**Section 2009.30 Model COB Contract Provision**

a) Exhibit A contains a model COB provision for use in contracts. That use is subject to subsections (b) and (c) and Section 2009.40.

b) A contract's COB provision does not have to use the words and format shown at Exhibit A. Changes may be made to fit the language and style of the rest of the contract or to reflect the differences among plans that provide services, pay benefits for expenses incurred, and indemnify. No other substantive changes are allowed. (The Department will determine compliance with this subsection (b) under Section 143 of the Code.)

c) Prohibited Coordination and Benefit Design

1) A contract may not reduce benefits on the basis that:

A) Another plan exists;

B) A person is or could have been covered under another plan, except with respect to Part B of Medicare; or

C) A person has elected an option under another plan providing a lower level of benefits than another option that could have been elected.

2) No contract may contain a provision that its benefits are "excess" or "always secondary" to any plan as defined in Section 2009.20, as authorized by Section 2009.60.

d) With respect to excepted benefit policies and grandfathered health plans, "specified disease coverage" pays benefits for the diagnosis and treatment of a specifically named disease or diseases. Except for the uniform policy provision regarding other insurance with the same insurer, benefits for specified disease coverage shall be paid regardless of other coverage available through individual health insurance.

(Source: Amended at 39 Ill. Reg. 12548, effective September 1, 2015)