certain people for whom you continue to pay claims. If Medical Mutual is **not** your stop loss carrier, you should check with your stop loss carrier about covering laid-off employees who are not actively at work.

**Q. My plan is self-insured. If I have to lay off my entire workforce in response to the COVID-19 crisis, can the company continue to cover those employees?**

A. Yes, as long as one person remains actively employed by the group. If Medical Mutual is your stop loss carrier and you continue to pay administrative fees and claims costs along with your stop loss premium, you may continue to cover laid-off employees even though they are not actively at work. Please note that you must administer the plan on a uniform, non-discriminatory basis. In other words, you may not choose only certain people for whom you continue to pay claims. If Medical Mutual is **not** your stop loss carrier, you should check with your stop loss carrier about covering laid-off employees who are not actively at work.

**Q. What about continuation coverage if my plan is self-insured?**

A. If your group is subject to COBRA, as long as one person remains actively employed, employees may elect to continue coverage under COBRA under the normal notice and election procedure. If Medical Mutual is **not** your stop loss carrier, you should be sure to check with your stop loss carrier about any rules it may have regarding minimum enrollment of active employees for stop loss coverage.

If the plan has *no* active employees, the plan is terminated and COBRA is not an option. In that case, employees would have a special enrollment period to enroll in individual coverage or could purchase a short-term plan that is subject to medical underwriting.

**Q. If I have to terminate coverage for my employees in the middle of a month, will I receive a refund of my premium for the rest of the month?**

A. While your contract states that Medical Mutual will not refund a partial month's premium, given the gravity of the current situation, we will refund the proportional amount of premium should you terminate your coverage before the end of the month.

**Q. My plan is self-insured with 100+ employees. If I have to lay off a significant portion of my workforce in response to the COVID-19 crisis, will I need to change to a fully insured arrangement?**

A. No, as long as the layoffs are temporary in response to the COVID-19 crisis.

**Q. Will renewal rate actions be delayed as a result of the COVID-19 situation?**

A. No. Medical Mutual is fully operational, so renewals will be released on a timely basis. However, payment plans are being offered to assist customers on an as-needed basis.

**Q. In light of the COVID-19 crisis, can I get a grace period extension on paying my premium?**

A. Yes. Medical Mutual is offering to extend the grace period for your next monthly premium payment by 30 days. With this extension, delinquency notices will be suspended and your coverage will not be interrupted. To extend your payment grace period, please call 1-800-384-2184 to speak with a payment specialist who can process your request and answer any questions you may have.

**Q. Is Medical Mutual able to offer help to employees who are losing their health insurance coverage after being laid off?**

A: Medical Mutual can offer individual short-term and ACA-compliant health insurance plans to those who have been laid off. Interested individuals should contact 1-844-606-5393 to speak with an advisor who can assist. They can also visit [MedMutual.com](http://MedMutual.com) to apply directly.

**Q: How soon will coverage be effective for those who enroll in an ACA-compliant plan?**

A: For plans sold on the federal exchange (the marketplace), government rules require coverage take effect the first of the next month. For off-exchange policies, Medical Mutual will waive the normal special enrollment period procedures and allow applicants to obtain coverage, effective the day after the loss of their employment. Please note that premium subsidies may be available for plans purchased on the federal marketplace. Premium subsidies are not available for off-exchange plans.

**Q How soon will coverage be effective for those who enroll in a short-term plan?**

A: Short-term plans can be effective the day after application submission provided the applicant passes underwriting.

**Q If the member has met or paid a portion of their deductible under their group coverage, will Medical Mutual apply a credit to their new individual plan deductible based on what they have already spent during the year?**

A: Yes, but only if the member's previous coverage was under a Medical Mutual group plan. If the member had coverage under another carrier, they can still enroll in a Medical Mutual individual plan, but they will start their new plan with \$0 applied toward the deductible.

**Q. Will employees who are laid off temporarily as a result of COVID-19 concerns be permitted to rejoin the plan without a waiting period when they return to work?**

A. Yes. There will be no waiting period for current employees who are rehired by May 31, 2020. New hires are subject to any waiting period the plan requires.