

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, is engaging

1 in the business of insurance as an insurer if the service or
2 other entity, for the purpose of covering the copayments,
3 deductibles, or cost-sharing amounts of a patient or
4 post-service payments of costs to third parties, solicits air
5 ambulance membership subscriptions, accepts membership
6 applications, or charges membership fees. An air ambulance
7 membership that covers the copayments, deductibles, or other
8 cost-sharing amounts of a patient or provides for post-service
9 payments of costs to third parties shall be considered
10 insurance and an insurance product and may be considered
11 secondary insurance coverage or a supplement to any insurance
12 coverage and shall be regulated accordingly by the Department
13 of Insurance.

14 (b) (Blank).

15 (c) A policy issued and delivered in this State that
16 provides coverage under that policy for certificate holders
17 who are neither residents of nor employed in this State does
18 not need to provide to those nonresident certificate holders
19 who are not employed in this State the coverages or services
20 mandated by this Article.

21 (d) Stop-loss insurance is exempt from all Sections of
22 this Article, except this Section and Sections 353a, 354,
23 357.30, and 370. For purposes of this exemption, stop-loss
24 insurance is further defined as follows:

25 (1) The policy must be issued to and insure an
26 employer, trustee, or other sponsor of the plan, or the

1 plan itself, but not employees, members, or participants.

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

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

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

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

24 Section 99. Effective date. This Act takes effect upon
25 becoming law.