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# NEWS

Illinois Department of Insurance

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## Illinois Department of Insurance Reminding Returning Military Personnel to Review Insurance Options

### *Department urges members of armed services and their families to review insurance coverage*

**CHICAGO**—December 5, 2009. As thousands of military personnel prepare to return from deployments in Iraq and Afghanistan during the holidays, the Illinois Department of Insurance is reminding them to review their insurance coverage to ensure they and their families stay protected no matter where they are.

“Many military personnel experience changes in deployment status and frequently move from one posting to another, creating an unusual situation with regard to insurance coverage,” said Michael T. McRaith, Director of the Illinois Department of Insurance. “We are urging our service men and women, who have made tremendous personal sacrifices in protecting our nation, to protect themselves and their families back home by reviewing and choosing insurance policies that provide the right coverage.”

The Department is offering the following tips for those in the armed services to help choose insurance coverage:

#### **Auto Insurance**

- If you will be deployed for an extended period of time and no one will be driving your vehicle, you may be able to suspend some of your auto insurance coverage to save on premium payments.
- If you want to suspend auto coverage, contact your agent and ask whether the following types of coverage can be suspended while you are deployed: liability, collision, uninsured/underinsured motorist, medical payments and personal injury protection (PIP). You may need to file an affidavit of non-use with the Illinois Secretary of State's Office to avoid being fined for failure to maintain insurance.

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## Homeowners Insurance

- Many homeowners' policies have a vacancy clause that may be activated if you are deployed for an extended period of time and your family has moved to a new location. Such policies might not pay claims if your house is vacant for 60 days or more. Consult your insurance company to learn how it defines "vacancy" and whether the claims for a vacant house will be paid.
- To avoid any future disputes, review your policy with your agent before you leave for military duty. Also, make sure your policy limits are sufficient to cover your home and your personal property at today's costs. Consider increasing your coverage if you have made additions or improvements to your property.

## Health Insurance

- Unmarried military veterans may be able to receive coverage through a parent's insurance policy up to the age of 30. To be eligible, veterans must have served in an active or reserve component of the U.S. Armed Forces and have received a release or discharge other than a dishonorable discharge. For more information, see the Department's Consumer Health Fact Sheet on Young Adult Dependent Coverage available at [www.insurance.illinois.gov](http://www.insurance.illinois.gov).
- Many reservists and National Guard members have health coverage for themselves and their families through an employer-sponsored health plan. Some may wish to continue that coverage, particularly for their dependents, during their active duty period. Talk with your benefits administrator to learn what will happen with your health coverage when called to active duty.
- If you are on active duty for more than 30 days, you and your dependents should be covered by military health care. Dependents have medical and dental services provided through uniformed services facilities subject to availability and are eligible for health benefits from civilian sources through the federally funded TRICARE program, the triple option benefit plan available for military families, formerly known as CHAMPUS (Civilian Health and Medical Program of the Uniformed Services).
- Your right to continue health coverage under an employment-based group health plan is covered by federal law. The Consolidated Omnibus Budget Reconciliation Act (COBRA) provides health coverage continuation rights to employees and their families after an event such as reduction in employment hours. The Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA) is intended to minimize the disadvantages that occur when a person needs to be absent from civilian employment to serve in the uniformed services. Both COBRA and USERRA generally allow individuals called for active duty to continue coverage for themselves and their dependents under an employment-based group health plan for up to 24 months.
- Any person who is called to active military duty, upon deactivation shall have their health insurance coverage resumed, including any pre-existing condition covered, for that person and his or her dependents.

## Life Insurance

- Anyone who sells life insurance at military installations is required to obtain permission from the U.S. Department of Defense to be an authorized solicitor. When dealing with an agent, ask to see permits and licenses to be sure you are dealing with a legitimate agent.
- Currently, many private insurance carriers do not offer coverage for Acts of War. Military personnel are provided some death benefits, but may purchase a limited amount of

additional coverage through the Service members' Group Life Insurance (SGLI), a low-cost group life insurance program that includes benefits for death resulting from Acts of War. Be sure you understand the benefits paid by the policy if you were to die in a war zone or were to be killed through an act of war. If you purchase an individual military-focused policy, check with your agent to make sure it does not duplicate coverage for your family that could be obtained elsewhere.

- Service members can contact their Flight, Payroll or Finance Office for further details on premium payment and refund issues. Service members and their beneficiaries should contact the Office of Service members' Group Life Insurance (OSGLI) for pending claims.

For more information about auto, home, life and health insurance options as well as tips for choosing the coverage that is right for military personnel, visit the Department's website at [www.insurance.illinois.gov](http://www.insurance.illinois.gov). Consumers can also visit [www.InsureUonline.org](http://www.InsureUonline.org) or take the military insurance quiz at [www.insureuonline.org/quiz\\_military.htm](http://www.insureuonline.org/quiz_military.htm).

### **More information**

The Department's mission is to protect consumers by providing assistance and information, by efficiently regulating the insurance industry's market behavior and financial solvency, and by fostering a competitive insurance marketplace. The Department assists consumers with all insurance complaints, including health, auto, life, and homeowners. Consumers in need of information or assistance should visit the Department's Web site at [www.insurance.illinois.gov](http://www.insurance.illinois.gov) or call our toll-free hotline at (866) 445-5364.

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