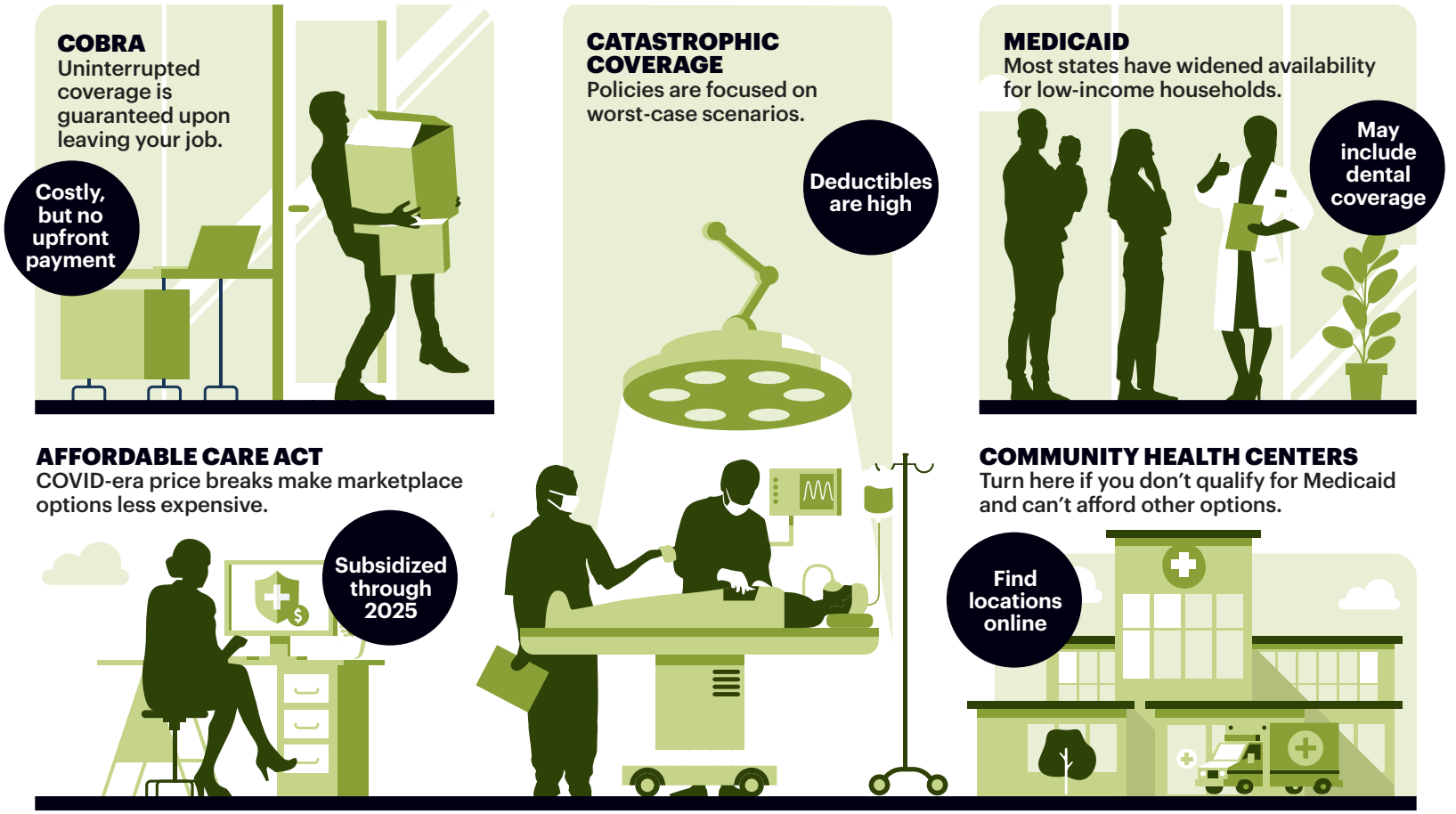
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HOW TO BUY YOUR OWN HEALTH INSURANCE

If Medicare isn't an option, you have other choices

BY **MARGIE ZABLE FISHER**

Some 3.4 million Americans over age 55 left the labor force during the pandemic, according to Goldman Sachs research from November 2021.

Many of those workers have something in common: a sudden need for health insurance.

The stakes are high. Health care needs can be substantial at this age, and many workers have a spouse and children on their plan. It's no surprise that roughly 1 in 4 Americans ages 50 to 64—too young for Medicare—regard health care costs as a major financial burden, according to a recent West Health–Gallup survey.

If you have a spouse with access to employer-provided health insurance, your best solution is usually to join that policy. Otherwise, the market beckons. One bright spot: Affordable Care Act (ACA) plans have gotten more affordable for many people.

Should you be too young for Medicare and not have an employer-sponsored plan you can sign up for, here are alternatives.

COBRA

If you've had health insurance through your employer and you quit, get fired or are laid off, you may qualify for 18 more months of coverage through the 1985 law known as COBRA. The law, which applies to businesses with 20 or more employees and to state and local governments, guarantees continued coverage.

Under COBRA, however, you have to pay the full monthly premium—both your contribution and any share that your employer may have paid. That can be a lot. "COBRA coverage is often cost-prohibitive to many people," says Howard M. Zimmerman, an independent insurance agent with MarketPlace Insurance Agency in Boynton Beach, Florida.

If you use COBRA, however, you don't have to pay a premium up front. In normal times, you can wait up to 60 days after your employee coverage expires to sign up for COBRA, and then wait up to 45 days more to start paying a premium; your COBRA coverage will be considered effective the day after your employee coverage expired. Currently, as long as COVID-related employee benefit relief remains in effect, you have even more time to sign up and pay—at least a year. But if you need coverage for care, you'll have to pay premiums going back to when you lost your employee coverage—maybe several months' premiums at once.

ILLUSTRATION BY **NICOLAS RAPP**



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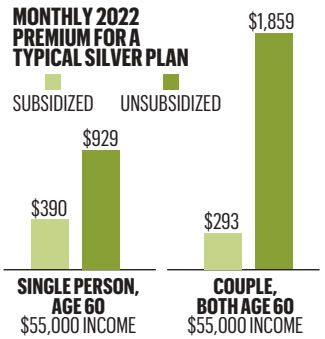
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AFFORDABLE CARE ACT

Last year, 7 million people over 45 signed up for ACA insurance during its open enrollment period, up from 6 million the previous year, according to the Kaiser Family Foundation.

ACA insurers are required to cover pre-existing medical conditions and to provide several types of preventive care for free, including vaccinations. ACA insurers also have to provide coverage for participants' dependent children up to age 26.

Another appeal of ACA plans: lower premiums for many people with limited incomes. Households with income up to four times the federal poverty level (which the government sets annually, and which varies by household size) qualify for premium discounts.



SOURCE: KFF HEALTH INSURANCE MARKETPLACE CALCULATOR

Bigger discounts, introduced in 2021 in response to COVID, are now available through 2025. And households with incomes above the income cutoff ($69,680 for a two-person household in the contiguous U.S. in 2022) may qualify for discounts too, depending on their income and local insurance prices.

To view your ACA options and sign up, start at the government's healthcare.gov website. While you can buy an individual plan directly from an insurer or work with a licensed agent in your state, going through healthcare.gov has its advantages. You have to buy through the ACA or state-run marketplaces in order to receive any discount or subsidy you're due. And you're guaranteed that any plan you buy through the marketplace meets certain important standards. A non-ACA plan might be cheaper but also have skimpier coverage.

Open enrollment for 2023 ACA plans runs from Nov. 1 through Jan. 15, with a Dec. 15 deadline for coverage beginning on New Year's Day. You can also sign up within 60 days of what's known as a qualifying life event, such as losing other health care coverage or moving to a new location. To see the discounts you might qualify for, check out kff.org/interactive/subsidy-calculator.

MEDICAID

Since 2014, Medicaid, the federal health insurance program for low-income Americans, has become more widely available to people under 65. Each state now has the option to offer Medicaid to adults with incomes of up to 138 percent of the poverty level—currently putting the Medicaid income cutoff at about $18,750 for a single person in the contiguous 48 states and $25,250 for a couple. Previously, Medicaid was typically not available to people under 65 unless they were disabled adults or adults with minor children. Now, following implementation by Missouri and Oklahoma in 2021, expanded Medicaid is available in 38 states and the District of Columbia.

If your state has expanded Medicaid, which may even include dental coverage, you can use KFF's subsidy calculator to see if you qualify, and you can sign up for Medicaid throughout the year at healthcare.gov.

CATASTROPHIC COVERAGE

As the name indicates, catastrophic health insurance is designed to cover big expenses, not most routine care. Deductibles are high—generally from $7,000 to $10,000, Zimmerman says. Once you've spent the deductible amount on qualifying expenses, all of your necessary medical care should be paid for. "This makes the most sense for people who are relatively healthy and just want coverage in case something major happens, like a hospitalization, that could wipe out their savings," he adds.

Catastrophic coverage is available from private insurers directly or through the ACA marketplace. To get personalized advice, look for a licensed, independent agent who represents several insurance carriers; one place to start is at healthcare.gov/find-assistance.

COMMUNITY HEALTH CENTERS

Finally, if you don't qualify for Medicaid and can't afford a health plan, you can get low-cost primary care through community health centers. Located throughout the U.S., they get most of their funding from Medicaid and grants from the federal government and other public and private sources. Expect to pay fees on a sliding scale based on your income. To find a location, enter your zip code at findahealthcenter.hrsa.gov. ■

***Margie Zable Fisher** writes about personal finance and business for* The New York Times, Business Insider *and other media outlets.*

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