HB3709

99TH GENERAL ASSEMBLY

State of Illinois

2015 and 2016

HB3709

by Rep. Fred Crespo

SYNOPSIS AS INTRODUCED:

215 ILCS 5/356z.12

Amends the Illinois Insurance Code to provide that policies of accident and health insurance or managed care plans that cover dependents and that are amended, delivered, issued, or renewed after the effective date of the Act shall not terminate or deny election of coverage for an unmarried dependent due to age before the dependent's 29th birthday. Effective immediately.

LRB099 05687 MLM 25730 b

A BILL FOR

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 Illinois Insurance Code is amended by

5   changing Section 356z.12 as follows:

6   (215 ILCS 5/356z.12)

7   Sec. 356z.12. Dependent coverage.

8   (a) A group or individual policy of accident and health

9   insurance or managed care plan that provides coverage for

10   dependents and that is amended, delivered, issued, or renewed

11   after the effective date of this amendatory Act of the 95th

12   General Assembly shall not terminate coverage or deny the

13   election of coverage for an unmarried dependent by reason of

14   the dependent's age before the dependent's 26th birthday.

15   (a-5) A group or individual policy of accident and health

16   insurance or managed care plan that provides coverage for

17   dependents and that is amended, delivered, issued, or renewed

18   after the effective date of this amendatory Act of the 99th

19   General Assembly shall not terminate coverage or deny the

20   election of coverage for an unmarried dependent by reason of

21   the dependent's age before the dependent's 29th birthday.

22   (b) A policy or plan subject to this Section shall, upon

23   amendment, delivery, issuance, or renewal, establish an

1 initial enrollment period of not less than 90 days during which

2 an insured may make a written election for coverage of an

3 unmarried person as a dependent under this Section. After the

4 initial enrollment period, enrollment by a dependent pursuant

5 to this Section shall be consistent with the enrollment terms

6 of the plan or policy.

7   (c) A policy or plan subject to this Section shall allow

8 for dependent coverage during the annual open enrollment date

9 or the annual renewal date if the dependent, as of the date on

10 which the insured elects dependent coverage under this

11 subsection, has:

12   (1) a period of continuous creditable coverage of 90

13   days or more; and

14   (2) not been without creditable coverage for more than

15   63 days.

16 An insured may elect coverage for a dependent who does not meet

17 the continuous creditable coverage requirements of this

18 subsection (c) and that dependent shall not be denied coverage

19 due to age.

20   For purposes of this subsection (c), "creditable coverage"

21 shall have the meaning provided under subsection (C)(1) of

22 Section 20 of the Illinois Health Insurance Portability and

23 Accountability Act.

24   (d) Military personnel. A group or individual policy of

25 accident and health insurance or managed care plan that

26 provides coverage for dependents and that is amended,

1   delivered, issued, or renewed after the effective date of this

2   amendatory Act of the 95th General Assembly shall not terminate

3   coverage or deny the election of coverage for an unmarried

4   dependent by reason of the dependent's age before the

5   dependent's 30th birthday if the dependent (i) is an Illinois

6   resident, (ii) served as a member of the active or reserve

7   components of any of the branches of the Armed Forces of the

8   United States, and (iii) has received a release or discharge

9   other than a dishonorable discharge. To be eligible for

10 coverage under this subsection (d), the eligible dependent

11 shall submit to the insurer a form approved by the Illinois

12 Department of Veterans' Affairs stating the date on which the

13 dependent was released from service.

14   (e) Calculation of the cost of coverage provided to an

15 unmarried dependent under this Section shall be identical.

16   (f) Nothing in this Section shall prohibit an employer from

17 requiring an employee to pay all or part of the cost of

18 coverage provided under this Section.

19   (g) No exclusions or limitations may be applied to coverage

20 elected pursuant to this Section that do not apply to all

21 dependents covered under the policy.

22   (h) A policy or plan subject to this Section shall not

23 condition eligibility for dependent coverage provided pursuant

24 to this Section on enrollment in any educational institution.

25   (i) Notice regarding coverage for a dependent as provided

26 pursuant to this Section shall be provided to an insured by the

1   insurer:

2   (1) upon application or enrollment;

3   (2) in the certificate of coverage or equivalent

4   document prepared for an insured and delivered on or about

5   the date on which the coverage commences; and

6   (3) (blank).

7   (Source: P.A. 98-226, eff. 1-1-14.)

8   Section 99. Effective date. This Act takes effect upon

9   becoming law.