

215 ILCS 97/30(C) HIPAA Uniform Termination of Coverage

(C) Requirements for uniform termination of coverage.

(1) Particular type of coverage not offered. In any case in which an issuer decides to discontinue offering a particular type of group health insurance coverage offered in the small or large group market, coverage of such type may be discontinued by the issuer in accordance with applicable State law in such market only if:

(a) the issuer provides notice to each plan sponsor provided coverage of this type in such market (and participants and beneficiaries covered under such coverage) of such discontinuation at least 90 days prior to the date of the discontinuation of such coverage;

(b) the issuer offers to each plan sponsor provided coverage of this type in such market, the option to purchase all (or, in the case of the large group market, any) other health insurance coverage currently being offered by the issuer to a group health plan in such market; and

(c) in exercising the option to discontinue coverage of this type and in offering the option of coverage under subparagraph (b), the issuer acts uniformly without regard to the claims experience of those sponsors or any health status-related factor relating to any participants or beneficiaries who may become eligible for such coverage.

(2) Discontinuance of all coverage.

(a) In general. In any case in which a health insurance issuer elects to discontinue offering all health insurance coverage in the small group market or the large group market, or both markets, in Illinois, health insurance coverage may be discontinued by the issuer only in accordance with Illinois law and if:

(i) the issuer provides notice to the Department and to each plan sponsor (and participants and beneficiaries covered under such coverage) of such discontinuation at least 180 days prior to the date of the discontinuation of such coverage; and

(ii) all health insurance issued or delivered for issuance in Illinois in such market (or markets) are discontinued and coverage under such health insurance coverage in such market (or markets) is not renewed.

(b) Prohibition on market reentry. In the case of a discontinuation under subparagraph (a) in a market, the issuer may not provide for the issuance of any health insurance coverage in the Illinois market involved during the 5-year period beginning on the date of the discontinuation of the last health insurance coverage not so renewed.

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