



Sen. Heather A. Steans

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1 AMENDMENT TO HOUSE BILL 2624

2 AMENDMENT NO. _____. Amend House Bill 2624 by replacing
3 everything after the enacting clause with the following:

4 "Section 1. Short title. This Act may be cited as the
5 Short-Term, Limited-Duration Health Insurance Coverage Act.

6 Section 5. Definitions. In this Act:

7 "Department" means the Department of Insurance.

8 "Health insurance coverage" has the meaning given to that
9 term in the Illinois Health Insurance Portability and
10 Accountability Act.

11 "Health insurance issuer" has the meaning given to that
12 term in the Illinois Health Insurance Portability and
13 Accountability Act.

14 "Fraud" means an intentional misrepresentation of a
15 material fact in connection with the coverage.

16 "Short-term, limited-duration health insurance coverage"

1 means health insurance coverage provided pursuant to a policy
2 with an issuer, regardless of the situs of the delivery of the
3 policy, that is less than 365 days after the effective date of
4 the policy.

5 Section 10. Application; scope; duration of coverage.

6 (a) This Act applies to health insurance issuers that offer
7 short-term, limited-duration health insurance coverage to
8 individuals in this State and to short-term, limited-duration
9 health insurance coverage that is delivered or issued for
10 delivery in this State, including coverage issued outside of
11 this State that covers individuals in this State.

12 (b) A short-term, limited-duration health insurance
13 coverage policy may not be issued or delivered to any person
14 residing in this State unless the policy, when delivered or
15 issued for delivery in this State, complies with the provisions
16 of this Act.

17 (c) Any short-term, limited-duration health insurance
18 coverage policy that is delivered or issued for delivery in
19 this State must have an expiration date in the policy that is
20 less than 181 days after the effective date and shall not be
21 renewable or extendable within a period of 365 days after the
22 individual's coverage under the policy ends, either at the
23 option of the issuer or the individual. Renewal of a
24 short-term, limited-duration health insurance coverage policy
25 includes the issuance of a new short-term, limited-duration

1 health insurance policy by an issuer to a policyholder within
2 60 days after the expiration of a policy previously issued by
3 the issuer to the policyholder.

4 (d) Any short-term, limited-duration health insurance
5 coverage policy that is delivered or issued for delivery in
6 this State may not be rescinded before the expiration date in
7 the policy, except in cases of nonpayment of premiums, fraud,
8 or as provided in subsection (e).

9 (e) Any short-term, limited-duration health insurance
10 coverage policy that is delivered or issued for delivery in
11 this State shall contain an option for an individual to cancel
12 coverage after any 30-day interval during the term of the plan.

13 Section 15. Disclosure requirements.

14 (a) A health insurance issuer that offers short-term,
15 limited-duration health insurance coverage to be delivered or
16 issued for delivery in this State shall, in addition to all
17 other documents required, including, but not limited to, the
18 policy, the certificate, the membership booklet, and a
19 description of appeal and external review rights, deliver an
20 outline of coverage to an applicant for or an enrollee in
21 short-term, limited-duration health insurance coverage
22 delivered or issued for delivery in this State.

23 (b) Any short-term, limited-duration health insurance
24 coverage policy that is delivered or issued for delivery in the
25 State shall display prominently in the policy, any application,

1 sales, and marketing materials provided in connection with
2 enrollment in such coverage, and the outline of coverage for
3 such coverage, in at least 14-point, bold type, the following:

4 "NOTICE: THE SHORT-TERM, LIMITED-DURATION INSURANCE BENEFITS
5 UNDER THIS COVERAGE DO NOT MEET ALL FEDERAL REQUIREMENTS TO
6 QUALIFY AS "MINIMUM ESSENTIAL COVERAGE" FOR HEALTH INSURANCE
7 UNDER THE AFFORDABLE CARE ACT. THIS PLAN OF COVERAGE DOES NOT
8 INCLUDE ALL ESSENTIAL HEALTH BENEFITS AS REQUIRED BY THE
9 AFFORDABLE CARE ACT. PREEXISTING CONDITIONS ARE NOT COVERED
10 UNDER THIS PLAN OF COVERAGE. BE SURE TO CHECK YOUR POLICY
11 CAREFULLY TO MAKE SURE YOU UNDERSTAND WHAT THE POLICY DOES AND
12 DOES NOT COVER. IF THIS COVERAGE EXPIRES OR YOU LOSE
13 ELIGIBILITY FOR THIS COVERAGE, YOU MIGHT HAVE TO WAIT UNTIL THE
14 NEXT OPEN ENROLLMENT PERIOD TO GET OTHER HEALTH INSURANCE
15 COVERAGE. YOU MAY BE ABLE TO GET LONGER TERM INSURANCE THAT
16 QUALIFIES AS "MINIMUM ESSENTIAL COVERAGE" FOR HEALTH INSURANCE
17 UNDER THE AFFORDABLE CARE ACT NOW AND HELP TO PAY FOR IT AT
18 WWW.HEALTHCARE.GOV."

19 (c) Any individual selling a short-term, limited-duration
20 health insurance coverage policy in this State in face-to-face
21 or telephonic sales interactions must read out loud the
22 disclosure in subsection (b) to a prospective purchaser. An
23 entity selling a short-term, limited-duration health insurance
24 coverage policy in Illinois must display the disclosure in
25 subsection (b) on the webpage where a prospective purchaser
26 would purchase coverage.

1 (d) Nothing in this Section precludes an insurer from
2 providing disclosures in addition to those required in
3 subsections (b) and (c). Nothing in this Section precludes an
4 insurer from providing disclosures intended to clarify those
5 required in subsections (b) and (c) if approved by the
6 Department.

7 Section 20. Filing and approval.

8 (a) Coverage subject to this Act may not be delivered or
9 issued for delivery in this State unless the policy evidencing
10 such coverage has been filed with and been approved by the
11 Department.

12 (b) A health insurance issuer who intends to deliver or
13 issue for delivery a short-term, limited-duration health
14 insurance coverage policy in this State shall file with the
15 Department:

16 (1) all paperwork required for individual health
17 insurance coverage pursuant to 50 Ill. Adm. Code 916; and

18 (2) all sales and marketing materials provided in
19 connection with enrollment in such coverage for
20 informational purposes.

21 (c) The Department shall adopt any rules necessary to carry
22 out the provisions of this Act.

23 Section 99. Effective date. This Act takes effect January
24 1, 2019."