

Health Plan Options for COVID-19 Business Disruption

FREQUENTLY ASKED QUESTIONS



On March 20, 2020, the Ohio Department of Insurance (ODI) released Bulletin 2020-03. It provides guidance about flexibility in insurance coverage for Ohio employees impacted by the coronavirus disease 2019 (COVID-19). Once the state of emergency expires, the Bulletin will no longer be valid. Gov. DeWine declared the emergency on March 9, 2020.

FULLY FUNDED COMMERCIAL PLANS

Q. If we lay off part of our workforce because demand had decreased for business during the COVID-19 pandemic, can we continue to cover these employees?

A. Yes. The Ohio Department of Insurance has released guidance allowing Paramount to offer a temporary waiver for the requirement that employees must be actively employed and working to be eligible for insurance. This allows fully funded commercial plans to continue coverage for employees who have been laid off because of decreased demand – as long as employers offer continued insurance to all laid-off employees in a consistent and non-discriminatory basis.

Q. Can we lay off our entire workforce because demand has decreased for business during the COVID-19 pandemic and continue to cover them?

A. No. One person must remain employed and covered by the plan to be able to continue coverage for individuals who are temporarily laid-off.

Q. Will Paramount adjust our rates if enrollment drops because of the COVID-19 crisis?

A. No. We will not adjust rates based on a group's decreased enrollment or participation due to COVID-19.

Q. What alternatives are available for employees if we lay them off and we are unable to continue to afford the premium?

A. For employers who employ 20 or more employees, as long as one person remains actively employed, eligible employees may elect to continue coverage under COBRA under the normal notice and election procedures.

For employers who employ fewer than 20 people, as long as one person remains actively employed and enrolled in the plan, eligible employees may elect to continue coverage under state continuation coverage for up to 12 months.

If no active employees remain covered under a plan, COBRA and continuation coverage are not options. However, employees will be eligible for a special enrollment period.

Q. Will renewal rate actions be delayed because of the COVID-19 pandemic?

A. No. Paramount is fully operational. Renewals will be released on a timely basis.

Q. In light of COVID-19, can we have extension on paying our premium?

A. Yes. Premiums can be deferred, interest free, for 60 days. With this extension, delinquency notices will be suspended and coverage will not be interrupted. If you have questions, contact your Paramount sales rep.

Q. Is Paramount able to offer help to employees who are losing their health insurance coverage after being laid off?

A. Paramount can offer ACA-compliant health insurance plans to those who have been laid off. For more information, individuals can visit www.getparamount.com or call 833-945-1655.

Q. When will coverage go into effect for those who enroll in an ACA-compliant health insurance?

A. For plans sold on the federal exchange (the marketplace), government rules require coverage to take effect on the first day of the next month. For off-exchange policies, Paramount will waive the normal special enrollment period procedures and allow applicants to obtain coverage, effective the day after the loss of their employment. Note: Premium subsidies may be available for plans that are purchased on the federal marketplace. Premium subsidies are not available for off-exchange plans.

Q. Will employees who are laid off temporarily as a result of COVID-19 be permitted to rejoin the plan without a waiting period when they return to work?

A. Yes. There will be no waiting period for employees who are called back. New hires will continue to be subject to the plan's established waiting period.

Q. How long will this flexibility in employee health insurance coverage last?

A. The rules will be in effect until the state of emergency declared by Gov. DeWine expires.

Q. Who can we call with additional questions?

A. Contact your Paramount sales rep or account manager.

IMPORTANT INFORMATION FOR SELF-INSURED EMPLOYERS

Please contact your stop-loss carrier for information about how they will handle the eligibility of your employees if the group experiences decreased enrollment or participation due to COVID-19. If Paramount is your re-insurer, additional information will be available soon.