



Lost a Job or COBRA Ending – Your Coverage Options

Losing employer coverage — or reaching the end of COBRA — is a qualifying event. You usually have a limited window to enroll in new coverage without waiting for Open Enrollment. Act before the gap starts.

This Usually Opens a Special Enrollment Period (SEP)

- Loss of job-based health coverage (including for a spouse or dependent on the plan)
- COBRA coverage ending (the end of the COBRA period itself is a qualifying event)
- Reduction in hours that causes loss of eligibility for the employer plan
- You generally have 60 days from the loss of coverage to enroll in Marketplace coverage

Your Main Options

- Marketplace (ACA) plan — often the best value if you qualify for premium tax credits based on income
- COBRA — continue the employer plan for a limited time; you usually pay the full premium plus a fee
- Spouse's employer plan — if available and you're eligible to join under their rules
- Short-term coverage — temporary bridge only; not ACA-compliant and may exclude pre-existing conditions
- Medicaid — if household income is low enough under your state's rules

COBRA vs Marketplace – Quick Comparison

- COBRA keeps the same doctors and benefits — but the cost is often much higher (full premium + up to 2%)
- Marketplace plans may offer lower net cost if you qualify for tax credits — network and benefits will differ
- You can compare both during your SEP; choosing one does not always lock you out of the other forever
- When COBRA ends, that ending date itself can trigger another Marketplace SEP

IMPORTANT – Timing Matters

- Marketplace SEP is typically 60 days from the date you lose coverage — don't wait until COBRA runs out to explore options.
- A coverage gap can mean unpaid claims and, in some cases, difficulty getting back into coverage mid-year.
- If you're 65 or older, also ask about Medicare eligibility — job loss can affect Part B timing.

Simple Action Steps

1. Confirm your coverage end date in writing from the employer or COBRA administrator.
2. Estimate household income for the rest of the year (needed for Marketplace tax credits).
3. Compare COBRA cost vs Marketplace net cost after any premium tax credit.
4. Enroll before the SEP deadline so your new coverage starts when the old coverage ends.
5. Call HUGS — we can run the numbers and walk you through the application.

HOW HUGS CAN HELP

We help you compare COBRA vs Marketplace options, estimate tax credits, and enroll during your SEP so you don't face a gap. At HUGS we have no greater joy than to hear that our clients are walking with confidence.