

# EMPLOYER REMINDER

Information and tips to aid administrators in standard IMRF procedures.

## ROUTE TO:

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|---|---|
| <input type="checkbox"/> Director           | <input type="checkbox"/> Personnel/HR       |
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| <input type="checkbox"/> Department Head(s) | <input type="checkbox"/> Payroll Dept.      |
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## IMRF and Health Insurance Continuation

While IMRF does not offer a health insurance plan for its employers or members, an employer may be required to continue health insurance coverage for a retiring or disabled IMRF member, as regulated by federal or state legislation. Many employers may not be aware of a member's right to health insurance continuation.

### Continuous coverage statutes

Public Act 86-1444, which became effective January 1, 1991, amended the Illinois Insurance Code to require insurance companies to provide coverage if an IMRF member becomes disabled or retires. Additionally, [Section 367j](#) of the Illinois Insurance Code requires that IMRF employers offer the total coverage health insurance rate (employer *plus* employee contributions) to disabled members, retirees, and surviving spouses.

To be eligible for health insurance continuation, the IMRF member should be enrolled in your employer's program before disability or retirement. This continuation coverage can include a spouse and dependents, if they were covered by the plan on the day immediately before the employee retired or became disabled, as well as certain surviving spouses of deceased employees.

### Continuous coverage payments

The law does not require employers to subsidize any portion of the member's premium payment. Once a member chooses health insurance continuation, there are two payment options for the policy.

The first payment option allows the member to pay the full premium directly to the employer each month. Under the second option, the member is entitled to have IMRF withhold the insurance premium from his or her monthly IMRF benefit payment. Once deducted, IMRF will then send the premium payment directly to the employer.

If the member chooses the second payment option, he or she must submit [IMRF Form 7.10 "Health Insurance Continuation Through Employer—Premium Deduction Authorization."](#) Upon receipt and processing of the form, IMRF will begin deducting the premium cost from the member's next processed payment.

### Continuous coverage exemptions

There are a few instances when health insurance continuation ends for the retiree, disabled member, or surviving spouse. These circumstances include:

- Non-payment of premiums
- The member returns to IMRF-covered employment
- The member is convicted of a job-related felony
- The member dies
- A disabled member takes a refund of IMRF contributions
- A surviving spouse remarries or dies
- The employer terminates health insurance coverage for all employees

### For more information

To learn more about Health Insurance Continuation, [refer to Section 5.80, "Health Insurance Continuation"](#) in the *Manual for Authorized Agents* or contact the Illinois Department of Insurance, Consumer Services Division at 1-877-527-9431.

Visit [www.imrf.org](http://www.imrf.org) for publications, forms, booklets, legislative updates, video tutorials, and Employer Access login.

Main Office: 2211 York Road, Suite 500, Oak Brook, IL 60523-2337

Member-only Phone Number: 1-800-ASK-IMRF (275-4673) *Monday - Friday, 7:30 AM—5:30 PM (CST)*

Employer-only Phone Number: 1-800-728-7971

