

1 AN ACT concerning the Comprehensive Health Insurance  
2 Plan.

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

5 Section 5. The Comprehensive Health Insurance Plan Act  
6 is amended by changing Section 4 as follows:

7 (215 ILCS 105/4) (from Ch. 73, par. 1304)

8 Sec. 4. Powers and authority of the board. The board  
9 shall have the general powers and authority granted under the  
10 laws of this State to insurance companies licensed to  
11 transact health and accident insurance and in addition  
12 thereto, the specific authority to:

13 a. Enter into contracts as are necessary or proper to  
14 carry out the provisions and purposes of this Act, including  
15 the authority, with the approval of the Director, to enter  
16 into contracts with similar plans of other states for the  
17 joint performance of common administrative functions, or with  
18 persons or other organizations for the performance of  
19 administrative functions including, without limitation,  
20 utilization review and quality assurance programs, or with  
21 health maintenance organizations or preferred provider  
22 organizations for the provision of health care services.

23 b. Sue or be sued, including taking any legal actions  
24 necessary or proper.

25 c. Take such legal action as necessary to:

26 (1) avoid the payment of improper claims against  
27 the plan or the coverage provided by or through the plan;

28 (2) to recover any amounts erroneously or  
29 improperly paid by the plan;

30 (3) to recover any amounts paid by the plan as a  
31 result of a mistake of fact or law; or

1           (4) to recover or collect any other amounts,  
2           including assessments, that are due or owed the Plan or  
3           have been billed on its or the Plan's behalf.

4           d. Establish appropriate rates, rate schedules, rate  
5           adjustments, expense allowances, agents' referral fees, claim  
6           reserves, and formulas and any other actuarial function  
7           appropriate to the operation of the plan. Rates and rate  
8           schedules may be adjusted for appropriate risk factors such  
9           as age and area variation in claim costs and shall take into  
10          consideration appropriate risk factors in accordance with  
11          established actuarial and underwriting practices.

12          e. Issue policies of insurance in accordance with the  
13          requirements of this Act.

14          f. Appoint appropriate legal, actuarial and other  
15          committees as necessary to provide technical assistance in  
16          the operation of the plan, policy and other contract design,  
17          and any other function within the authority of the plan.

18          g. Borrow money to effect the purposes of the Illinois  
19          Comprehensive Health Insurance Plan. Any notes or other  
20          evidence of indebtedness of the plan not in default shall be  
21          legal investments for insurers and may be carried as admitted  
22          assets.

23          h. Establish rules, conditions and procedures for  
24          reinsuring risks under this Act.

25          i. Employ and fix the compensation of employees. Such  
26          employees may be paid on a warrant issued by the State  
27          Treasurer pursuant to a payroll voucher certified by the  
28          Board and drawn by the Comptroller against appropriations or  
29          trust funds held by the State Treasurer.

30          j. Enter into intergovernmental cooperation agreements  
31          with other agencies or entities of State government for the  
32          purpose of sharing the cost of providing health care services  
33          that are otherwise authorized by this Act for children who  
34          are both plan participants and eligible for financial

1 assistance from the Division of Specialized Care for Children  
2 of the University of Illinois.

3 k. Establish conditions and procedures under which the  
4 plan may, if funds permit, discount or subsidize premium  
5 rates that are paid directly by senior citizens, as defined  
6 by the Board, and other plan participants, who are retired or  
7 unemployed and meet other qualifications.

8 l. Establish and maintain the Plan Fund authorized in  
9 Section 3 of this Act, which shall be divided into separate  
10 accounts, as follows:

11 (1) accounts to fund the administrative, claim, and  
12 other expenses of the Plan associated with eligible  
13 persons who qualify for Plan coverage under Section 7 of  
14 this Act, which shall consist of:

15 (A) premiums paid on behalf of covered  
16 persons;

17 (B) appropriated funds and other revenues  
18 collected or received by the Board;

19 (C) reserves for future losses maintained by  
20 the Board; and

21 (D) interest earnings from investment of the  
22 funds in the Plan Fund or any of its accounts other  
23 than the funds in the account established under item  
24 2 of this subsection;

25 (2) an account, to be denominated the federally  
26 eligible individuals account, to fund the administrative,  
27 claim, and other expenses of the Plan associated with  
28 federally eligible individuals who qualify for Plan  
29 coverage under Section 15 of this Act, which shall  
30 consist of:

31 (A) premiums paid on behalf of covered  
32 persons;

33 (B) assessments and other revenues collected  
34 or received by the Board;

1 (C) reserves for future losses maintained by  
2 the Board; and

3 (D) interest earnings from investment of the  
4 federally eligible individuals account funds; and

5 (3) such other accounts as may be appropriate.

6 m. Charge and collect assessments paid by insurers  
7 pursuant to Section 12 of this Act and recover any  
8 assessments for, on behalf of, or against those insurers.

9 n. Establish conditions and procedures under which the  
10 Plan may, if funds permit, provide catastrophic prescription  
11 drug insurance, as defined by the Board.

12 (Source: P.A. 90-30, eff. 7-1-97; 91-357, eff. 7-29-99.)

13 Section 99. Effective date. This Act takes effect upon  
14 becoming law.