

SMALL EMPLOYER HEALTH COVERAGE DURING COVID-19

A BRIEF GUIDE TO HEALTH COVERAGE FOR INSURERS



On March 26, 2020, the Office of the Commissioner of Insurance (OCI) issued a [Bulletin](#) in response to the COVID-19 Public Health Emergency regarding the continuation of health care coverage for small group employers.

DO I HAVE ANY OPTIONS TO OFFER MY SMALL EMPLOYER CLIENTS WHO WANT TO MAINTAIN HEALTH INSURANCE FOR THEIR EMPLOYEES EVEN WITH REDUCED HOURS?

Yes. OCI has requested insurers to be flexible with restrictions, such as minimum average hours worked or minimum participation requirements, that better meet the employer's desire to maintain coverage for their employees.

CAN INSURERS OFFER HEALTH INSURANCE COVERAGE IF AN EMPLOYEE DOES NOT WORK MORE THAN 30 HOURS PER WEEK?

Yes. The statute is a minimum standard. Many employers choose to offer health insurance to part-time or seasonal employees. OCI encourages agents and insurers to work with employers that want to offer health insurance to their employees.

ARE EMPLOYEES WHO ARE FURLOUGHED OR HAVE WORK HOURS REDUCED REQUIRED TO REMAIN ON THE EMPLOYER'S HEALTH INSURANCE PLAN?

No. Some employees facing a loss or reduction of income may choose not to continue on the employer's insurance. The employee may be eligible for a special enrollment period and may find a better fit with alternative coverage. Insurers and licensed agents can assist those employees with viable, affordable options. Employees eligible for a special enrollment period may also find a plan on the federal Marketplace at [HealthCare.gov](https://www.healthcare.gov).

IF AN EMPLOYEE IS FURLOUGHED AND NO LONGER ELIGIBLE FOR EMPLOYER HEALTH INSURANCE COVERAGE, WHO PROVIDES THE NOTICE OF COBRA OR CONTINUATION RIGHTS?

Employers must provide the notice to the employees of their right to federal COBRA or Wisconsin continuation coverage. Employers must notify their insurer when an employee is furloughed and the insurer often provides a notice that must be given to the employee. An employee has 60 days from when they receive the notice to elect COBRA or a continuation, or seek coverage during a special enrollment period. More information on COBRA and Wisconsin continuation is contained in the OCI Fact Sheet at oci.wi.gov/Documents/Consumers/PI-023.pdf.

CAN AN AGENT OR EMPLOYER WORK WITH AN INSURER TO CONTINUE NOT ONLY HEALTH INSURANCE BUT ALSO DENTAL, VISION, OR PRESCRIPTION DRUG COVERAGE THAT WAS OFFERED AS SEPARATE POLICIES?

Yes. When an employer is aware that they will need to reduce their workforce, they can work with the insurer or with the assistance of an agent, facilitate continuing not just health insurance but also dental, vision and prescription drug coverage.

ARE THERE ANY SPECIAL CONSIDERATIONS RELATED TO COVID-19?

The U.S. Department of Labor's Wage and Hour Division (WHD) has published guidance to provide information to employees and employers about how each will be able to take advantage of the protections and relief offered by the Families First Coronavirus Response Act (FFCRA) when it takes effect on April 1, 2020. You can find guidance for employers here and important questions and answers [HERE](#).

