



Rep. Frank J. Mautino

Filed: 4/1/2009

09600HB0631ham002

LRB096 04319 RPM 24980 a

1 AMENDMENT TO HOUSE BILL 631

2 AMENDMENT NO. _____. Amend House Bill 631, AS AMENDED, by
3 replacing everything after the enacting clause with the
4 following:

5 "Section 1. Short title. This Act may be cited as the
6 Medical Sharing Trust Act.

7 Section 5. Definitions. In this Act:

8 "Medical Sharing Trust" means an organization that
9 facilitates payment of the medical expenses of its participants
10 as provided in Section 20 of this Act, and complies with all
11 provisions of this Act and of the Illinois Charitable Trust
12 Act.

13 Section 10. Exemptions. An organization complying with
14 this Act as a Medical Sharing Trust is not subject to the
15 provisions of the Illinois Insurance Code, except that a

1 Medical Sharing Trust offering any services other than those
2 services offered by a Medical Sharing Trust that are regulated
3 under any provision of the Illinois Insurance Code shall be
4 required to comply with the Illinois Insurance Code with
5 respect to the provision of those services.

6 Section 15. Registration requirements for a Medical
7 Sharing Trust. No Medical Sharing Trust shall be offered,
8 issued, sold, or solicited to participants in this State as
9 exempt under Section 10 of this Act unless the Medical Sharing
10 Trust has complied with all requirements set forth in Sections
11 5 and 20 of this Act and submitted all of the following to the
12 Attorney General:

13 (1) The name of the Medical Sharing Trust.

14 (2) A list identifying the Medical Sharing Trust's
15 executive officer or officers directly responsible for the
16 Medical Sharing Trust's business.

17 (3) The name and address of the Medical Sharing Trust's
18 agent for service of process in this State, if other than
19 the Medical Sharing Trust.

20 (4) A true and accurate copy of all forms used for
21 participants' application and agreements with the
22 organization.

23 (5) A certified copy of its Certificate of Authority to
24 do business from the Illinois Secretary of State.

25 (6) Proof that the Medical Sharing Trust is controlled

1 by a board of directors, the majority of which is elected
2 by the members of the Medical Sharing Trust.

3 Section 20. Operation of a Medical Sharing Trust.

4 (a) A Medical Sharing Trust may facilitate payments between
5 participants who have present medical needs and participants
6 with the ability to pay for the benefits of those participants
7 in need. A Medical Sharing Trust is prohibited from assuming
8 liability for or guaranteeing payment of any medical expenses.

9 (b) All participants shall execute a release stating that
10 no other participants or the Medical Sharing Trust shall be
11 legally obligated in any way to pay for a medical need.

12 (c) A Medical Sharing Trust may facilitate the payments
13 provided for in paragraph (a) of this Section 20 through
14 payments made directly from one participant to another.

15 (d) A Medical Sharing Trust may cancel the membership of a
16 participant when that participant indicates their
17 unwillingness to participate by failing to make a payment to
18 another participant for a period in excess of 60 days.

19 (e) A Medical Sharing Trust may establish qualifications of
20 participation relating to the health of the prospective
21 participant.

22 (f) A Medical Sharing Trust may establish qualifications as
23 to the participants' physical or medical needs necessary for
24 eligibility for payment among the participants.

25 (g) A Medical Sharing Trust shall provide the following

1 verbatim written disclaimer on all applications for membership
2 or participation:

3 "WARNING: This organization is not insurance or an
4 insurance policy nor is it offered through an insurance
5 company. Whether anyone chooses to assist you with your
6 medical bills will be totally voluntary, as no other member
7 will be compelled by law to contribute toward your medical
8 bills. As such, this organization should never be
9 considered to be providing insurance. Whether you receive
10 any payments for medical expenses and whether or not this
11 organization continues to operate, you are always
12 personally responsible for the payment of your own medical
13 bills. This organization is not subject to the regulatory
14 requirements of the Illinois Insurance Code.".

15 (h) A Medical Sharing Trust shall provide to its
16 participants, within 30 days of enrollment, a complete set of
17 its rules for the sharing of needs, appeals of decisions made
18 by the Medical Sharing Trust, and the filing of complaints in
19 the participant's native language if requested by the
20 participant.

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