

1 AN ACT concerning insurance.

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

4 Section 5. The Charitable Trust Act is amended by adding  
5 Section 20 as follows:

6 (760 ILCS 55/20 new)

7 Sec. 20. Medical Sharing Trust Law.

8 (a) This Section may be referred to as the Medical Sharing  
9 Trust Law.

10 (b) For the purposes of this Section, "Medical Sharing  
11 Trust" means an organization that facilitates payment of the  
12 medical expenses of its participants as provided in this  
13 Section and complies with all provisions of this Act and the  
14 Solicitation for Charity Act.

15 (c) An organization complying with this Section as a  
16 Medical Sharing Trust is not subject to the provisions of the  
17 Illinois Insurance Code. A Medical Sharing Trust shall not  
18 offer any services that are regulated under any provision of  
19 the Illinois Insurance Code.

20 (d) No Medical Sharing Trust shall be offered, issued,  
21 sold, or solicited to participants in this State as exempt  
22 under subsection (c) of this Section unless the Medical Sharing  
23 Trust has complied with all requirements set forth in

1 subsections (b) and (e) of this Section.

2 (e) The following provisions shall apply concerning the  
3 operation of a Medical Sharing Trust:

4 (1) A Medical Sharing Trust shall facilitate payments  
5 directly between participants who have present medical  
6 needs and participants with the ability to pay for the  
7 benefit of those participants in need. A Medical Sharing  
8 Trust is prohibited from assuming liability for or  
9 guaranteeing payment of any medical expenses and from  
10 comingling participants' funds.

11 (2) All participants shall execute a release stating  
12 that no other participants or the Medical Sharing Trust  
13 shall be legally obligated in any way to pay for a medical  
14 need.

15 (3) A Medical Sharing Trust shall facilitate the  
16 payments provided for in paragraph (1) of this subsection  
17 (e) through payments made directly from one participant to  
18 another without transferring funds to a third party or the  
19 Medical Sharing Trust.

20 (4) A Medical Sharing Trust may cancel the membership  
21 of a participant when that participant indicates their  
22 unwillingness to participate by failing to make a payment  
23 to another participant for a period in excess of 60 days.

24 (5) A Medical Sharing Trust may establish  
25 qualifications of participation relating to the health of  
26 the prospective participant.

1           (6) A Medical Sharing Trust may establish  
2           qualifications as to the participants' physical or medical  
3           needs necessary for eligibility for payment among the  
4           participants.

5           (7) A Medical Sharing Trust shall provide the following  
6           verbatim written disclaimer on all applications for  
7           membership or participation:

8           "WARNING: This organization is not insurance or an  
9           insurance policy nor is it offered through an insurance  
10           company. Whether anyone chooses to assist you with your  
11           medical bills will be totally voluntary, as no other  
12           member will be compelled by law to contribute toward  
13           your medical bills. As such, this organization should  
14           never be considered to be providing insurance. Whether  
15           you receive any payments for medical expenses and  
16           whether or not this organization continues to operate,  
17           you are always personally responsible for the payment  
18           of your own medical bills. This organization is not  
19           subject to the regulatory requirements of the Illinois  
20           Insurance Code."

21           (8) A Medical Sharing Trust shall provide to its  
22           participants, within 30 days after enrollment, a complete  
23           set of its rules for the sharing of needs, appeals of  
24           decisions made by the Medical Sharing Trust, and the filing  
25           of complaints. The rules must be in the participant's  
26           native language if requested by the participant.

1           (9) A Medical Sharing Trust shall have a Certificate of  
2           Authority to do business in Illinois.

3           (10) A Medical Sharing Trust shall be controlled by a  
4           board of directors, the majority of which is elected by its  
5           members.