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Contact: Eireann Aspell Sibley, communications director, (603) 271-3781, eireann.sibley@ins.nh.gov

Information for NH Residents Who Have Employer-Sponsored Life Insurance Plans
Life Insurance during a Time of Unemployment

CONCORD, NH -- Many New Hampshire residents have life insurance for themselves and their family through plans sponsored by their employer, association or labor union. Employer-sponsored or labor or union-sponsored life insurance is known as group insurance. A resident who has life insurance through a group plan and who has become unemployed has the right to continue their life insurance plan directly from the insurance company without completing additional forms related to their medical health. This is known as a 'right of conversion' from a group policy to an individual policy.

The obligation to provide notice of your option to continue your group life insurance with an individual policy can vary. Consumers with life insurance through their employer who have recently become unemployed should check with their employer or group administrator and read their certificates of insurance carefully. The application for the individual policy and the first premium paid must be completed within 31 days of termination. Delays could result in the inability to exercise the right to convert their group life insurance coverage to an individual policy.

When an individual has lost their job with an employer, the insurance company does not send a notice to the insured. In some cases, the employer sends the notice. However, some employers or group administrators are not aware of their responsibility to give the person written notice of the right to convert. Additionally, many employers may have human resources personnel who are out sick or furloughed, so notices may not be timely. Given these circumstances, it is recommended that, if you no longer work for your employer, you read your life insurance certificate and contact both your employer and the insurance company if you want to continue your life insurance coverage.

If your employer, association, or union terminates their entire group policy, the insurance company must provide a notice of the right of all insureds to convert their life insurance coverage to individual life insurance policies. Under these circumstances, each insured person is given written notice of this conversion privilege within 15 days after the date of termination of the group policy. If the notice is given more than 15 days after the date of termination, the time allowed to exercise of the right of conversion must be extended for a period of 15 days following the date of the written notice. The insured must complete an application and pay the first premium in order to continue the insurance.

The New Hampshire Insurance Department Can Help

The New Hampshire Insurance Department's mission is to promote and protect the public good by ensuring the existence of a safe and competitive insurance marketplace through the development and enforcement of the insurance laws of the State of New Hampshire. Contact us with any questions or concerns you may have regarding your insurance coverage at 1-800- 852-3416 or (603) 271-2261, or by email at consumerservices@ins.nh.gov. For more information, visit www.nh.gov/insurance.

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