



How to Keep Insurance When You've Lost Your Job

The Georgia Association of Educators made you a promise. When you became a GAE member, we promised to be with you every step of the way. That's a promise we aim to keep.

As you know, our school systems have been hit hard with unprecedented budget cuts. And now, to make ends meet, local systems are forced to lay off staff. Thousands of talented and dedicated education professionals are now facing unemployment. To help with this transition, GAE has pulled together some basic resources.

What about my health insurance?

"I'm losing my job AND my insurance. It's a double hit. What can I do?"

You may be able to find some help through COBRA. For now, COBRA can help you **maintain insurance coverage** for yourself and your family—and at a reduced rate. Here's the scoop:

COBRA is a federal law that provides rights to continued health insurance benefits under the Consolidated Omnibus Budget Reconciliation Act of 1986 (COBRA). **COBRA allows certain individuals to extend employer-based health coverage at their own expense** if they would otherwise lose that coverage due to events such as a loss of a job.

The American Recovery and Reinvestment Act of 2009 (ARRA), or federal stimulus package, provides premium subsidies for eligible individuals to obtain health coverage under COBRA. That means, **you'll pay only 35 percent of your COBRA insurance premium**, while the remaining 65 percent is reimbursed to the coverage provider through a tax credit. **This subsidy lasts for up to 15 months.**

Eligibility for these premium subsidies has been extended to cover actual involuntary separation from employment occurring as late as May 31, 2010. According to the current law, individuals who are involuntarily terminated from employment from September 1, 2008 through May 31, 2010, and who timely elect coverage under COBRA may be eligible for the subsidy. *That's good news.*

The bad news: If you have been notified about a layoff, but you will not actually separate from employment until sometime after May 31, 2010, you will NOT be eligible for this insurance subsidy. Regardless of when a layoff is announced, the event that triggers eligibility for the subsidy is the ACTUAL involuntary separation from employment.



How do I apply for COBRA?

You shouldn't have to apply. At the time of separation, your school district is required to notify you of your COBRA rights.

How long will the COBRA subsidy last?

Under current law, you're eligible to pay the reduced rate of 35 percent for up to 15 months.

Find out more about COBRA. Follow these links:

[U.S. Department of Labor](#)

[Internal Revenue Service](#)

[Q&A with the IRS about the COBRA subsidy and "involuntary termination"](#)

(Be sure to check out Q&A #1!)

Even in these tough economic times, many districts are still planning to rehire educators or hire new educators. In the event you leave your current school system and move on to a new one, be sure to transfer your coverage by completing a new membership form. Secure your legal protection and benefits by maintaining your active membership in GAE. Although GAE is a statewide organization, each school system has its own payroll process. Contact the Association Representative (AR) in your building or [your local UniServ Director](#) for more details. You can also call the appropriate GAE Service Center for assistance.

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www.voicesforrealchange.org.**

"We're the faces on education's front line.
We exist to support, protect, and strengthen those who nurture Georgia's children."