

# RESTORING HEALTH INSURANCE ON SEPARATION

## Legal Authority to Restore Health Insurance

The Servicemembers Civil Relief Act of 2003 (SCRA), 50 USC App § 594, provides servicemembers terminated or released from military service the right to reinstate health insurance that was in effect the day before military service commenced and was terminated during the time of military service.

## Exclusions or Waiting Periods Prohibited

SCRA explicitly forbids exclusion from reinstatement or a waiting period for reinstatement because of a condition that arose before or during military service if the exclusion or waiting period would not have been imposed during the previous time of coverage *and* the condition does not constitute a disability determined by the Secretary of Veterans Affairs to have been incurred or aggravated in the line of duty.

## Special Rule for Employer-Provided Insurance

If a servicemember is entitled to participate in employer-provided insurance benefits then he or she will not have a right to reinstate his or her previous insurance coverage.

## Time for Applying

An application to resume health insurance coverage must be made within 120 days after the date of termination or release from military service.

## Limitations on Premium Increases

The premium on health insurance coverage terminated pursuant to this section of SCRA may not be increased for the balance of the period for which coverage would have been continued had the coverage not been terminated, to an amount greater than the amount chargeable for such coverage before termination.

This does not prevent a premium increase to the extent of any general increase in the premiums charged by the health insurance carrier for the same health insurance coverage for persons similarly covered by such insurance during the period between the termination and the reinstatement.