

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

6 Section 5. Definitions. In this Act:

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

12 Section 10. Exemptions. An organization complying with
13 this Act as a Medical Sharing Trust is not subject to the
14 provisions of the Illinois Insurance Code, except that a
15 Medical Sharing Trust offering any services other than those
16 services offered by a Medical Sharing Trust that are regulated
17 under any provision of the Illinois Insurance Code shall be
18 required to comply with the Illinois Insurance Code with
19 respect to the provision of those services.

20 Section 15. Registration requirements for a Medical
21 Sharing Trust. No Medical Sharing Trust shall be offered,

1 issued, sold, or solicited to participants in this State as
2 exempt under Section 10 of this Act unless the Medical Sharing
3 Trust has complied with all requirements set forth in Sections
4 5 and 20 of this Act and submitted all of the following to the
5 Attorney General:

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

7 (2) A list identifying the Medical Sharing Trust's
8 executive officer or officers directly responsible for the
9 Medical Sharing Trust's business.

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

13 (4) A true and accurate copy of all forms used for
14 participants' application and agreements with the
15 organization.

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

18 (6) Proof that the Medical Sharing Trust is controlled
19 by a board of directors, the majority of which is elected
20 by the members of the Medical Sharing Trust.

21 Section 20. Operation of a Medical Sharing Trust.

22 (a) A Medical Sharing Trust may facilitate payments between
23 participants who have present medical needs and participants
24 with the ability to pay for the benefits of those participants
25 in need. A Medical Sharing Trust is prohibited from assuming

1 liability for or guaranteeing payment of any medical expenses.

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

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

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

12 (e) A Medical Sharing Trust may establish qualifications of
13 participation relating to the health of the prospective
14 participant.

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

18 (g) A Medical Sharing Trust shall provide the following
19 verbatim written disclaimer on all applications for membership
20 or participation:

21 "WARNING: This organization is not insurance or an
22 insurance policy nor is it offered through an insurance
23 company. Whether anyone chooses to assist you with your
24 medical bills will be totally voluntary, as no other member
25 will be compelled by law to contribute toward your medical
26 bills. As such, this organization should never be

1 considered to be providing insurance. Whether you receive
2 any payments for medical expenses and whether or not this
3 organization continues to operate, you are always
4 personally responsible for the payment of your own medical
5 bills. This organization is not subject to the regulatory
6 requirements of the Illinois Insurance Code.".

7 (h) A Medical Sharing Trust shall provide to its
8 participants, within 30 days of enrollment, a complete set of
9 its rules for the sharing of needs, appeals of decisions made
10 by the Medical Sharing Trust, and the filing of complaints in
11 the participant's native language if requested by the
12 participant.

13 Section 99. Effective date. This Act takes effect upon
14 becoming law.