

HEALTH

COBRA health insurance subsidy expiring

BY TONY PUGH

WASHINGTON — Just before Don Hall and his family left town for Thanksgiving, the laid-off manufacturing supervisor from Castalia, Ohio, wrote a \$763.81 check to his health insurance company for his December payment.

He'd paid \$237 in November, but the big increase wasn't due to rising health costs or a catastrophic illness — and it wasn't an isolated incident.

Hall, 56, is among an estimated 7 million unemployed Americans who get a federal subsidy to help them buy health insurance under legislation known as the Consolidated Omnibus Budget Reconciliation Act.

For workers who are laid off or downsized between Sept. 1, 2008, and Dec. 31, 2009, the COBRA subsidy pays 65 percent of their job-based health insurance premiums for nine months.

That subsidy, however, expires Monday for Hall and thousands of others who began receiving it in March, when it first became available as part of the American Recovery and Reinvestment Act.

Unless Congress moves swiftly to extend the benefit, millions of other jobless Americans will experience the same sticker shock when they exhaust their subsidies and must pay full health insurance premiums, instead of just 35 percent.

With the subsidy, job-based coverage averages \$398 per month for families and \$144 for individuals, according to the Kaiser Family Foundation.

Without it, insurance premiums average \$1,137 for a family and \$410 for an individual.

Don't drop it Because of the uncertainty about whether Congress will extend the COBRA subsidy, Phil Lebherz, the executive director of the Foundation for Health Coverage Education, urges jobless workers not to drop their COBRA coverage until they've been approved for another plan. Even if you have to pay the higher premiums for a few months, it's better to do so, he said, because once you miss a COBRA payment for a month, you're dropped from the plan and can't rejoin it. The foundation offers a national uninsured help line at 800-234-1317. — McClatchy