

HB0317



102ND GENERAL ASSEMBLY

State of Illinois

2021 and 2022

HB0317

Introduced 1/29/2021, by Rep. Thaddeus Jones

SYNOPSIS AS INTRODUCED:

215 ILCS 5/352

from Ch. 73, par. 964

Amends the Illinois Insurance Code to provide that an air ambulance service or other entity that directly or indirectly, whether through an affiliated entity, agreement with a third-party entity, or otherwise, solicits air ambulance membership subscriptions, accepts membership applications, or charges membership fees, is an insurer. Provides that air ambulance memberships shall be considered insurance and an insurance product and may be considered a supplement to any insurance coverage and shall be regulated accordingly by the Department of Insurance. Effective immediately.

LRB102 09996 BMS 15314 b

A BILL FOR

1 AN ACT concerning regulation.

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

4 Section 5. The Illinois Insurance Code is amended by
5 changing Section 352 as follows:

6 (215 ILCS 5/352) (from Ch. 73, par. 964)

7 Sec. 352. Scope of Article.

8 (a) Except as provided in subsections (b), (c), (d), and
9 (e), this Article shall apply to all companies transacting in
10 this State the kinds of business enumerated in clause (b) of
11 Class 1 and clause (a) of Class 2 of Section 4. Nothing in this
12 Article shall apply to, or in any way affect policies or
13 contracts described in clause (a) of Class 1 of Section 4;
14 however, this Article shall apply to policies and contracts
15 which contain benefits providing reimbursement for the
16 expenses of long term health care which are certified or
17 ordered by a physician including but not limited to
18 professional nursing care, custodial nursing care, and
19 non-nursing custodial care provided in a nursing home or at a
20 residence of the insured.

21 (a-5) An air ambulance service or other entity that
22 directly or indirectly, whether through an affiliated entity,
23 agreement with a third-party entity, or otherwise, solicits

1 air ambulance membership subscriptions, accepts membership
2 applications, or charges membership fees, is an insurer. An
3 air ambulance membership shall be considered insurance and an
4 insurance product and may be considered secondary insurance
5 coverage or a supplement to any insurance coverage and shall
6 be regulated accordingly by the Department of Insurance.

7 (b) (Blank).

8 (c) A policy issued and delivered in this State that
9 provides coverage under that policy for certificate holders
10 who are neither residents of nor employed in this State does
11 not need to provide to those nonresident certificate holders
12 who are not employed in this State the coverages or services
13 mandated by this Article.

14 (d) Stop-loss insurance is exempt from all Sections of
15 this Article, except this Section and Sections 353a, 354,
16 357.30, and 370. For purposes of this exemption, stop-loss
17 insurance is further defined as follows:

18 (1) The policy must be issued to and insure an
19 employer, trustee, or other sponsor of the plan, or the
20 plan itself, but not employees, members, or participants.

21 (2) Payments by the insurer must be made to the
22 employer, trustee, or other sponsors of the plan, or the
23 plan itself, but not to the employees, members,
24 participants, or health care providers.

25 (e) A policy issued or delivered in this State to the
26 Department of Healthcare and Family Services (formerly

1 Illinois Department of Public Aid) and providing coverage,
2 under clause (b) of Class 1 or clause (a) of Class 2 as
3 described in Section 4, to persons who are enrolled under
4 Article V of the Illinois Public Aid Code or under the
5 Children's Health Insurance Program Act is exempt from all
6 restrictions, limitations, standards, rules, or regulations
7 respecting benefits imposed by or under authority of this
8 Code, except those specified by subsection (1) of Section 143,
9 Section 370c, and Section 370c.1. Nothing in this subsection,
10 however, affects the total medical services available to
11 persons eligible for medical assistance under the Illinois
12 Public Aid Code.

13 (f) An in-office membership care agreement provided under
14 the In-Office Membership Care Act is not insurance for the
15 purposes of this Code.

16 (Source: P.A. 101-190, eff. 8-2-19.)

17 Section 99. Effective date. This Act takes effect upon
18 becoming law.