



Sen. William R. Haine

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09700HB1129sam001

LRB097 06759 RPM 54788 a

1 AMENDMENT TO HOUSE BILL 1129

2 AMENDMENT NO. _____. Amend House Bill 1129 on page 1, line
3 5, after "136", by inserting ", 143,"; and

4 on page 8, immediately below line 13, by inserting the
5 following:

6 "(215 ILCS 5/143) (from Ch. 73, par. 755)
7 Sec. 143. Policy forms.

8 (1) Life, accident and health. No company transacting the
9 kind or kinds of business enumerated in Classes 1 (a), 1 (b)
10 and 2 (a) of Section 4 shall issue or deliver in this State a
11 policy or certificate of insurance or evidence of coverage,
12 attach an endorsement or rider thereto, incorporate by
13 reference bylaws or other matter therein or use an application
14 blank in this State until the form and content of such policy,
15 certificate, evidence of coverage, endorsement, rider, bylaw
16 or other matter incorporated by reference or application blank

1 has been filed electronically with the Director, either through
2 the System for Electronic Rate and Form Filing (SERFF) or as
3 otherwise prescribed by the Director, and approved by the
4 Director. The Department shall mail a quarterly invoice to the
5 company for the appropriate filing fees required under Section
6 408. Any such endorsement or rider that unilaterally reduces
7 benefits and is to be attached to a policy subsequent to the
8 date the policy is issued must be filed with, reviewed, and
9 formally approved by the Director prior to the date it is
10 attached to a policy issued or delivered in this State. It
11 shall be the duty of the Director to withhold approval of any
12 such policy, certificate, endorsement, rider, bylaw or other
13 matter incorporated by reference or application blank filed
14 with him if it contains provisions which encourage
15 misrepresentation or are unjust, unfair, inequitable,
16 ambiguous, misleading, inconsistent, deceptive, contrary to
17 law or to the public policy of this State, or contains
18 exceptions and conditions that unreasonably or deceptively
19 affect the risk purported to be assumed in the general coverage
20 of the policy. In all cases the Director shall approve or
21 disapprove any such form within 60 days after submission unless
22 the Director extends by not more than an additional 30 days the
23 period within which he shall approve or disapprove any such
24 form by giving written notice to the insurer of such extension
25 before expiration of the initial 60 days period. The Director
26 shall withdraw his approval of a policy, certificate, evidence

1 of coverage, endorsement, rider, bylaw, or other matter
2 incorporated by reference or application blank if he
3 subsequently determines that such policy, certificate,
4 evidence of coverage, endorsement, rider, bylaw, other matter,
5 or application blank is misrepresentative, unjust, unfair,
6 inequitable, ambiguous, misleading, inconsistent, deceptive,
7 contrary to law or public policy of this State, or contains
8 exceptions or conditions which unreasonably or deceptively
9 affect the risk purported to be assumed in the general coverage
10 of the policy or evidence of coverage.

11 If a previously approved policy, certificate, evidence of
12 coverage, endorsement, rider, bylaw or other matter
13 incorporated by reference or application blank is withdrawn for
14 use, the Director shall serve upon the company an order of
15 withdrawal of use, either personally or by mail, and if by
16 mail, such service shall be completed if such notice be
17 deposited in the post office, postage prepaid, addressed to the
18 company's last known address specified in the records of the
19 Department of Insurance. The order of withdrawal of use shall
20 take effect 30 days from the date of mailing but shall be
21 stayed if within the 30-day period a written request for
22 hearing is filed with the Director. Such hearing shall be held
23 at such time and place as designated in the order given by the
24 Director. The hearing may be held either in the City of
25 Springfield, the City of Chicago or in the county where the
26 principal business address of the company is located. The

1 action of the Director in disapproving or withdrawing such form
2 shall be subject to judicial review under the Administrative
3 Review Law.

4 This subsection shall not apply to riders or endorsements
5 issued or made at the request of the individual policyholder
6 relating to the manner of distribution of benefits or to the
7 reservation of rights and benefits under his life insurance
8 policy.

9 (2) Casualty, fire, and marine. The Director shall require
10 the filing of all policy forms issued or delivered by any
11 company transacting the kind or kinds of business enumerated in
12 Classes 2 (except Class 2 (a)) and 3 of Section 4 in an
13 electronic format either through the System for Electronic Rate
14 and Form Filing (SERFF) or as otherwise prescribed and approved
15 by the Director. In addition, he may require the filing of any
16 generally used riders, endorsements, certificates, application
17 blanks, and other matter incorporated by reference in any such
18 policy or contract of insurance. The Department shall mail a
19 quarterly invoice to the company for the appropriate filing
20 fees required under Section 408. Companies that are members of
21 an organization, bureau, or association may have the same filed
22 for them by the organization, bureau, or association. If the
23 Director shall find from an examination of any such policy
24 form, rider, endorsement, certificate, application blank, or
25 other matter incorporated by reference in any such policy so
26 filed that it (i) violates any provision of this Code, (ii)

1 contains inconsistent, ambiguous, or misleading clauses, or
2 (iii) contains exceptions and conditions that will
3 unreasonably or deceptively affect the risks that are purported
4 to be assumed by the policy, he shall order the company or
5 companies issuing these forms to discontinue their use. Nothing
6 in this subsection shall require a company transacting the kind
7 or kinds of business enumerated in Classes 2 (except Class 2
8 (a)) and 3 of Section 4 to obtain approval of these forms
9 before they are issued nor in any way affect the legality of
10 any policy that has been issued and found to be in conflict
11 with this subsection, but such policies shall be subject to the
12 provisions of Section 442.

13 (3) This Section shall not apply (i) to surety contracts or
14 fidelity bonds, (ii) to policies issued to an industrial
15 insured as defined in Section 121-2.08 except for workers'
16 compensation policies, nor (iii) to riders or endorsements
17 prepared to meet special, unusual, peculiar, or extraordinary
18 conditions applying to an individual risk.

19 (Source: P.A. 93-1083, eff. 2-7-05.)".