

AN ACT concerning business.

**Be it enacted by the People of the State of Illinois,
represented in the General Assembly:**

Section 5. The Illinois Insurance Code is amended by changing Section 424 and by adding Section 427.5 as follows:

(215 ILCS 5/424) (from Ch. 73, par. 1031)

Sec. 424. Unfair methods of competition and unfair or deceptive acts or practices defined. The following are hereby defined as unfair methods of competition and unfair and deceptive acts or practices in the business of insurance:

(1) The commission by any person of any one or more of the acts defined or prohibited by Sections 134, 143.24c, 147, 148, 149, 151, 155.22, 155.22a, 155.42, 236, 237, 364, 469, and 513b1 of this Code.

(2) Entering into any agreement to commit, or by any concerted action committing, any act of boycott, coercion or intimidation resulting in or tending to result in unreasonable restraint of, or monopoly in, the business of insurance.

(3) Making or permitting, in the case of insurance of the types enumerated in Classes 1, 2, and 3 of Section 4, any unfair discrimination between individuals or risks of the same class or of essentially the same hazard and

expense element because of the race, color, religion, or national origin of such insurance risks or applicants. The application of this Article to the types of insurance enumerated in Class 1 of Section 4 shall in no way limit, reduce, or impair the protections and remedies already provided for by Sections 236 and 364 of this Code or any other provision of this Code.

(4) Engaging in any of the acts or practices defined in or prohibited by Sections 154.5 through 154.8 of this Code.

(5) Making or charging any rate for insurance against losses arising from the use or ownership of a motor vehicle which requires a higher premium of any person by reason of his physical disability, race, color, religion, or national origin.

(6) Failing to meet any requirement of the Unclaimed Life Insurance Benefits Act with such frequency as to constitute a general business practice.

(7) Soliciting either an individual who is a resident of a nursing home or long-term care facility or an individual who is over the age of 65 to purchase accident or health insurance, unless the person who is selling the insurance:

(A) advises the potential enrollee of the benefit of examining the potential enrollee's current insurance plan, discusses all proposed

insurance-related changes with a family member, friend, or other advisor of the potential enrollee, and then waits 48 hours before making any insurance-related changes concerning the potential enrollee;

(B) provides a phone number that may be called if the potential enrollee or the potential enrollee's family members, friends, or other advisors have any questions; and

(C) allows the potential enrollee to opt out of any future communications with the person.

(8) Entering into or amending an accident or health insurance policy with an individual who is over the age of 65 and who has executed a health care power of attorney or has a medical condition, such as dementia, that reduces the person's capacity to make informed decisions independently, unless the potential enrollee's agent under a health care power of attorney executes the agreement and the agreement is reduced to writing.

(Source: P.A. 102-778, eff. 7-1-22.)

(215 ILCS 5/427.5 new)

Sec. 427.5. Unfair and deceptive agreements voidable by the Director. If, after a hearing under Section 426, the Director determines that a person has violated paragraph (7) or (8) of Section 424, the Director may declare void and

unenforceable any agreement or policy of insurance solicited, entered into, or amended as a result of that violation.

Section 10. The Consumer Fraud and Deceptive Business Practices Act is amended by adding Section 2HHHH as follows:

(815 ILCS 505/2HHHH new)

Sec. 2HHHH. Disruptive changes to a nursing home resident. It is an unlawful practice within the meaning of this Act for a nursing home or long-term care facility to make substantive changes likely to be disruptive to a resident or move a resident's place of living without prior approval from a family member, guardian, or power of attorney of the resident if the resident suffers from dementia or suffers from a medical condition that reduces the resident's capacity to make informed decisions independently.