**Section 4521.111 Cancellation**

a) No HMO shall cancel a group or individual contract or evidence of coverage except for one or more of the following reasons:

1) Failure of the enrollee to pay the amount due under the contract or evidence of coverage, for which the enrollee is legally responsible;

2) Fraud or material misrepresentation in enrollment or in the use of services or facilities;

3) Material violation of the terms of the contract or evidence of coverage;

4) Failure of the enrollee and the primary care physician to establish a satisfactory patient-physician relationship if the enrollee has repeatedly refused to follow the plan of treatment ordered by the physician; it is shown that the HMO has in good faith provided the enrollee with the opportunity to select an alternative primary care physician; and the enrollee has been notified in writing at least 31 days in advance that the HMO considers such patient-physician relationship to be unsatisfactory;

5) Under the Basic Outpatient Preventive and Primary Care Services for Children Program, failure to meet or continue to meet eligibility requirements as required by Section 4521.131 of this Part; or

6) Other good cause agreed upon in the contract and approved by the Director pursuant to Section 4-13 of the Act.

b) A group contract, evidence of coverage or individual contract may not be cancelled for any of the following reasons:

1) The status of the enrollee's health;

2) The enrollee has exercised his or her rights under the HMO's grievance system.

(Source: Amended at 30 Ill. Reg. 4732, effective March 2, 2006)