



Insurance Committee

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09500HB2786ham001

LRB095 09637 KBJ 32941 a

1 AMENDMENT TO HOUSE BILL 2786

2 AMENDMENT NO. _____. Amend House Bill 2786 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Illinois Insurance Code is amended by
5 changing Section 236 as follows:

6 (215 ILCS 5/236) (from Ch. 73, par. 848)

7 Sec. 236. Discrimination prohibited.

8 (a) No life company doing business in this State shall make
9 or permit any distinction or discrimination in favor of
10 individuals among insured persons of the same class and equal
11 expectation of life in the issuance of its policies, in the
12 amount of payment of premiums or rates charged for policies of
13 insurance, in the amount of any dividends or other benefits
14 payable thereon, or in any other of the terms and conditions of
15 the contracts it makes.

16 (b) No life company shall make or permit any distinction or

1 discrimination against individuals with handicaps or
2 disabilities in the amount of payment of premiums or rates
3 charged for policies of life insurance, in the amount of any
4 dividends or death benefits payable thereon, or in any other
5 terms and conditions of the contract it makes unless the rate
6 differential is based on sound actuarial principles and a
7 reasonable system of classification and is related to actual or
8 reasonably anticipated experience directly associated with the
9 handicap or disability.

10 (c) No life company shall refuse to insure, or refuse to
11 continue to insure, or limit the amount or extent or kind of
12 coverage available to an individual, or charge an individual a
13 different rate for the same coverage solely because of
14 blindness or partial blindness. With respect to all other
15 conditions, including the underlying cause of the blindness or
16 partial blindness, persons who are blind or partially blind
17 shall be subject to the same standards of sound actuarial
18 principles or actual or reasonably anticipated experience as
19 are sighted persons. Refusal to insure includes denial by an
20 insurer of disability insurance coverage on the grounds that
21 the policy defines "disability" as being presumed in the event
22 that the insured loses his or her eyesight. However, an insurer
23 may exclude from coverage disabilities consisting solely of
24 blindness or partial blindness when such condition existed at
25 the time the policy was issued.

26 (d) No life company shall refuse to insure or to continue

1 to insure an individual solely because of the individual's
2 status as a member of the United States Air Force, Army, Coast
3 Guard, Marines, or Navy or solely because of the individual's
4 status as a member of the National Guard or Armed Forces
5 Reserve.

6 (e) An insurer or producer authorized to issue policies of
7 insurance in this State may not make a distinction or otherwise
8 discriminate between persons, reject an applicant, cancel a
9 policy, or demand or require a higher rate of premium for
10 reasons based solely upon an applicant's or insured's past
11 lawful travel experiences or future lawful travel plans. This
12 subsection (e) does not prohibit an insurer or producer from
13 excluding or limiting coverage under a policy or refusing to
14 offer the policy based upon past lawful travel or future lawful
15 travel plans or from charging a different rate for that
16 coverage when that action is based upon sound actuarial
17 principles or is related to actual or reasonably expected
18 experience and is not based solely on the destination's
19 inclusion on the United States Department of State's travel
20 warning list. No life company may refuse to insure, refuse to
21 continue to insure, limit the amount or extent or kind of
22 coverage available to an individual, or charge an individual a
23 different rate for the same coverage solely for reasons
24 associated with an applicant's or insured's past lawful travel
25 experiences.

26 (Source: P.A. 93-850, eff. 7-30-04.)".