

Insurance costs expected to increase for many as COBRA subsidy ends.

The [Los Angeles Times](#) (12/1, Kristof) reports, "Millions of unemployed Americans face the prospect of a huge increase in health insurance costs, thanks to the looming expiration of" the COBRA subsidy. The stimulus act included a temporary subsidy for "the often crippling cost of buying health insurance through a former employer's plan after a layoff." While "the White House wants to extend the subsidies," and "some Democratic lawmakers are pushing to include an extension in legislation that party leaders are developing to boost job growth," the Times notes that "finding money for an extension remains a major challenge, especially at a time when Democrats are struggling to pay for their planned healthcare overhaul."

In its "Prescriptions" blog, the [New York Times](#) (11/30, Seelye) noted that "a new report by Families USA found that the average COBRA premium varies widely from state to state -- and in nine states is actually higher than the average unemployment insurance check." Families USA executive director Ron Pollack "said that the broader healthcare legislation in Congress would help by establishing new insurance marketplaces with tax credits -- but they would not be set up for several years, leaving millions of people stranded in the interim."

[The Hill](#) (11/30, Romm, subscription required) "Blog Briefing Room" noted that "a slew of efforts in both chambers of Congress could extend the program for about six months," but they remain "lodged in committee."

In fact, some Republicans are expected to oppose any extension, citing deficit concerns, according to [Reuters](#) (12/1, Smith).

The [AP](#) (12/1, Werner) notes that while "it's not clear how many workers are using the COBRA subsidy...the Congressional Budget Office and the Joint Committee on Taxation estimated early on that 7 million would do so."

Without the subsidy, "family coverage would eat up a whopping 83.4 percent of the \$1,333 average monthly national unemployment insurance benefit, according to" the Families USA report, [McClatchy](#) (12/1, Pugh) explains. "In nine states, the full COBRA family premium exceeds the average monthly state unemployment benefit, the study found." The [Cleveland Plain Dealer](#) (12/1, Perkins) also covers the story.