March 25, 2020

COVID-19 Update: Helping Furloughed Employees Maintain Health Coverage

To help protect its members and their families from losing their health care coverage, Horizon Blue Cross Blue Shield of New Jersey (Horizon BCBSNJ) today announced that for the next 60 days it is waiving the "actively at work" requirement for group policies. This change enables employers to maintain coverage for employees who have been furloughed, temporarily laid off, or whose hours have been dramatically reduced. The modification is effective immediately and applies to any of the approximately 1.7 million Horizon BCBSNJ members with coverage from their employer through a group plan whose job is impacted by the COVID-19 emergency.

Health insurance contracts require that employees covered by group plans be continuously active at work, employed full time and perform the normal and customary duties of their job.

Effective immediately and for the next 60 days, Horizon BCBSNJ:

- Is waiving the "actively at work" requirements for all group health plans impacted by COVID-19.
- Is allowing group plan sponsors to maintain coverage for furloughed, temporarily laid-off, and employees whose full-time status has otherwise been reduced.
- Will re-evaluate the situation and may extend this waiver as warranted.

Horizon BCBSNJ is part of a national coalition urging federal action to provide a long-term solution to help businesses and families get and maintain coverage during the COVID-19 emergency. The Company continues to work with employers to develop plans that provide uninterrupted coverage for impacted employees that give struggling businesses the best chance to fully recover. Options include:

- COBRA.
- Individual Health Coverage plans which are eligible for the Affordable Care Act's generous federal premium subsidies that can result in low or no-cost health coverage.
- Comprehensive, high-quality Medicaid plans for those who qualify based on their year-to-date earnings.

If you have questions, please contact me.