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09400HB5349ham002

LRB094 19325 LJB 56244 a

1 AMENDMENT TO HOUSE BILL 5349

2 AMENDMENT NO. _____. Amend House Bill 5349, AS AMENDED, by
3 replacing everything after the enacting clause with the
4 following:

5 "Section 5. The Illinois Insurance Code is amended by
6 adding Section 368f as follows:

7 (215 ILCS 5/368f new)

8 Sec. 368f. Military service member insurance
9 reinstatement.

10 (a) No Illinois resident activated for military service and
11 no spouse or dependent of the resident who becomes eligible for
12 a federal government-sponsored health insurance program,
13 including the TriCare program providing coverage for civilian
14 dependents of military personnel, as a result of the activation
15 shall be denied reinstatement into the same individual health
16 insurance coverage with the health insurer that the resident
17 lapsed as a result of activation or becoming covered by the
18 federal government-sponsored health insurance program. The
19 resident shall have the right to reinstatement in the same
20 individual health insurance coverage without medical
21 underwriting, subject to payment of the current premium charged
22 to other persons of the same age and gender that are covered
23 under the same individual health coverage. Except in the case
24 of birth or adoption that occurs during the period of

1 activation, reinstatement must be into the same coverage type
2 as the resident held prior to lapsing the individual health
3 insurance coverage and at the same or, at the option of the
4 resident, higher deductible level. The reinstatement rights
5 provided under this subsection (a) are not available to a
6 resident or dependents if the activated person is discharged
7 from the military under other than honorable conditions.

8 (b) The health insurer with which the reinstatement is
9 being requested must receive a request for reinstatement no
10 later than 63 days following the later of (i) deactivation or
11 (ii) loss of coverage under the federal government-sponsored
12 health insurance program. The health insurer may request proof
13 of loss of coverage and the timing of the loss of coverage of
14 the government-sponsored coverage in order to determine
15 eligibility for reinstatement into the individual coverage.
16 The effective date of the reinstatement of individual health
17 coverage shall be the first of the month following receipt of
18 the notice requesting reinstatement.

19 (c) All insurers must provide written notice to the
20 policyholder of individual health coverage of the rights
21 described in subsection (a) of this Section. In lieu of the
22 inclusion of the notice in the individual health insurance
23 policy, an insurance company may satisfy the notification
24 requirement by providing a single written notice:

25 (1) in conjunction with the enrollment process for a
26 policyholder initially enrolling in the individual
27 coverage on or after the effective date of this amendatory
28 Act of the 94th General Assembly; or

29 (2) by mailing written notice to policyholders whose
30 coverage was effective prior to the effective date of this
31 amendatory Act of the 94th General Assembly no later than
32 90 days following the effective date of this amendatory Act
33 of the 94th General Assembly.

34 (d) The provisions of subsection (a) of this Section do not

1 apply to any policy or certificate providing coverage for any
2 specified disease, specified accident or accident-only
3 coverage, credit, dental, disability income, hospital
4 indemnity, long-term care, Medicare supplement, vision care,
5 or short-term nonrenewable health policy or other
6 limited-benefit supplemental insurance, or any coverage issued
7 as a supplement to any liability insurance, workers'
8 compensation or similar insurance, or any insurance under which
9 benefits are payable with or without regard to fault, whether
10 written on a group, blanket, or individual basis.

11 (e) Nothing in this Section shall require an insurer to
12 reinstate the resident if the insurer requires residency in an
13 enrollment area and those residency requirements are not met
14 after deactivation or loss of coverage under the
15 government-sponsored health insurance program.

16 (f) All terms, conditions, and limitations of the
17 individual coverage into which reinstatement is made apply
18 equally to all insureds enrolled in the coverage.

19 (g) The Secretary may adopt rules as may be necessary to
20 carry out the provisions of this Section.

21 Section 99. Effective date. This Act takes effect upon
22 becoming law."