June 11, 2020

Employers' help needed in push for COBRA Subsidies

Action Requested: Your Response Needed By Monday, June 22

Please have your company sign on to a broad stakeholder letter urging Congress to take immediate action to provide support for COBRA and similar continuation coverage to help those who have lost jobs (or who have been furloughed) as a result of COVID-19 to maintain their employer-provided health coverage.

Background

Millions of workers who have lost their jobs during the COVID-19 pandemic face the prospect of paying the full cost of COBRA health coverage, which, for many, will be unaffordable. The Kaiser Family Foundation recently estimated that nearly 27 million people could lose employer-based coverage and become uninsured following job loss.

The American Benefits Council, as part of its own advocacy agenda and as the leaders of the Alliance to Fight for Health Care – a diverse coalition of businesses, patient advocates, employer organizations, unions, health care companies, consumer groups and other stakeholders – is urging Congress to support workers and their families by helping them afford COBRA and similar continuation coverage. Congress has done this in the past – in 2002 and 2009 (and on a more limited basis last year). Certainly, job loss is far more significant now than during those prior periods.

On May 15, the U.S. House of Representatives approved the Health and Economic Recovery Omnibus Emergency Solutions (HEROES) Act (H.R. 6800), which would provide a 100% subsidy of health plan premiums from March 2020 through January 2021, for terminated workers enrolled in COBRA, as well as assistance for furloughed workers remaining on employer plans. The Senate has not taken up the legislation, and the prospects for further congressional action is unclear. Nevertheless, additional bipartisan COVID-19 response legislation is likely forthcoming before the August recess. It is now critical for the employer community to show strong support for COBRA funding to be included in the next phase of COVID-19 legislation. Congress needs to hear from more employers.

Sign-On Letter
The Council and the Alliance to Fight for Health Care seek your support on a broad stakeholder letter to Senate leadership urging Congress to help people keep their job-based health insurance by approving COBRA funding.

The letter urges Congress to “provide additional COBRA support and similar continuation coverage to help people pay for health insurance, as you did during the 2009 recession and for workers losing coverage due to trade adjustments in 2019,” to allow “millions of Americans to stay on the plans they like and want to keep.”

**Sign on Letter Urging COVID-19 COBRA Coverage**

If your organization would like to sign on, please fill out the form at the bottom of the letter. (Note: this is a "non-branded" letter that does not have a logo/letterhead at the top, just the signatures from the organizations at the bottom.) After you sign, please share it with other employers, organizations, and stakeholders.

*The deadline for signatures is Monday, June 22.*

**Contact the Council**

For more information on this issue or for assistance reaching out to members of Congress directly, please contact:

James Klein, president

Ilyse Schuman, senior vice president, health policy

Diann Howland, vice president, legislative affairs

Jill Randolph, senior director, legislative & political affairs