

[Spencer's Benefits: What's New, Ohio issues guidance on health insurance, allows employers grace period for premiums during state of emergency, \(Mar. 26, 2020\)](#)

Spencer's Benefits: What's New

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The Ohio Department of Insurance has issued guidance in Bulletin 2020-03 that sets forth several requirements for health insurance companies in light of Ohio's state-of-emergency declaration due to the COVID-19 virus.

Employee eligibility. Insurers must permit employers to continue covering employees under group policies even if the employee would otherwise become ineligible due to a decrease in hours worked per week. Insurers are required to permit employers to continue providing coverage to employees under group policies regardless of any "actively at work" or similar eligibility requirements in the policy.

Additionally, insurers are prohibited from increasing premium rates based on a group's decreased enrollment or participation due to COVID-19.

Grace period for premium payments. All health insurers are required to provide the option of deferring premium payments, interest free, for up to 60 calendar days from each original premium due date. This means that employers can defer their premium payments up to two months, giving them some relief on costs, while keeping their employees insured.

Continuation coverage. For employers that 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 that employ fewer than 20 employees, 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 twelve months. Insurers should work with employers to ensure employees receive the appropriate notice of these options.

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

Special enrollment. Employees who lose coverage are eligible for a special enrollment period to enroll in new coverage. Premium subsidies may be available for those that qualify by purchasing plans on the federal exchange. Plans sold on the federal exchange are effective the first day of the next month after enrollment. For those purchasing policies sold outside the federal exchange, insurers must waive normal special enrollment procedures and allow applicants to obtain coverage effective the day after their loss of employment.

The bulletin expires upon the expiration of the state of emergency declared by the governor.

SOURCE: Bulletin 2020-03, Health insurance coverage flexibility for Ohio employees, March 20, 2020.

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