

215 ILCS 5/4 Classes of Insurance

Sec. 4. Classes of insurance

Class 1. Life, Accident and Health.

(a) Life. Insurance on the lives of persons and every insurance appertaining thereto or connected therewith and granting, purchasing or disposing of annuities. Policies of life or endowment insurance or annuity contracts or contracts supplemental thereto which contain provisions for additional benefits in case of death by accidental means and provisions operating to safeguard such policies or contracts against lapse, to give a special surrender value, or special benefit, or an annuity, in the event, that the insured or annuitant shall become totally and permanently disabled as defined by the policy or contract, or which contain benefits providing acceleration of life or endowment or annuity benefits in advance of the time they would otherwise be payable, as an indemnity for long term care which is certified or ordered by a physician, including but not limited to, professional nursing care, medical care expenses, custodial nursing care, non-nursing custodial care provided in a nursing home or at a residence of the insured, or which contain benefits providing acceleration of life or endowment or annuity benefits in advance of the time they would otherwise be payable, at any time during the insured's lifetime, as an indemnity for a terminal illness shall be deemed to be policies of life or endowment insurance or annuity contracts within the intent of this clause.

Also to be deemed as policies of life or endowment insurance or annuity contracts within the intent of this clause shall be those policies or riders that provide for the payment of up to 75% of the face amount of benefits in advance of the time they would otherwise be payable upon a diagnosis by a physician licensed to practice medicine in all of its branches that the insured has incurred a covered condition listed in the policy or rider.

"Covered condition", as used in this clause, means: heart attack, stroke, coronary artery surgery, life threatening cancer, renal failure, alzheimer's disease, paraplegia, major organ transplantation, total and permanent disability, and any other medical condition that the Department may approve for any particular filing.

The Director may issue rules that specify prohibited policy provisions, not otherwise specifically prohibited by law, which in the opinion of the Director are unjust, unfair, or unfairly discriminatory to the policyholder, any person insured under the policy, or beneficiary.

(b) Accident and health. Insurance against bodily injury, disablement or death by accident and against disablement resulting from sickness or old age and every insurance appertaining thereto, including stop-loss insurance. Stop-loss insurance is insurance against the risk of economic loss issued to a single employer self-funded employee disability benefit plan or an employee welfare benefit plan as described in 29 U.S.C. 100 et seq.

(Source: P.A. 90-810; eff. 1-6-99)