

## IL State Continuation Coverage Election Notice

*[Enter date of notice]*

Dear *[Identify the qualified beneficiary(ies)]*:

**This notice contains important information about your right to continue your health care coverage in the *[enter name of your group]* group health plan (the Plan), as well as other health coverage options that may be available to you, including coverage through the Health Insurance Marketplace at [www.healthcare.gov](http://www.healthcare.gov) or call 1-800-318-2596. You may be able to get coverage through the Health Insurance Marketplace that costs less than State Continuation coverage.** Please read the information contained in this notice very carefully before you make your decision. If you choose to elect Continuation coverage, you should use the election form provided later in this notice.

### Why am I getting this notice?

You're getting this notice because your coverage under the Plan will end on *[enter termination date]* due to *[check appropriate box]*:

- End of employment
- Death of employee
- Entitlement to Medicare
- Reduction in hours of employment
- Loss of dependent child status

### Who is eligible?

Each person in the category(ies) checked below is entitled to elect continuation coverage, which will continue group health care coverage under the Plan for up to \_\_\_\_\_: *[enter 12 months or two years, as appropriate and check appropriate categories]*

- Employee or former employee
- Spouse or former spouse
- Dependent child(ren) covered under the Plan on the day before the event that caused the loss of coverage
- Child who is losing coverage under the Plan because he or she is no longer a dependent under the Plan.

### Are there other coverage options besides Continuation Coverage?

Yes. Instead of enrolling in Continuation coverage, there may be other more affordable coverage options for you and your family through the Health Insurance Marketplace, Medicaid or other group health plan coverage options (such as a spouse's plan) through what is called a "special enrollment period." Some of these options may cost less than Continuation coverage.

You should compare your other coverage options with Continuation coverage and choose the coverage that is best for you. For example, if you move to other coverage you may pay more out of pocket than you would under Continuation because the new coverage may impose a new deductible.

When you lose job-based health coverage, it's important that you choose carefully between Continuation coverage and other coverage options, because once you've made your choice, it can be difficult or impossible to switch to another coverage option.

### **If I elect Continuation coverage, when will my coverage begin?**

If elected, continuation coverage will begin on [*enter date of day after termination date*] and can last until [*enter date coverage will discontinue*].

### **How long will continuation coverage last?**

In general, in the case of a loss of coverage due to end of employment or reduction in hours of employment, coverage may be continued for up to a total of 12 months. In the case of losses of coverage due to an employee's death or divorce (for a spouse under age 55), or a dependent child ceasing to be a dependent under the terms of the plan, coverage may be continued for up to a total of two years. In the case of losses due to employee's death, divorce or retiring (for a spouse 55 or older), coverage is provided until spouse is eligible for Medicare.

Continuation coverage may terminate earlier than the maximum period if:

- You become eligible for Medicare;
- You are covered by other group medical plan
- You fail to make timely payments for coverage
- This group policy is terminated in its entirety and not replaced with another group policy

Continuation coverage may also be terminated for any reason the Plan would terminate coverage of a participant or beneficiary not receiving continuation coverage (such as fraud).

### **How much does Continuation coverage cost?**

Continuation coverage will cost: [*enter current premium amount for his/her coverage on plan including any dependents as appropriate*]. Generally, the first premium must be made at the time of election.

Other coverage options may cost less. If you choose to elect continuation coverage, you are responsible for paying the entire premium for the coverage, including the portion which was formerly paid by your employer.

**You may be able to get coverage through the Health Insurance Marketplace that costs less than Continuation coverage.** You can learn more about the Marketplace below.

## **What is the Health Insurance Marketplace?**

The Marketplace offers “one-stop shopping” to find and compare private health insurance options. In the Marketplace, you could be eligible for a new kind of tax credit that lowers your monthly premiums and cost-sharing reductions (amounts that lower your out-of-pocket costs for deductibles, coinsurance, and copayments) right away, and you can see what your premium, deductibles, and out-of-pocket costs will be before you make a decision to enroll. Through the Marketplace you’ll also learn if you qualify for free or low-cost coverage from Medicaid or the Children’s Health Insurance Program (CHIP). You can access the Marketplace for your state at [www.HealthCare.gov](http://www.HealthCare.gov).

Coverage through the Health Insurance Marketplace may cost less than Continuation coverage. Being offered Continuation coverage won’t limit your eligibility for coverage or for a tax credit through the Marketplace.

## **When can I enroll in Marketplace coverage?**

You always have 60 days from the time you lose your job-based coverage to enroll in the Marketplace. That is because losing your job-based health coverage is a “special enrollment” event. **After 60 days your special enrollment period will end and you may not be able to enroll, so you should take action right away.** In addition, during what is called an “open enrollment” period, anyone can enroll in Marketplace coverage.

To find out more about enrolling in the Marketplace, such as when the next open enrollment period will be and what you need to know about qualifying events and special enrollment periods, visit [www.healthcare.gov](http://www.healthcare.gov).

## **If I sign up for Continuation coverage, can I switch to coverage in the Marketplace? What about if I choose Marketplace coverage and want to switch back to Continuation coverage?**

If you sign up for Continuation coverage, you can switch to a Marketplace plan during a Marketplace open enrollment period. You can also end your Continuation coverage early and switch to a Marketplace plan if you have another qualifying event such as marriage or birth of a child through something called a “special enrollment period.” But be careful though – if you terminate your Continuation coverage early without another qualifying event, you’ll have to wait to enroll in Marketplace coverage until the next open enrollment period, and could end up without any health coverage in the interim.

Once you’ve exhausted your Continuation coverage and the coverage expires, you’ll be eligible to enroll in Marketplace coverage through a special enrollment period, even if Marketplace open enrollment has ended.

If you sign up for Marketplace coverage instead of Continuation coverage, you cannot switch to Continuation coverage under any circumstances.

## **Can I enroll in another group health plan?**

You may be eligible to enroll in coverage under another group health plan (like a spouse's plan), if you request enrollment within 30 days of the loss of coverage.

If you or your dependent chooses to elect Continuation coverage instead of enrolling in another group health plan for which you're eligible, you'll have another opportunity to enroll in the other group health plan within 30 days of losing your Continuation coverage.

## **What factors should I consider when choosing coverage options?**

When considering your options for health coverage, you may want to think about:

- **Premiums:** Your previous plan can charge up to 100% of total plan premiums for Continuation coverage. Other options, like coverage on a spouse's plan or through the Marketplace, may be less expensive.
- **Provider Networks:** If you're currently getting care or treatment for a condition, a change in your health coverage may affect your access to a particular health care provider. You may want to check to see if your current health care providers participate in a network as you consider options for health coverage.
- **Drug Formularies:** If you're currently taking medication, a change in your health coverage may affect your costs for medication – and in some cases, your medication may not be covered by another plan. You may want to check to see if your current medications are listed in the drug formularies for other health coverage.
- **Service Areas:** Some plans limit their benefits to specific service or coverage areas – so if you move to another area of the country, you may not be able to use your benefits. You may want to see if your plan has a service or coverage area, or other similar limitations.
- **Other Cost-Sharing:** In addition to premiums or contributions for health coverage, you probably pay copayments, deductibles, coinsurance, or other amounts as you use your benefits. You may want to check to see what the cost-sharing requirements are for other health coverage options. For example, one option may have much lower monthly premiums, but a much higher deductible and higher copayments.

## **For more information**

This notice does not fully describe Continuation coverage or other rights under the Plan. More information about Continuation coverage under the Illinois Continuation Coverage Law is available by calling Illinois Department of Insurance Consumer Services Section at 1-312-814-2427 or the Office of Consumer Health Insurance at 1-877-527-9431 or by visiting the website at [www.insurance.illinois.gov](http://www.insurance.illinois.gov).

For more information about health insurance options available through the Health Insurance Marketplace, and to locate an assister in your area who you can talk to about the different options, visit [www.HealthCare.gov](http://www.HealthCare.gov)

## **Keep Your Plan Informed of Address Changes**

In order to protect your and your family's rights, you should keep *[enter name and contact information for the appropriate party responsible for continuation coverage administration under the Plan]* informed of any changes in your address and the addresses of family members. You should also keep a copy, for your records, of any notices you send to *[enter the name of the party responsible for continuation coverage administration under the Plan]*.

## Continuation Coverage Election Form

**Instructions:** To elect Continuation coverage, complete this Election Form and return it to us. Under IL State Continuation Law, you have 30 days after the date of this notice to decide whether you want to elect continuation coverage. If mailed, it must be post-marked no later than 30 days from the date of this notice, by *[enter date]*. If you do not submit a completed Election Form by the due date indicated above, you will lose your right to elect IL State Continuation Coverage.

**Send completed Election Form to:** *[Enter Name and Address of person in your office handling continuation coverage]*

**Read the important information about your rights included in the pages prior to the Election Form.**

I (We) elect continuation coverage in the *enter name of your group* health plan (the Plan) as indicated below:

Name	Date of Birth	Relationship to Employee	SSN (or other identifier)
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a. \_\_\_\_\_  
[Add if appropriate: Coverage option elected: \_\_\_\_\_]

b. \_\_\_\_\_  
[Add if appropriate: Coverage option elected: \_\_\_\_\_]

c. \_\_\_\_\_  
[Add if appropriate: Coverage option elected: \_\_\_\_\_]

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Relationship to individual(s) listed above

\_\_\_\_\_  
Print Address

\_\_\_\_\_  
Telephone number