



When Your Income Drops

Meeting Insurance Needs

If you have lost your job due to the COVID-19 pandemic, an important concern is maintaining your insurance coverage. Unemployment is stressful and can sometimes lead to health problems in the family.

If you are covered under a **company group health plan**, find out what provisions exist for extending insurance coverage after a separation. Employers with 20 or more employees are required to offer continuation of health coverage for you and your dependent(s) for up to 18 months under COBRA group health insurance plans. If you wish to continue your group coverage under COBRA, notify your employer within 60 days. You will have to pay the entire premium.

If COBRA does not apply in your case, you may be able to convert your group policy to individual coverage. When converting, you may not have to pass a medical exam; however, benefits may be reduced and premiums will probably be higher. A third option may be to become covered on your spouse's group health insurance. Check if and when your spouse could add family coverage.

A fourth option is to investigate buying insurance through the **Healthy Indiana Plan (HIP 2.0)**. It is an affordable health insurance program for uninsured adult Hoosiers. HIP 2.0 pays for medical expenses and provides incentives for members to be more health conscious. To find out if you may be eligible to participate in the Healthy Indiana Plan, visit www.in.gov/fssa/hip/ or call 1-877-438-4479. Additionally, there are health services for the elderly, disabled, children and pregnant women. These may include immunization programs, well baby clinics, blood pressure checks, free health clinics and screening programs. Check with your county public health department and social service agencies for recommendations.

If you have **life insurance**, try not to let it lapse if others depend on your income or wage-earning capacity. Your policy could be expensive or impossible to replace later. Owners of **whole life insurance policies** can borrow against the cash value or use accumulated dividends to pay the premium to keep the insurance in effect. The loan reduces the face value of the policy.

Life insurance protects your dependents against loss of income and helps to pay expenses because of your untimely death. If you no longer have dependents, you may want to cash in your whole life policy when your income drops.

If you have a **group term life insurance** through an employer, this is pure protection without a cash value or savings feature. If you are uninsurable elsewhere, you may want to convert your former employer's group plan into an individual policy. If you are healthy, insurable and need coverage, you may benefit from purchasing **individual term life insurance**. This insurance usually provides maximum protection at the least cost. It insures your life for a fixed period of time and benefits are paid only if you die within that time period.

As with all insurance, evaluate your needs before talking with an agent. Determine your income and living expenses to help you decide how much insurance you need and what you can afford.

For questions about insurance in Indiana, contact the Indiana Department of Insurance, <https://www.in.gov/idoi/>