

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 143.11 as follows:

6 (215 ILCS 5/143.11) (from Ch. 73, par. 755.11)

7 Sec. 143.11. Cancellation Provisions. All companies
8 authorized to transact in this State the kinds of business
9 enumerated in Section 4 of the "Illinois Insurance Code" shall
10 include in their policies, except life, accident and health,
11 fidelity and surety, and ocean marine policies, a cancellation
12 provision setting out the manner in which such policies may be
13 cancelled. The cancellation provision shall provide that the
14 policy automatically lapses for nonpayment of premium due
15 retroactive through the last day of the last month for which
16 the premium was paid. The insured may also choose to cancel the
17 group health insurance policy with written notification up to
18 the last day of the policy year. If any benefits are paid with
19 a date of service after the preceding policy lapse date, then
20 the responsibility to pay shall be by the succeeding carrier,
21 the employer, or by a combination of the parties pursuant to
22 the terms of the new policy in force. However, nothing
23 contained in Section 143.12 through Section 143.24 shall apply

1 to contracts of reinsurance or to contracts procured by agents
2 under the authority of Section 445.

3 (Source: P.A. 80-1365.)