



# Summary

COMMITTEE ON EDUCATION & LABOR

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The Hon. Robert C. "Bobby" Scott • Chairman

## The Worker Health Coverage Protection Act

### **Full Premium Subsidies to Provide Continuity in Health Coverage for Workers**

- Provides up to 15 months of premium assistance to cover 100 percent of the health premiums owed by unemployed and furloughed workers.
- Assistance is available to workers in nearly all employment-based health plans, including private sector plans covered by ERISA, multiemployer plans, state and local government plans, and the Federal Employee Health Benefits Program.
- Workers covered by COBRA due to either involuntary termination or a reduction in hours and active workers who are subject to a furlough will be eligible for assistance.
- Applies to workers impacted by the economic damage caused by the COVID-19 crisis, beginning on March 1, 2020, and ending six months following the public health emergency.
- Subsidies will be available until an individual enrolls in another group health plan or in the ACA Marketplace, becomes eligible for Medicare, or their COBRA period or furlough ends.

### **Expanded Coverage Options for Workers**

- Workers who became eligible for COBRA prior to enactment will have an extended election period during which they may elect COBRA coverage. The individual will be treated as if they had been covered and eligible for subsidies as of the date of their qualifying event.
- COBRA-eligible and furloughed workers may enroll in alternative coverage through their job so long as it is not more expensive and the option is provided by the employer.
- A Special Enrollment Period will be available to allow workers to enroll in coverage through the ACA Marketplaces following the conclusion of premium assistance under the bill.

### **Improved Information for Workers**

- Requires clear and understandable written notices be provided to workers to fully inform them of their coverage options. These notices must include:
  - Information regarding the availability of premium assistance under both COBRA and furlough coverage.
  - Information regarding alternative coverage options, including the availability of subsidized coverage in the ACA Marketplaces.

- Timely warnings of the conclusion of premium assistance and the availability of the Special Enrollment Period for workers to transition to Marketplace coverage.
- The Secretary of Labor will develop a model to assist employers in meeting the notice requirements of the bill.

### **Support for Businesses**

- Employers and health plans will treat workers as having paid the full amount of the premium owed during the period in which the worker is eligible for subsidies.
- Full reimbursement for premiums waived will be available to the employer maintain a group health plan or to a multiemployer plan through a reduction or credit toward payroll taxes and wage withholdings.
- All trust funds established under the Social Security Act will be held harmless.

### **Worker Protections and Outreach**

- The Secretary of Labor and Health and Human Services will provide for expedited review of denials of premium assistance for both COBRA and furloughed workers. Cases must be decided within 15 days of being brought by a worker.
- Premium assistance under the bill will be disregarded for purposes of determining eligibility for any other public benefit under both state and federal law.
- The Secretary of Labor will conduct an outreach campaign to raise awareness to workers, employers, plan administrators, and others of the availability of premium reductions.