

Health coverage after job loss: investigate your options before you get the ax.

By Roberson, Jason

When Byron Wesson of Dayton, OH, lost his job as a manufacturing engineer at Delphi Corp. after the automotive parts supplier outsourced Wesson's position to a plant in Mexico, he joined 1.3 million people left unemployed last year as a result of layoffs. He also

joined 46 million Americans struggling without health insurance. Currently residing in Dallas, his family gets by with a discount drug card from the neighborhood pharmacy, free health clinics, and, if necessary, the county hospital. "In the back of my mind, I know we're going to have to do something," says 47-year-old Wesson. "We're on borrowed time."

Experts say there's no quicker way to hamstring your finances than having an accident without health insurance. Forty-one percent of working-age Americans in 2007 were struggling to pay off medical debt, up from 34% in 2005, according to a report from The Commonwealth Fund, a New York City-based nonprofit studying healthcare policy. Between searching for jobs, learn your rights. For example, the Consolidated Omnibus Budget Reconciliation Act of 1985, also known as COBRA, extends health insurance coverage from your former employer. The Health Insurance Portability and Accountability Act of 1996 protects your family from discrimination because of pre-existing medical conditions. Wesson initially looked into COBRA coverage for his family, but continuing with Delphi's health plan under COBRA would have cost him \$2,000 a year. Unlike when you're employed, with COBRA you're paying the entire premium without the company's help.

"There are a lot of people out there who feel they have no options outside of COBRA," says Jo Ann Sporleder, director of Corporate Services for

UnitedHealthOne, an Indianapolis-based subsidiary of UnitedHealthcare. COBRA might be your best choice, but here are three other options:

* Health savings accounts: These plans help you save for future medical costs. However, HSAs are coupled with high-deductible plans carrying a minimum \$1,100 deductible for an individual or \$2,200 for a family.

* Co-pay plans: Co-pay health insurance requires a set fee for office visits and sometimes includes prescription drug card benefits. This plan might require you to choose from a pre-selected network of doctors.

* Short-term medical plans: These plans are ideal if you're beginning a new job, but they offer coverage only up to six months. And don't rule out government programs such as Medicaid and the State Children's Health Insurance Program, says Ankeny Minoux, president of the Foundation for Health Coverage Education, a San Jose, California-based nonprofit helping the uninsured access public health programs.

For example, a family of four in a two-income home where one parent is suddenly laid off can often qualify for the program, even if they earn up to \$63,000 a year, Minoux says. Another mistake is waiting too long to seek coverage. Among African American adults, 36% visited an emergency room for conditions that could have been treated if a doctor were available, compared to 19% of Hispanics and whites, according to The Commonwealth Fund.