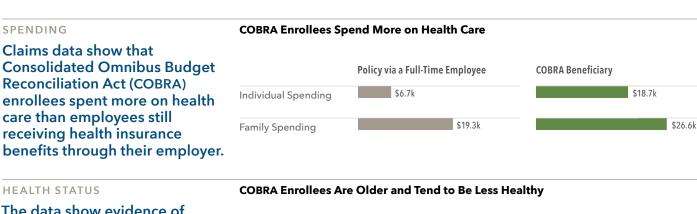


At a Glance | August 20, 2020

## **COBRA Beneficiaries Are Less Healthy and Spend More**

An examination of claims data shows dramatic differences between beneficiaries covered by a COBRA policy and those covered through a full-time employed worker.



HEALTH STATUS

The data show evidence of adverse selection: Those who receive coverage through **COBRA** more frequently have chronic conditions that are expensive to treat.



## HEALTH CARE USAGE

COBRA claimants are heavier users of both inpatient and outpatient services. COBRA enrollees with individual coverage had nearly five times the hospital days of those covered through a full-time employee. And they spent more than twice as much on prescription drugs.

## **COBRA Enrollees Use Health Care More Frequently**

	Policy via a Full-Time Employee		COBRA Beneficiary	
	Frequency	Spending	Frequency	Spending
Hospital Admissions per 100 enrollees	3.8	_	10.2	_
Hospital Days per 100 enrollees	16.5	\$1,111	78.0	\$4,313
ER Visits per 100 enrollees	35.8	\$306	40.0	\$451
Doctors' Office Visits	4.1	\$480	6.7	\$836
Prescription Drug Fills	17.3	\$1,707	30.0	\$4,130
Blood Test, Panel	1.3	\$110	2.2	\$214
Physical Therapy Visits	1,1	\$130	2.5	\$313
Psychotherapist Visits	0.6	\$75	2.4	\$397

1. CCI is an index comprised of the following conditions: acute myocardial infarction, congestive heart failure, peripheral vascular disease, cerebrovascular disease, dementia, chronic obstructive pulmonary disease (COPD), rheumatoid disease, peptic ulcer, mild liver disease, diabetes, hemiplegia or paraplegia, renal disease, cancer, moderate/severe liver disease, and AIDS SOURCE: Jake Spiegel and Paul Fronstin, "COBRA: A Closer Look at Who Enrolls and the Case for Subsidies," EBRI Issue Brief, no. 508 (Employee Benefit Research Institute, July 9, 2020).

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