

From the Desk of

Larry Grudzien
ATTORNEY-AT-LAW

Health Reform - COBRA Coverage and Enrollment in Marketplace Coverage

May 8, 2014

Question: If someone voluntarily disenrolls in COBRA during open enrollment, are they eligible for subsidies in the Individual Marketplace?

Answer:

During Marketplace open enrollment, a person can voluntarily drop their COBRA coverage and get a Marketplace plan instead, even if their COBRA hasn't expired. They also may be determined eligible for credits and subsidies in this case.

Outside of Marketplace open enrollment, if a person's COBRA expires, they would qualify for a special enrollment period and may be eligible for credits and subsidies. If they are voluntarily dropping coverage outside of Marketplace open enrollment (their COBRA has not yet expired), they would not qualify for a special enrollment period.

Remember, during the next open enrollment period or when their COBRA expires, they could enroll in a QHP and may be eligible for credits and subsidies.