



NEW YORK STATE SENATOR

Owen H. Johnson

Senator Johnson Votes to Help Displaced Workers Save on Health Insurance

OWEN H. JOHNSON March 31, 2009

State Senator Owen H. Johnson (4th Senate District, Babylon) recently voted in favor of legislation that passed the State Senate that will make COBRA health insurance coverage more affordable for New Yorkers who were involuntarily terminated from their jobs as a result of the recent economic downturn. The legislation allows for a 65 percent discount on continuing health insurance coverage for recently unemployed New Yorkers. The benefit will be financed wholly through federal stimulus funding.

“As a result of this economic crisis, many employees have been laid off from their jobs and are at risk of losing their health benefits unless they can afford to pay COBRA payments which can be very steep. The cost is especially burdensome when limited income is coming in,” said Senator Johnson. “Ensuring access to health insurance is vitally important and this legislation will make COBRA a more affordable option for many families who otherwise might let coverage lapse due to its expense.”

According to Senator Johnson, the legislation will enable employees who have been involuntarily terminated from their jobs between September 1, 2008 and December 31, 2009 to save 65% on their COBRA payments. As a result, a family plan costing \$1,000 will instead cost \$350 per month.

The Senator also noted that in addition to discounting the cost of continuing health insurance coverage, the bill also expands access to more businesses and employees. The Federal COBRA program applies only to companies with 20 or more employees. This legislation extends the same reduced rate benefits to laid-off employees of smaller companies.

Senator Johnson said the bill, S.3068, passed the Senate on March 19 and was also approved by the Assembly. It was signed into law by the Governor on March 20, 2009. The law takes effect immediately.

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