

OFFICE OF GOVERNOR PAT QUINN

NEWS

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Governor Quinn Signs Bill to Make Health Insurance More Affordable for Unemployed Workers

Bill extends 65% health insurance subsidy in federal Recovery Act to former employees of small businesses

CHICAGO – Governor Pat Quinn today signed a law that will make health insurance more affordable for laid-off workers of small businesses and their families.

Under the American Recovery and Reinvestment Act (ARRA), those who formerly worked at companies of 20 employees or more are eligible for a subsidy that reduces by 65 percent the cost of COBRA health care coverage. The bill signed by Governor Quinn provides a 65 percent health insurance payment subsidy to those who worked for companies with fewer than 20 employees.

"I am pleased to sign legislation to help those, who through no fault of their own, have lost their jobs and can no longer afford health insurance for themselves and their families," said Governor Quinn. "I thank the General Assembly for its bipartisan support of this legislation and I look forward to their continued cooperation as we work to protect our most vulnerable citizens."

House Bill 2325, sponsored by Senator Susan Garrett (D-Highwood) and Representative Karen May (D-Highwood), was passed overwhelmingly with bipartisan support.

The bill gives employees of small businesses who lost their jobs after September 1, 2008, and who declined COBRA because of its high costs, a second chance to enter the program. Under this plan, those former workers can continue their health insurance coverage and receive a 65 percent premium reduction. The law also provides up to an additional three months of coverage for many former employees.

"In these tough economic times, it is important to provide immediate assistance to the citizens of our State, which is precisely what this law does," said State Representative Karen May, the lead sponsor of the bill. "I have worked to strengthen Illinois' COBRA continuation law for two years, and am so pleased that the Governor has signed this measure into law today."

"This initiative provides exactly what Illinois workers who have lost their jobs need: a safety net and an extension of health insurance coverage during these turbulent and difficult times," said Senator Susan Garrett.

"With the enactment of this new law, small business employees will also receive the full benefit of the federal subsidy, enabling them to afford much-needed coverage instead of having to decline health insurance in favor of other necessities," said Michael T. McRaith, Director of the Illinois Department of Insurance.