

## **\*\*IMPORTANT NOTICE FOR EMPLOYERS\*\***

### **\*This notice applies to you only if have WPS group medical coverage\***

The purpose of this notice is to inform you of an important emergency rule recently passed under 2009 Wisconsin Act 11, Section 9126 which created INS § 3.75 Wis. Admin. Code. This rule creates additional continuation coverage election opportunities for “assistance eligible individuals” (AEIs) when an employer discontinues and does not replace group policy coverage. This rule became effective October 2, 2009 and applies to all employers regardless of whether the employer is a small or large employer.

An AEI under federal law is defined as an employee or a member of his/her family who:

- Becomes eligible for continuation coverage due to the involuntary termination of employment at any time between September 1, 2008 and February 28, 2010;
- Elects continuation coverage;
- Is not eligible for other group health coverage (such as a spouse’s plan); and
- Is not eligible for Medicare.

### **INS § 3.75 (4) now requires that employers provide written notice to each terminated employee covered under the policy prior to the date of discontinuance of the group policy.**

If you, as an employer, intend to discontinue your WPS group policy for any reason and not replace the policy with other coverage, you must now notify your employees of your intent to discontinue coverage prior to the effective date of the discontinuance.

Any employees that you terminate prior to or on the effective date of the discontinuance of group health coverage may now be eligible as an AEI for subsidized continuation coverage offered through WPS for up to 15 months. You may continue to provide the election notice available on our website to those individuals that meet the definition of “AEI” or “terminated insured” under state rule.

For more information on the American Recovery and Reinvestment Act of 2009 (ARRA), or Department of Defense Appropriations Act, 2010 (2010 DOD Act) the premium subsidy, general information about AEIs or continued coverage under INS § 3.75 please visit our website at [www.wpsic.com](http://www.wpsic.com), or call (800) 748-0575.