

215 ILCS 97/30 (A)(B) HIPAA Guaranteed Renewability

Sec. 30. Guaranteed renewability of coverage for employers in the group market.

(A) In general.

Except as provided in this Section, if a health insurance issuer offers health insurance coverage in the small or large group market in connection with a group health plan, the issuer must renew or continue in force such coverage at the option of the plan sponsor of the plan.

(B) General exceptions.

A health insurance issuer may nonrenew or discontinue health insurance coverage offered in connection with a group health plan in the small or large group market based only on one or more of the following:

- (1) Nonpayment of premiums. The plan sponsor has failed to pay premiums or contributions in accordance with the terms of the health insurance coverage or the issuer has not received timely premium payments.
- (2) Fraud. The plan sponsor has performed an act or practice that constitutes fraud or made an intentional misrepresentation of material fact under the terms of the coverage.
- (3) Violation of participation or contribution rules.

The plan sponsor has failed to comply with a material plan provision relating to employer contribution or group participation rules, as permitted under Section 40(D) in the case of the small group market or pursuant to applicable State law in the case of the large group market.

(4) Termination of coverage.

The issuer is ceasing to offer coverage in such market in accordance with subsection (C) and applicable State law.

(5) Movement outside service area.

In the case of a health insurance issuer that offers health insurance coverage in the market through a network plan, there is no longer any enrollee in connection with such plan who lives, resides, or works in the service area of the issuer (or in the area for which the issuer is authorized to do business) and, in the case of the small group market, the issuer would deny enrollment with respect to such plan under Section 40(C)(1)(a).

(6) Association membership ceases.

In the case of health insurance coverage that is made available in the small or large group market (as the case may be) only through one or more bona fide association, the membership of an employer in the association (on the basis of which the coverage is provided) ceases but only if such coverage is terminated under this paragraph uniformly without regard to any health status-related factor relating to any covered individual.

(Source P.A. 90-30, eff. 7-1-97)