

TABLE OF CONTENTS

September 20, 2013 Volume 37, Issue 38

PROPOSED RULES

HUMAN SERVICES, DEPARTMENT OF	
Temporary Assistance for Needy Families	
89 Ill. Adm. Code 112.....	15185
Refugee/Repatriate Program	
89 Ill. Adm. Code 115.....	15187
Supplemental Nutrition Assistance Program (SNAP)	
89 Ill. Adm. Code 121.....	15189
INSURANCE, DEPARTMENT OF	
Minimum Standards of Individual Accident and Health Insurance	
50 Ill. Adm. Code 2007.....	15191.
Navigator, In-Person Counselor and Certified Application	
Counselor Certification	
50 Ill. Adm. Code 3125.....	15238
Managed Care Reform & Patient Rights	
50 Ill. Adm. Code 5420.....	15251
Health Maintenance Organization	
50 Ill. Adm. Code 5421.....	15270
POLLUTION CONTROL BOARD	
Definitions and General Provisions	
35 Ill. Adm. Code 211.....	15289
Air Quality Standards	
35 Ill. Adm. Code 243.....	15314
STUDENT ASSISTANCE COMMISSION, ILLINOIS	
Illinois National Guard (ING) Grant Program	
23 Ill. Adm. Code 2730.....	15332
Golden Apple Scholars of Illinois Program	
23 Ill. Adm. Code 2764.....	15334

ADOPTED RULES

COMMERCE COMMISSION, ILLINOIS	
Minimum Safety Standards for Transportation of Gas and for	
Gas Pipeline Facilities	
83 Ill. Adm. Code 590.....	15336
INSURANCE, DEPARTMENT OF	
Construction and Filing of Life Insurance and Annuity Forms	
50 Ill. Adm. Code 1405.....	15340
Summary Document and Disclaimer	
50 Ill. Adm. Code 3401.....	15355
OFFICE OF THE COMPTROLLER	
Illinois Funeral or Burial Funds Act	
38 Ill. Adm. Code 610.....	15365

Claim Eligible to be Offset 74 Ill. Adm. Code 285.....	15376
EMERGENCY RULES	
HUMAN SERVICES, DEPARTMENT OF	
Temporary Assistance for Needy Families 89 Ill. Adm. Code 112.....	15388
Refugee/Repatriate Program 89 Ill. Adm. Code 115.....	15416
Supplemental Nutrition Assistance Program (SNAP) 89 Ill. Adm. Code 121.....	15423
STUDENT ASSISTANCE COMMISSION, ILLINOIS	
Illinois National Guard (ING) Grant Program 23 Ill. Adm. Code 2730.....	15439
Golden Apple Scholars of Illinois Program 23 Ill. Adm. Code 2764.....	15446
SECOND NOTICES RECEIVED	
JOINT COMMITTEE ON ADMINISTRATIVE RULES	
Second Notices Received.....	15456
OTHER INFORMATION REQUIRED BY LAW TO BE PUBLISHED IN THE ILLINOIS REGISTER	
POLLUTION CONTROL BOARD	
Notice of Public Information (NAAQS).....	15457
Notice of Public Information (Ozone).....	15461

INTRODUCTION

The Illinois Register is the official state document for publishing public notice of rulemaking activity initiated by State governmental agencies. The table of contents is arranged categorically by rulemaking activity and alphabetically by agency within each category.

Rulemaking activity consists of proposed or adopted new rules; amendments to or repealers of existing rules; and rules promulgated by emergency or peremptory action. Executive Orders and Proclamations issued by the Governor; notices of public information required by State Statute; and activities (meeting agendas; Statements of Objection or Recommendation, etc.) of the Joint Committee on Administrative Rules (JCAR), a legislative oversight committee which monitors the rulemaking activities of State Agencies; is also published in the Register.

The Register is a weekly update of the Illinois Administrative Code (a compilation of the rules adopted by State agencies). The most recent edition of the Code, along with the Register, comprise the most current accounting of State agencies' rulemakings.

The Illinois Register is the property of the State of Illinois, granted by the authority of the Illinois Administrative Procedure Act [5 ILCS 100/1-1, et seq.].

ILLINOIS REGISTER PUBLICATION SCHEDULE FOR 2013

Issue#	Rules Due Date	Date of Issue
1	December 26, 2012	January 4, 2013
2	December 31, 2012	January 11, 2013
3	January 7, 2013	January 18, 2013
4	January 14, 2013	January 25, 2013
5	January 22, 2013	February 1, 2013
6	January 28, 2013	February 8, 2013
7	February 4, 2013	February 15, 2013
8	February 11, 2013	February 22, 2013
9	February 19, 2013	March 1, 2013
10	February 25, 2013	March 8, 2013
11	March 4, 2013	March 15, 2013
12	March 11, 2013	March 22, 2013
13	March 18, 2013	March 29, 2013
14	March 25, 2013	April 5, 2013
15	April 1, 2013	April 12, 2013
16	April 8, 2013	April 19, 2013
17	April 15, 2013	April 26, 2013
18	April 22, 2013	May 3, 2013
19	April 29, 2013	May 10, 2013
20	May 6, 2013	May 17, 2013

21	May 13, 2013	May 24, 2013
22	May 20, 2013	May 31, 2013
23	May 28, 2013	June 7, 2013
24	June 3, 2013	June 14, 2013
25	June 10, 2013	June 21, 2013
26	June 17, 2013	June 28, 2013
27	June 24, 2013	July 5, 2013
28	July 1, 2013	July 12, 2013
29	July 8, 2013	July 19, 2013
30	July 15, 2013	July 26, 2013
31	July 22, 2013	August 2, 2013
32	July 29, 2013	August 9, 2013
33	August 5, 2013	August 16, 2013
34	August 12, 2013	August 23, 2013
35	August 19, 2013	August 30, 2013
36	August 26, 2013	September 6, 2013
37	September 3, 2013	September 13, 2013
38	September 9, 2013	September 20, 2013
39	September 16, 2013	September 27, 2013
40	September 23, 2013	October 4, 2013
41	September 30, 2013	October 11, 2013
42	October 7, 2013	October 18, 2013
43	October 15, 2013	October 25, 2013
44	October 21, 2013	November 1, 2013
45	October 28, 2013	November 8, 2013
46	November 4, 2013	November 15, 2013
47	November 12, 2013	November 22, 2013
48	November 18, 2013	December 2, 2013
49	November 25, 2013	December 6, 2013
50	December 2, 2013	December 13, 2013
51	December 9, 2013	December 20, 2013
52	December 16, 2013	December 27, 2013

DEPARTMENT OF HUMAN SERVICES

NOTICE OF PROPOSED AMENDMENTS

- 1) Heading of the Part: Temporary Assistance for Needy Families
- 2) Code Citation: 89 Ill. Adm. Code 112
- 3)

<u>Section Numbers:</u>	<u>Proposed Action:</u>
112.9	Amend
112.65	Amend
112.69	Amend
112.127	Amend
112.150	Amend
112.151	Repeal
112.152	Repeal
112.153	Repeal
112.305	Amend
112.307	Amend
- 4) Statutory Authority: Implementing Article IV and authorized by Sections 12-13 of the Illinois Public Aid Code [305 ILCS 5/Art. IV and 12-13] and PA 98-114
- 5) A Complete Description of the Subjects and Issues involved: PA 98-114 amends the Temporary Assistance for Needy Families (TANF) Article of the Illinois Public Aid Code. In a provision concerning eligibility for benefits under the TANF program, this Act provides that the Department of Human Services shall disregard the value of all assets held by the family, effective immediately. As a result of this rulemaking, the value of assets shall not be considered in determining eligibility for an assistance payment. By eliminating the asset test, families can be encouraged to build a savings fund that will assist them in maintaining self-sufficiency when they experience an employment setback or other hardship. Companion rulemakings are also being proposed to 89 Ill. Adm. Code 115 and 89 Ill. Adm. Code 121.
- 6) Published studies or reports, and sources of underlying data, used to compose this rulemaking: None
- 7) Will this rulemaking replace any emergency rulemaking currently in effect? Yes
- 8) Does this rulemaking contain an automatic repeal date? No
- 9) Does this rulemaking contain incorporations by reference? No

DEPARTMENT OF HUMAN SERVICES

NOTICE OF PROPOSED AMENDMENTS

- 10) Are there any other proposed rulemakings pending on this Part? No
- 11) Statement of Statewide Policy Objective: This rulemaking does not create or expand a State mandate.
- 12) Time, Place and Manner in which interested persons may comment on this proposed rulemaking: Interested persons may present their comments concerning these rules within 45 days after the date of this issue of the *Illinois Register*. All requests and comments should be submitted in writing to:

Tracie Drew, Chief
Bureau of Administrative Rules and Procedures
Department of Human Services
100 South Grand Avenue East
Harris Building, 3rd Floor
Springfield, Illinois 62762

217/785-9772

- 13) Initial Regulatory Flexibility Analysis:
- A) Types of small businesses, small municipalities and not-for-profit corporations affected: None
- B) Reporting, bookkeeping or other procedures required for compliance: None
- C) Types of professional skills necessary for compliance: None
- 14) Regulatory agenda on which this rulemaking was summarized: July 2013

The full text of the Proposed Amendments is identical to that of the emergency rulemaking and begins in this issue of the *Illinois Register* on page 15388:

DEPARTMENT OF HUMAN SERVICES

NOTICE OF PROPOSED AMENDMENT

- 1) Heading of the Part: Refugee/Repatriate Program
- 2) Code Citation: 89 Ill. Adm. Code 115
- 3) Section Number: 115.10 Proposed Action:
Amendment
- 4) Statutory Authority: Implementing and authorized by Sections 12-4.5, 12-4.6 and 12-13 of the Illinois Public Aid Code [305 ILCS 5/12-4.5, 12-4.6 and 12-13]
- 5) A complete description of the subjects and issues involved: 45 CFR 400.66 requires that in administering a publicly-administered refugee cash assistance program, the State agency must operate its refugee cash assistance program consistent with the provisions of its TANF program in regard to the treatment of resources. PA 98-114 provides that the Department of Human Services' TANF program shall disregard the value of all assets held by the family, effective immediately. In accordance, resources will no longer be considered in determining eligibility for the Refugee Resettlement Program (RRP).

Companion rulemakings are also being proposed to 89 Ill. Adm. Code 112 and 89 Ill. Adm. Code 121.
- 6) Published studies or reports, and sources of underlying data, used to compose this rulemaking: None
- 7) Will this rulemaking replace any emergency rulemaking currently in effect? Yes
- 8) Does this rulemaking contain an automatic repeal date? No
- 9) Does this rulemaking contain incorporations by reference? No
- 11) Are there any other proposed rulemakings pending on this Part? No
- 11) Statement of Statewide Policy Objective: This rulemaking does not create or expand a State mandate.
- 12) Time, Place and Manner in which interested persons may comment on this proposed rulemaking: Interested persons may present their comments concerning these rules within 45 days after the date of this issue of the *Illinois Register*. All requests and comments should be submitted in writing to:

DEPARTMENT OF HUMAN SERVICES

NOTICE OF PROPOSED AMENDMENT

Tracie Drew, Chief
Bureau of Administrative Rules and Procedures
Department of Human Services
100 South Grand Avenue East
Harris Building, 3rd Floor
Springfield, Illinois 62762

217/785-9772

- 13) Initial Regulatory Flexibility Analysis:
- A) Types of small businesses, small municipalities and not-for-profit corporations affected: None
 - B) Reporting, bookkeeping or other procedures required for compliance: None
 - C) Types of professional skills necessary for compliance: None
- 14) Regulatory agenda on which this rulemaking was summarized: This rulemaking was not included on either of the two most recent regulatory agendas because it was not anticipated by the Department with the two most recent regulatory agendas were published.

The full text of the Proposed Amendment is identical to that of the emergency rulemaking, and begins in this issue of the *Illinois Register* on page 15416:

DEPARTMENT OF HUMAN SERVICES

NOTICE OF PROPOSED AMENDMENTS

- 1) Heading of the Part: Supplemental Nutrition Assistance Program (SNAP)
- 2) Code Citation: 89 Ill. Adm. Code 121
- 3)

<u>Section Number:</u>	<u>Proposed Action:</u>
121.57	Amendment
121.58	Amendment
- 4) Statutory Authority: Implementing Sections 12-4.4 through 12-4.6 and authorized by Sections 12-13 of the Illinois Public Aid Code [305 ILCS 5/12-4.4 through 12-4.6 and 12-13]
- 5) A Complete Description of the Subjects and Issues involved: 7 CFR 273.8(f)(4) allows the use of vehicle asset policy adopted for TANF to be applied to SNAP. PA 98-114 provides that the Department of Human Services' TANF program shall disregard the value of all assets (including vehicles) held by the family, effective immediately. In accordance, vehicles will no longer be considered in determining eligibility for SNAP. Companion rulemakings are also being proposed to 89 Ill. Adm. Code 112 and 89 Ill. Adm. Code 115.
- 6) Published studies or reports, and sources of underlying data, used to compose this rulemaking: None
- 7) Will this rulemaking replace any emergency rulemaking currently in effect? Yes
- 8) Does this rulemaking contain an automatic repeal date? No
- 9) Does this rulemaking contain incorporations by reference? No
- 12) Are there any other proposed rulemakings pending on this Part? No
- 11) Statement of Statewide Policy Objectives: This rulemaking does not create or expand a State mandate.
- 12) Time, Place and Manner in which interested persons may comment on this proposed rulemaking: Interested persons may present their comments concerning these rules within 45 days after the date of this issue of the *Illinois Register*. All requests and comments should be submitted in writing to:

DEPARTMENT OF HUMAN SERVICES

NOTICE OF PROPOSED AMENDMENTS

Tracie Drew, Chief
Bureau of Administrative Rules and Procedures
Department of Human Services
100 South Grand Avenue East
Harris Building, 3rd Floor
Springfield, Illinois 62762

217/785-9772

- 13) Initial Regulatory Flexibility Analysis:
- A) Types of small businesses, small municipalities and not-for-profit corporations affected: None
 - B) Reporting, bookkeeping or other procedures required for compliance: None
 - C) Types of professional skills necessary for compliance: None
- 14) Regulatory agenda on which this rulemaking was summarized: July 2013

The full text of the Proposed Amendments is identical to that of the emergency rulemaking and begins on the next page 15423:

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED AMENDMENTS

- 1) Heading of the Part: Minimum Standards of Individual Accident and Health Insurance
- 2) Code Citation: 50 Ill. Adm. Code 2007
- 3)

<u>Section Numbers</u> :	<u>Proposed Action</u> :
2007.50	Amendment
2007.60	Amendment
2007.70	Amendment
2007.80	Amendment
2007.90	Amendment
- 4) Statutory Authority: Implementing Section 355a and authorized by Section 401 of the Illinois Insurance Code [215 ILCS 5/355a and 401]
- 5) A Complete Description of the Subjects and Issues Involved: This rulemaking amends Part 2007 regarding the minimum standards for individual health and accident insurance, so that the regulation is consistent with the market reforms contained in the Patient Protection and Affordable Care Act (42 USC 300gg et seq.) The reforms, which take effect for non-grandfathered policies on a rolling basis beginning January 1, 2014, for both exchange traded and non-exchange traded health plans, prohibit pre-existing conditions and rating based on health status, the establishment of lifetime or annual limits on essential health benefits, rescissions and discrimination based on health status. The reforms require guaranteed availability or renewability of coverage, the provision of essential health benefits, and coverage for preventative health services. Certain disclosure standards for notice of policy modifications, benefit summaries and uniform glossaries are also included in the reforms. These changes will not apply to excepted benefit policies.
- 6) Any published studies or reports, along with the sources of underlying data used to comprise this rulemaking: None
- 7) Will this rulemaking replace any emergency rulemaking currently in effect? No
- 8) Does this rulemaking contain an automatic repeal date? No
- 9) Does this rulemaking contain incorporations by reference? No
- 10) Are there any other proposed rulemakings pending on this Part? No

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED AMENDMENTS

11) Statement of Statewide Policy Objective: This rulemaking will not require a local government to establish, expand or modify its activities in such a way as to necessitate additional expenditures from local revenues.

12) Time, Place and Manner in which interested persons may comment on this proposed rulemaking: Persons who wish to comment on this proposed rulemaking may submit written comments no later than 45 days after the publication of this Notice to:

James Rundblom, Deputy General Counsel
Department of Insurance
320 West Washington, 4th Floor or
Springfield, Illinois 62767-0001

Susan Anders, Rules Coordinator
Department of Insurance
320 West Washington, 4th Floor
Springfield, Illinois 62767-0001

217/785-8559
217/524-9033 (fax)

217/558-0957

13) Initial Regulatory Flexibility Analysis:

A) Types of small businesses, small municipalities and not-for-profit corporations affected: The potential impact is difficult to determine at this time.

B) Reporting, bookkeeping or other procedures required for compliance: Implement insurance policy coverage requirements

C) Types of professional skills necessary for compliance: Insurance

14) Regulatory Agenda on which this rulemaking was summarized: July 2013

The full text of the Proposed Amendments begins on the next page:

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED AMENDMENTS

TITLE 50: INSURANCE
 CHAPTER I: DEPARTMENT OF INSURANCE
 SUBCHAPTER z: ACCIDENT AND HEALTH INSURANCE

PART 2007
 MINIMUM STANDARDS OF INDIVIDUAL ACCIDENT
 AND HEALTH INSURANCE

Section	
2007.10	Authority
2007.20	Purpose
2007.30	Applicability
2007.40	Revision of Noncomplying Policy Form and Subscriber Contracts Certificate of Compliance Required
2007.50	Definitions
2007.60	Prohibited Policy Provisions
2007.70	Accident and Health Minimum Standards for Benefits
2007.80	Required Disclosure Provisions
2007.90	Requirements for Replacement
2007.100	Severability

AUTHORITY: Implementing Section 355a and authorized by Section 401 of the Illinois Insurance Code [215 ILCS 5/355a and 401].

SOURCE: Adopted at 2 Ill. Reg. 30, p. 41, effective August 1, 1978; amended at 4 Ill. Reg. 45, p. 102, effective March 1, 1981; amended at 6 Ill. Reg. 7072, effective May 27, 1982; codified at 7 Ill. Reg. 10591; amended at 12 Ill. Reg. 6921, effective April 1, 1988; amended at 15 Ill. Reg. 7658, effective May 7, 1991; amended at 19 Ill. Reg. 16555, effective December 5, 1995; amended at 37 Ill. Reg. _____, effective _____.

Section 2007.50 Definitions

Except as provided hereafter, no individual accident or health insurance policy delivered or issued for delivery to any person in this State shall contain definitions respecting the matters set forth ~~in this Part below~~ unless ~~the such~~ definitions comply with the requirements of this Section.

"ACA" means the Patient Protection and Affordable Care Act" (42 USC 18001 et seq.).

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED AMENDMENTS

"Accident and Accidental Injury" shall be defined to employ "result" language and shall not include words ~~that which~~ establish an accidental means test or use words such as "external;" "violent;" "visible" or similar words of description or characterization. The definition shall not be more restrictive than the following: "Injury or injuries, for which benefits are provided, means accidental bodily injuries sustained by the insured person which are the direct cause of loss, independent of disease cause of loss, independent of disease or bodily infirmity and occurring while the insurance is in force."

(AGENCY NOTE: The fact that the injury combined with other factors to produce the loss does not necessarily relieve the insurer of liability. Each claim must be judged on the basis of its particular facts and in light of the court decisions, to determine whether the injury is to be considered as the cause of the loss.)

~~The Such~~ definition may provide that injuries shall not include injuries for which benefits are provided under any workers' compensation, employer's liability or similar law, motor vehicle no-fault plan, unless prohibited by law, or injuries occurring while the insured person is engaged in any activity pertaining to any trade, business, employment; or occupation for wage or profit.

"Convalescent Nursing Home, Extended Care Facility, or Skilled Nursing Facility" shall be defined in relation to its status, facilities and available services.

A definition of ~~the such~~ home or facility shall not be more restrictive than one requiring that it:

be operated pursuant to law;

be approved for payment of Medicare benefits or be qualified to receive ~~such~~ approval, if so requested;

be primarily engaged in providing, in addition to room and board accommodations, skilled nursing care under the supervision of a duly licensed physician;

provide continuous 24 hours a day nursing service by or under the supervision of a registered graduate professional nurse (R.N.); and

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED AMENDMENTS

maintains a daily medical record of each patient.

The definition of ~~a such~~-home or facility may provide that ~~the such~~-term shall not be inclusive of:

any home, facility or part thereof used primarily for rest;

a home or facility for the aged or for the care of drug addicts or alcoholics;
or

a home or facility primarily used for the care and treatment of mental diseases or disorders, or custodial or educational care.

"Excepted Benefits", for purposes of this Part, means benefits under one or more (or any combination thereof) of the following:

Benefits not subject to requirements:

Coverage only for accident or disability income insurance, or any combination thereof;

Coverage issued as a supplement to liability insurance;

Liability insurance, including general liability insurance and automobile liability insurance;

Workers' compensation or similar insurance;

Automobile medical payment insurance;

Credit-only insurance;

Coverage for on-site medical clinics; or

Other similar insurance coverage, specified in regulations, under which benefits for medical care are secondary or incidental to other insurance benefits.

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED AMENDMENTS

Benefits not subject to requirements if offered separately:

Limited scope dental or vision benefits;

Benefits for long-term care, nursing home care, home health care, community-based care, or any combination thereof; or

Other similar, limited benefits as are specified in regulations.

Benefits not subject to requirements if offered as independent, noncoordinated benefits:

Coverage only for a specified disease or illness; or

Hospital indemnity or other fixed indemnity insurance paid as a fixed dollar amount per day or other period regardless of the amount of expenses incurred.

Benefits not subject to requirements if offered as separate insurance policy Medicare supplemental health insurance (as defined under section 1882(g)(1) of the Social Security Act (42 USC 1395ss(g)(1))), coverage supplemental to the coverage provided under 10 USC 55, and similar supplemental coverage provided to coverage under a group health plan. (26 USC 9832)

"Grandfathered Health Plan" means any group health plan or health insurance coverage in which an individual was enrolled on the date of the enactment of the ACA and shall have the same meaning as set forth in section 18011 of the Public Health and Welfare Act (42 USC 18011).

"Home Health Care Agency" shall not be defined more restrictively than a public agency or private organization that provides skilled nursing services and meets the following requirements:

It is primarily engaged in providing home health care services;

Its policies are established by a group of professional personnel (including at least one physician and one registered nurse (R.N.));

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED AMENDMENTS

Supervision of home health care services is provided by a physician or a registered nurse (R.N.);

It maintains clinical records on all patients; and

It has a full time administrator.

"Home Health Care" shall not be defined more restrictively than skilled nursing care or services provided to a person at a residence according to a plan of treatment for illness or infirmity prescribed by a physician. ~~These Such~~ services shall include, but are not limited to, the following:

Part time and intermittent skilled nursing services – Services given to a patient at least once every 60 days or as frequently as a few hours per day, several days per week.

Therapeutic Services:

Physical Therapy;

Occupational Therapy;

Speech and Hearing Therapy;

Medical social services, medical supplies, drugs and medicines prescribed by a physician and related pharmaceutical services and laboratory services to the extent ~~the such~~ charges or costs would have been covered under the policy if the insured person had remained in the hospital.

"Hospital" may be defined in relation to its status, facilities and available services or to reflect its accreditation by the Joint Commission ~~on Accreditation of Hospitals~~.

The definition of the term "hospital" shall not be more restrictive than one requiring that the hospital:

be an institution operated pursuant to the law; and

be primarily and continuously engaged in providing or operating

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED AMENDMENTS

medical and diagnostic facilities, with major surgical facilities either on its premises or in facilities available to the hospital on a prearranged basis, under the supervision of a staff of duly licensed physicians, for the medical care and treatment of sick or injured persons on an in-patient basis for which a charge is made; and

provide 24 hours nursing service by or under the supervision of registered graduate professional nurses (R.N.'s).

The definition of the term "hospital" may state that such term shall not be inclusive of:

convalescent, rest, or nursing homes or facilities;

facilities primarily affording custodial or educational care or care or treatment for persons suffering from mental diseases or disorders;

facilities for the aged, mentally ill, drug addicts or alcoholics (except for a unit of a hospital dedicated to the treatment of drug addicts or alcoholics or the mentally ill); or

any military or veterans hospital or soldiers home or any hospital contracted for or operated by any national government or agency thereof for the treatment of members or ex-members of the armed forces, except for services rendered on an emergency basis where a legal liability exists for charges made to the individual for ~~those such~~ services.

"Medicare" shall be defined in any hospital, surgical or medical expense policy ~~that which~~ relates its coverage to eligibility for Medicare or Medicare benefits. Medicare may be substantially defined as "The Health Insurance for the Aged Act, Subchapter XVIII of the Social Security Amendments of 1965 as then constituted or later amended (42 ~~USCU.S.C.~~ 1395 et seq.)," or "Title I, Part I of Public ~~Law~~Laws 89-97, as ~~enacted~~Enacted by the Eighty-Ninth Congress of the United States of America and popularly known as the Health Insurance for the Aged Act (42 ~~USCU.S.C.~~ 395 et seq.), as then constituted and any later amendments or substitutes thereof" or words of similar import.

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED AMENDMENTS

"Mental or Nervous Disorders" shall not be defined more restrictively than a definition including neurosis, psychoneurosis, psychopathy, psychosis, or mental or emotional disease, ~~or disorder~~ or condition, including serious mental illness and substance use disorder or condition ~~of any kind~~.

"Nurses" may be defined so that the description of nurse is restricted to a type of nurse, such as a registered graduate professional nurse (R.N.), a licensed practical nurse (L.P.N.), or a licensed vocational nurse (L.V.N.). If the words "nurse," "trained nurse" or "registered nurse" are used without specific instruction, then the use of those such terms requires the insurer to recognize the services of any individual who qualifies under that such terminology in accordance with the applicable statutes or administrative rules of the state licensing or registry board of the state.

"One Period ~~period~~ of Confinement ~~confinement~~ or Continuous Hospital Confinement ~~continuous hospital confinement~~" means consecutive days of in-hospital service received as an in-patient, or successive confinements when discharge from and readmission to the hospital occurs within a period of time not more than 90 days or three times the maximum number of days of in-hospital coverage provided by the policy to a maximum of 180 days, whichever is greater.

"Partial Disability" shall be defined in relation of the individual's inability to perform one or more, but not all, of the "major," "important," or "essential" duties of employment or occupation or may be related to a percentage of time worked, to a specified number of hours or to compensation. ~~When~~ Where a policy provides total disability benefits and partial disability benefits, only one elimination period may be required.

"Physician" may be defined by including words such as "duly qualified physician" or "duly licensed physician." ~~The~~ The use of such terms requires an insurer to recognize and to accept, to the extent of its obligation under the contract, all providers of medical care and treatment when the such services are within the scope of the provider's licensed authority and are provided pursuant to applicable laws dealing with physician licensure.

"Residual Disability" shall be defined in relation to the individual's reduction in earnings and may be related either to the inability to perform some part of the "major," "important," or "essential" duties of employment or occupation, or to the inability to perform all usual business for as long as is usually required. A policy

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED AMENDMENTS

~~that which~~ provides for residual disability benefits may require a qualification period, during which the insured must be continuously totally disabled before residual disability benefits are payable. The qualification period for residual disability benefits may be longer than the elimination period for total disability. In lieu of the term "residual disability," the insurer may use "proportionate disability" or other term of similar import ~~that, which~~ in the opinion of the Director, adequately and fairly describes the benefit.

"Sickness" shall not be defined to be more restrictive than the following: "Sickness means sickness or disease of an insured person ~~who which~~ first manifests itself after the effective date of insurance and while the insurance is in force." A definition of sickness may provide for a probationary period ~~that which~~ will not exceed ~~thirty (30)~~ days from the effective date of the coverage of the insured person. The definition may be further modified to exclude sickness or disease for which benefits are provided under any workers' compensation, occupational disease, employer's liability or similar law.

"Total Disability"

A general definition of total disability cannot be more restrictive than one requiring the individual to be totally disabled from engaging in any ~~such~~ employment or occupation ~~that which~~ he ~~or she~~ could, giving due consideration of his education, training or experience be reasonably expected to engage in and is not in fact engaged in any employment or occupation for wage or profit.

Total disability may be defined in relation to the inability of the person to perform duties but may not be based solely upon an individual's inability to:

Perform "any occupation whatsoever," "any occupational duty," or "any and every duty of his ~~or her~~ occupation;"

Engage in any training or rehabilitation program.

An insurer may specify the requirement of the complete inability of the person to perform all of the substantial and material duties of his ~~or her~~ regular occupation or words of similar import. An insurer may require care by a physician other than the insured or a member of the insured's

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED AMENDMENTS

immediate family.

When through a specific provision of a policy, disability coverage is provided to a retired person, ~~the such~~ definition shall not require more than the insured be completely unable to engage in the normal activities of a retired person of like age and good health.

(Source: Amended at 37 Ill. Reg. _____, effective _____)

Section 2007.60 Prohibited Policy Provisions

- a) Except as provided in ~~the~~ Section 2007.50 definition of "sickness", no policy shall contain provisions establishing a probationary or waiting period during which no coverage is provided under the policy. ~~subject to the further exception that a~~ An excepted benefit policy may specify a probationary or waiting period not to exceed six ~~(6)~~ months for specified diseases or conditions and losses resulting therefrom for hernia, varicose veins, adenoids, appendix and tonsils. However, the permissible six ~~(6)~~ months exception shall not be applicable ~~when the where~~ ~~such~~ specified diseases or conditions are treated on an emergency basis. Accident policies shall not contain a probationary or waiting period.
- b) No policy or rider for additional coverage may be issued as a dividend unless an equivalent cash payment is offered to the policyholder as an alternative to ~~the such~~ dividend policy or rider. No such dividend policy or rider shall be issued for an initial term of less than six ~~(6)~~ months.
- c) A disability policy, hospital confinement indemnity policy or specified disease policy may contain a "return of premium" or "cash value benefit" so long as:
 - 1) The policy provides for a return of 100% of all premiums paid less the claims incurred by the time the insured attains age 65. A percentage of less than 100%, but greater than 50%, is permissible if the "return of premium" or "cash value benefit" has been in force for 10 years or less;
 - 2) The policy contains a reasonable nonforfeiture benefit and provides for the value to be paid automatically upon lapse or death;
 - 3) The surrender value percentages are not less than those calculated assuming 1958 Commissioners Standard Ordinary Mortality, 5% interest

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED AMENDMENTS

and 5 year preliminary term;

- 4) An acceptable method of reserving is approved by the Director concurrent with approval of the policy. Reserves should exceed or equal the cash value at all durations;
 - 5) The surrender value percentages are calculated assuming a zero percent future claim offset;
 - 6) The surrender value percentages are defined for all policy years (surrender value percentages may be shown only for the first ~~20~~^{twenty} policy years, but under these conditions the contract shall define the method used to determine the surrender value percentages after the ~~20th~~^{twentieth} contract year);
 - 7) The interim surrender value percentages are defined when premiums are paid within a contract year;
 - 8) The policy does not tie the return of premium to anything less than 100% of the premiums paid less claims paid.
- d) [When a liability exists for charges made to or on behalf of the insured or covered dependents.](#) Accident and Health policies shall not contain provisions excluding coverage for:
- 1) Confinement in a hospital operated by a ~~federal~~^{Federal}, ~~state~~^{State} or ~~local government~~^{Local Government};
 - 2) Charges for medical services provided by a ~~federal~~^{Federal}, ~~state~~^{State} or ~~local government~~^{Local Government};
- ~~where a liability exists for charges made to or on behalf of the insured or covered dependents.~~
- e) No policy shall limit or exclude coverage by type of illness, accident, treatment or medical condition, except as follows:
- 1) [With respect to excepted benefit policies and grandfathered health plans, preexisting](#) ~~Preexisting~~ conditions or diseases;

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED AMENDMENTS

- 2) With respect to excepted benefit policies and grandfathered health plans, mental ~~Mental~~ or emotional disorders, alcoholism, intoxication and drug addiction (policies ~~that which~~ exclude benefits for alcoholism or intoxication shall provide the following definition: "That which is defined and determined by the laws of the state where the loss or cause of the loss was incurred");
- 3) With respect to excepted benefit policies and grandfathered health plans, pregnancy ~~Pregnane~~y, except for complications of pregnancy;
- 4) With respect to excepted benefit policies and grandfathered health plans, rehabilitative ~~Rehabilitative~~ care, except that ~~when~~ ~~where~~ benefits, in whole or in part, would be payable for ~~the such~~ care under the terms of coverage, those benefits shall not be denied on the basis that ~~the such~~ care or treatment was provided, in whole or in part, in a rehabilitation institution, if ~~the such~~ institution was a fully accredited hospital as defined in Section 2007.50 ~~of this Part~~ at the time care or treatment was provided;
- 5) Injury, illness, treatment or medical condition arising out of:
 - A) war or act of war (whether declared or undeclared); participation in a felony, riot or insurrection; service in the armed forces or auxiliary ~~units~~ ~~auxiliary thereto~~;
 - B) suicide (sane or insane), attempted suicide or intentionally self-inflicted injury;
 - C) aviation;
 - D) with respect to short-term nonrenewable policies, interscholastic sports;
- 6) Cosmetic surgery, except that "cosmetic surgery" shall not include reconstructive surgery when ~~the such~~ service is incidental to or follows surgery resulting from trauma, infection or other diseases of the involved part;
- 7) With respect to excepted benefit policies and grandfathered health plans,

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED AMENDMENTS

- ~~foot Foot~~ care in connection with corns, calluses, flat feet, fallen arches, weak feet, chronic foot strain, or symptomatic complaints of the feet;
- 8) Benefits provided under Medicare, any state or federal worker's compensation, employer's liability or occupational disease law, or any motor vehicle no-fault law; services rendered by employees of hospitals, laboratories or other institutions; services performed by a member of the covered person's immediate family; and services for which no charge is normally made in the absence of insurance;
- 9) Dental care or treatment for adults;
- 10) Eye glasses, hearing aids and examination for the prescription or fitting of eye glasses or hearing aids thereof for adults;
- 11) Rest cures, custodial care, transportation and routine physical examinations;
- 12) Territorial limitations;
- 13) Sex change surgery or surgical sterilization;
- 14) Tests or x-rays not related to diagnosis;
- 15) With respect to excepted benefit policies and grandfathered health plans, infertility~~Infertility~~;
- 16) Drugs, therapies, procedures or treatments that which are determined in coordination with the attending physician to not be medically necessary;
- 17) With respect to excepted benefit policies and grandfathered health plans, weight ~~Weight~~-reduction procedures, treatments or classes (except for morbid obesity);
- 18) With respect to excepted benefit policies and grandfathered health plans, smoking ~~Smoking~~-cessation classes or patches.
- f) No provision of this Part shall prohibit the use of any policy provision that which is required or permitted by statute. With respect to excepted benefit policies and

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED AMENDMENTS

~~grandfathered health plans, other~~ ~~Other~~ provisions of this Part shall not impair or limit the use of waivers to exclude, limit or reduce coverage or benefits for specifically named or described preexisting diseases, physical condition or extra hazardous activity. ~~When~~~~Where~~ waivers are required as a condition of issuance, renewal or reinstatement, signed acceptance by the insured is required unless on initial issuance the full text of the waiver is contained either on the first page or specification page of the policy, or unless notice of the waiver appears on the first page or specification page.

- g) No policy, rider or endorsement providing benefits for loss due to an accident or accidental injury shall contain a provision or clause limiting, reducing or excluding liability for a loss resulting from purely accidental circumstances (e.g., involuntary or unintentional ingestion of poison or inhalation of poisonous gases or fumes). This restriction shall not preclude the exclusion of loss due to suicide or attempted suicide by properly drawn language nor shall it preclude approval of a benefit for loss from defined accidents, such as travel, sport and student accident insurance.
- h) No policy, rider or endorsement shall limit or exclude coverage for illness, accident, treatment or medical condition by using a general exclusion for complications arising from a covered condition or the treatment of a covered condition. This restriction shall not preclude the exclusion of loss due to ~~such~~ complications ~~that~~ ~~which~~ are specifically named.
- i) Policy provisions precluded in this Section shall not be construed as a limitation on the authority of the Director to disapprove other policy provisions in accordance with Section 143(1) of the Illinois Insurance Code [215 ILCS 5/143(1)] ~~that, which~~, in the opinion of the Director, are unjust, unfair or unfairly discriminatory to the policyholder, beneficiary, or any person insured under the policy.

(Source: Amended at 37 Ill. Reg. _____, effective _____)

Section 2007.70 Accident and Health Minimum Standards for Benefits

- a) The following minimum standards for benefits are prescribed for the categories of coverage noted in ~~the following~~ subsection ~~(b)~~. No individual policy of accident and health insurance shall be delivered or issued for delivery in this State ~~that~~ ~~which~~ does not meet the required minimum standards for the specified categories.

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED AMENDMENTS

~~except that, if unless~~ the Director finds that ~~the such~~ policies are Limited Benefit Health Insurance, ~~in which case~~ the Outline of Coverage shall comply with Section 2007.80(c) ~~of this Part~~.

- b) Nothing in this Section shall preclude the issuance of any policy combining two or more categories of coverage as set forth in Section 355a(4) of the Illinois Insurance Code [215 ILCS 5/355~~a(4)(a)(4)~~].
- 1) General Rules
- A) With respect to excepted benefit policies and grandfathered health plans, a ~~A~~ "noncancellable," "guaranteed renewable," or "noncancellable and guaranteed renewable" policy shall not provide for termination of coverage of the spouse solely because of the occurrence of an event specified for termination of coverage of the insured, other than nonpayment of premium. The policy shall provide that in the event of the insured's death the spouse of the insured, if covered under the policy, shall become the insured.
- B) The terms "noncancellable," "guaranteed renewable," or "noncancellable and guaranteed renewable" shall not be used without further explanatory language in accordance with the disclosure requirements of Section 2007.80(a)(1) ~~of this Part~~. The terms "noncancellable" or "noncancellable and guaranteed renewable" shall be defined as in 50 Ill. Adm. Code 2003.
- C) With respect to excepted benefit policies and grandfathered health plans, in ~~in~~ a family policy covering both husband and wife, the age of the younger spouse shall be used as the basis for meeting the age and durational requirements of the definitions of "noncancellable" or "guaranteed renewable." However, this requirement shall not prevent termination of coverage of the older spouse upon attainment of the stated age limit (e.g., age 65) so long as the policy may be continued in force by the younger spouse to the age or for the durational period as specified in ~~the said~~ definition.
- D) With respect to excepted benefit policies and grandfathered health plans, if ~~if~~ a policy contains a status-type military service

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED AMENDMENTS

exclusion of a provision ~~that which~~ suspends coverage during military service, the policy shall provide, upon receipt of written request, for refund of premiums as applicable to ~~that such~~ person on a pro ~~ratarate~~ basis.

- E) Policies providing normal pregnancy benefits shall provide that, in the event the insurer cancels or refuses to renew the policy, there shall be an extension of benefits for pregnancy commencing while the policy is in force and at the same level for which benefits would have been payable had the policy remained in force.
- F) Policies providing convalescent or extended care benefits following hospitalization shall not condition ~~those such~~ benefits upon admission to the convalescent or extended care facility within a period of less than ~~fourteen~~ (14) days after discharge from the hospital.
- G) With respect to excepted benefit policies and grandfathered health plans, any ~~Any~~ medical, surgical or other expense benefit for the recipient insured in a transplant operation may specify the limits for ~~the such~~ specific benefit relating to donors, or shall provide reimbursement of ~~the such~~ expense of the live donor to the extent that ~~the such~~ benefits remain and are available under the recipient's policy, after benefits for the recipient's own expenses have been paid.
- H) A policy may contain a provision relating to recurrent disabilities provided, however, that no such provision shall specify that a recurrent disability be separated by a period greater than six ~~(6)~~ months.
- I) Preexisting condition exclusions are only allowed with respect to excepted benefits and grandfathered health plans. Any ~~such preexisting pre-existing~~ condition exclusion shall be administered in accordance with 50 Ill. Adm. Code 2005. When a definition of preexisting ~~conditions condition(s)~~ is required by 50 Ill. Adm. Code 2005.50, for purposes of readability, it may be summarized in the appropriate policy provision by a definition reading substantially as follows:

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED AMENDMENTS

"A ~~preexisting pre-existing~~ illness (condition) means any condition that was diagnosed or treated by a physician within 24 months prior to the effective date of the coverage, or produced symptoms within 12 months prior to the effective date of coverage that would have caused an ordinarily prudent person to seek medical diagnosis or treatment."

- J) Accidental death and dismemberment benefits shall be payable if the loss occurs within ~~ninety (90)~~ days from the date of the accident, irrespective of total disability. Disability income benefits, if provided, shall not require the loss to commence less than ~~thirty (30)~~ days after the date of accident, nor shall any policy ~~that which~~ the insurer cancels or refuses to renew require that it be in force at the time the disability commences if the accident occurred while the policy was in force.
- K) Specific dismemberment benefits shall not be in lieu of other benefits unless the specific dismemberment benefit equals or exceeds the other benefits.
- L) Any accident only policy providing benefits ~~that which~~ vary according to the type of accidental cause shall prominently set forth in the outline of coverage the circumstances under which benefits payable are less than the maximum amount payable under the policy.
- M) With respect to excepted benefit policies and grandfathered health plans, nonrenewal ~~Nonrenewal~~ of the policy shall be without prejudice to any continuous loss ~~that which~~ commenced while the accident and sickness policy was in force, but the extension of benefits beyond the period the policy was in force may be predicated upon the continuous total disability of the covered person limited to a period of one year for health care benefits, limited to the duration of the policy benefit period (if any), and/or limited to the payment of the maximum benefits. The extension of benefits requirement does not apply to single premium nonrenewal policies.

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED AMENDMENTS

- N) "Total Disability" or "Totally Disabled", for the purposes of this Section, means the complete incapacity of the covered person as the result of an injury or sickness:
- i) to engage in any occupation for pay or profit, or if not employed, to engage in the normal activities of a person of the same age; and
 - ii) ~~that which~~ requires the regular care of a physician other than a covered person.
- O) Extension and limitation of coverage means if a covered person is totally disabled on his/her coverage termination date the coverage provided for that covered person by ~~the~~this policy and any attached riders will be extended. During the extended coverage the applicable policy and rider provisions, exclusions, exceptions and limitations will be the same as would have applied had coverage not terminated for ~~the~~such covered person. This extension is limited to confinement and/or expenses incurred:
- i) for the injury or sickness ~~that which~~ caused the total disability;
 - ii) during the uninterrupted continuance of the total disability; and
 - iii) during the ~~12~~twelve months following the covered person's coverage termination date.
- P) All policies issued, whether or not ~~the~~such policy contains the refund provision, shall be administered to provide a refund of any unearned premiums upon death of any insured member from date of death if the ~~company~~Company receives a written request for unearned premium from the policy owner or the person entitled to the unearned premium~~thereto~~.
- 2) Basic Hospital Expense Coverage
"Basic Hospital Expense Coverage" is a policy of accident and health

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED AMENDMENTS

insurance ~~that which~~ provides coverage for a period of not less than ~~thirty-one (31)~~ days during any continuous hospital confinement for each person insured under the policy, for expense incurred for necessary treatment and services rendered as a result of accident or sickness. Coverage shall be for at least the following:

- A) Daily hospital room and board in an amount not less than the lesser of:
- i) 80% of the charges for semi-private room accommodations; or
 - ii) ~~\$1,000+00.00~~ per day; except that ~~\$1,000+00.00~~ may be reduced to ~~\$70070.00~~ outside the metropolitan area.
- B) Miscellaneous charges made by the hospital for services and supplies ~~that which~~ are customarily rendered by the hospital and provided for use only during any one period of confinement in an amount not less than either 80% of the charges incurred up to at least ~~\$1,000.00~~ or ~~10~~ten times the daily hospital room and board benefits.
- C) Hospital outpatient services consisting of:
- i) hospital services on the day surgery is performed;
 - ii) hospital services rendered within 72 hours after accidental injury, in an amount not less than ~~\$50.00~~; and
 - iii) X-ray and laboratory tests for the purpose of a diagnosis and treatment of an accidental injury or a sickness, in an amount not less than ~~\$100.00~~, but only to the extent that benefits for x-ray and laboratory tests would have been provided if rendered to an in-patient of the hospital.
- D) Benefits provided under subsection (b)(2)(A) and (B) ~~above~~, may be provided subject to a combined deductible amount not in excess of ~~\$100.00~~.

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED AMENDMENTS

E) When combined with the basic medical-surgical expense coverage in subsection (b)(3), basic hospital expense coverage is an essential health benefit subject to the requirements described in 50 Ill. Adm. Code 2001.11.

3) Basic Medical-Surgical Expense Coverage

"Basic Medical-Surgical Expense Coverage" is a policy of accident and health insurance ~~that which~~ provides coverage for each person insured under the policy for the expenses incurred for the necessary services rendered by a physician for treatment of an injury or sickness. Coverage shall be for at least the following:

A) Surgical services:

- i) in amounts not less than those provided on a fee schedule based on the relative values contained in the state of New York certified surgical fee schedule, or the 1964 California Relative Value Schedule or other acceptable relative value scale of surgical procedures, up to a maximum of at least \$500.00 for any one procedure; or
- ii) not less than 80% of the reasonable charges.

B) Anesthesia services, consisting of administration of necessary general anesthesia and related procedures in connection with covered surgical service rendered by a physician other than the physician (or his or her assistant) performing the surgical services:

- i) in an amount not less than 80% of the reasonable charges; or
- ii) 15% of the surgical service benefit.

C) In-hospital medical services, consisting of physician services rendered to a person who is a bed patient in a hospital for treatment of sickness or injury, other than that for which surgical care is required, in an amount not less than 80% of the reasonable charges; or \$5.00 per day for not less than ~~twenty-one (21)~~ days during one period of confinement.

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED AMENDMENTS

D) When combined with the basic hospital expense coverage in subsection (b)(2), basic medical expense coverage is an essential health benefit subject to the requirements of 50 Ill. Adm. Code 2001.11.

- 4) ~~Hospital Confinement Indemnity Coverage~~ With respect to excepted benefit policies. "Hospital Confinement Indemnity Coverage" is a policy of accident and health insurance ~~that which~~ provides for not less than \$30.00 per day and for not less than ~~thirty-one (31)~~ days during any one period of confinement for each person insured under the policy. The policy may contain a benefit limit less than \$30.00 per day if the policy benefit period is extended to reflect a maximum amount payable under a \$30.00 per day policy with a ~~thirty-one (31)~~ day maximum confinement period for any one period of confinement.
- 5) ~~Major Medical Expense Coverage~~ "Major Medical Expense Coverage" is an accident and health insurance policy ~~that which~~ provides hospital, medical and surgical expense coverage; to an aggregate maximum of not less than \$10,000.00; co-payment by the covered person not to exceed 25% of covered charges; a deductible stated on a per person, per family, per illness, per benefit period, or per year basis, or a combination of ~~those such~~ bases not to exceed 5% of the aggregate maximum limit under the policy, unless the policy is written to complement underlying hospital and medical insurance in which case ~~the such~~ deductible may be increased by the amount of the benefits provided by ~~the such~~ underlying insurance, for each covered person. The aggregate maximum shall be increased not less than \$3.00 for each \$1.00 by which the deductible exceeds the minimum. Major medical expense insurance shall provide for each covered person coverage of:
- A) Daily hospital room and board expenses, prior to application of the co-payment percentage, for not less than \$50.00 daily or, in lieu thereof, the average daily cost of semi-private room rate in the area where the insured resides, for a period of not less than ~~31~~ thirty-one days during any period of continuous hospital confinement;
- B) Miscellaneous Hospital Services, prior to application of the co-payment percentage, for an aggregate maximum of not less than

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED AMENDMENTS

\$1,500.00 or 15 times the daily room and board rate if specified in dollar amount;

- C) Surgical Services, prior to application of the co-payment percentage, to a maximum of not less than \$600.00 for the most severe operation with the amounts provided for other operations reasonably related to ~~that such~~ maximum amount; anesthetic services, prior to application of the co-payment percentage, of at least 15% of the covered surgical fees or, alternatively, if the surgical schedule is based on relative values, not less than the amount provided therein for anesthetic services at the same unit value as used for surgical schedule;
- D) Physician visits, in or out of the hospital with minimum dollar amounts per visit, prior to application of the co-payment percentage, equal to not less than \$8.00 per visit, covering not less than one visit per day and for an aggregate maximum of ~~the such~~ covered charges of not less than \$600.00;
- E) Out of Hospital Diagnostic X-rays and Tests, prior to application of the co-payment percentage, for an aggregate maximum of ~~the such~~ covered charges of not less than \$600.00;
- F) Not fewer than 3 of the following additional benefits, prior to application of the co-payment percentage, for an aggregate maximum of ~~the such~~ covered charges of not less than \$1,000.00:
- i) private duty registered, or if not available, licensed practical nurse services performed by other than a family member while the insured is hospital confined;
 - ii) convalescent nursing home care;
 - iii) diagnosis and treatment by a radiologist or physiotherapist;
 - iv) rental of special medical equipment, as defined by the insurer in the policy;
 - v) artificial limbs or eyes, casts, splints, trusses or braces;

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED AMENDMENTS

vi) treatment for functional nervous disorders, and mental or emotional disorders;

vii) out of hospital prescription drugs and medications;

G) Major medical expense coverage is an essential health benefit subject to the requirements of 50 Ill. Adm. Code 2001.11.

- 6) Disability Income Protection Coverage With respect to excepted benefit policies and grandfathered health plans. "Disability Income Protection Coverage" is a policy ~~that which~~ provides for periodic payments, weekly or monthly, for a specified period during the continuance of disability resulting from either sickness or injury or a combination of sickness and injury that thereof which has a maximum period of time for which it is payable during disability of at least six ~~(6)~~ months. A disability income protection policy may provide for reduction by the amount of Social Security benefits at inception of any claim but no benefit reduction shall be permitted to offset a Social Security benefit increase during a benefit period.
- 7) Accident Only Coverage With respect to excepted benefit policies and grandfathered health plans. "Accident Only Coverage" is a policy of accident insurance ~~that which~~ provides coverage, singly or in combination, for death, dismemberment, disability or hospital and medical care caused by accident. Accidental death and double dismemberment amounts under such a policy shall be at least \$1,000-~~00~~ and a single dismemberment shall be at least \$500-~~00~~.
- 8) Specified Coverages With respect to excepted benefit policies and grandfathered health plans. "Specified Disease Coverage" pays benefits for the diagnosis and treatment of a specifically named disease or diseases. Any such policy shall meet the following general requirements and one of the following sets of minimum standards for benefits. Insurance covering cancer, whether cancer only or in conjunction with other conditions condition(s) or diseases disease(s), shall meet the standards of subsection (b)(8)(C) or (D)-~~below~~. Insurance covering specified diseases disease(s) other than cancer shall meet the standards of subsections (b)(8)(B) or (D) below.

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED AMENDMENTS

A) General Requirements:

- i) All advertising materials used in conjunction with a specified disease policy shall accompany the policy filing.
- ii) Policies covering a single specified disease or combination of specified diseases shall not be sold or offered for sale other than as specified disease covered under this Section.
- iii) Any policy issued pursuant to this Section ~~that~~ ~~which~~ conditions payment upon pathological diagnosis of a covered disease shall also provide that, if such a pathological diagnosis is medically inappropriate, a clinical diagnosis will be accepted in lieu thereof.
- iv) Notwithstanding any other provision of this Part, specified disease policies shall provide benefits to any covered person not only for the specified ~~diseases~~ ~~disease(s)~~, but also for any other ~~conditions~~ ~~condition(s)~~ or ~~diseases~~ ~~disease(s)~~ directly caused or aggravated by the specified ~~diseases~~ ~~disease(s)~~ or the treatment of the specified ~~diseases~~ ~~disease(s)~~.
- v) Policies containing specified disease coverage shall be at least Guaranteed Renewable.
- vi) No policy issued pursuant to this Section shall contain a waiting or probationary period greater than ~~thirty~~ (30) days.
- vii) Payment may be conditioned upon a covered person receiving medically necessary care or treatment.
- viii) Except for the uniform policy provision regarding other insurance with this insurer, benefits for specified disease coverage shall be paid regardless of other coverage available through individual health insurance.
- ix) After the effective date of the coverage (or applicable

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED AMENDMENTS

waiting period, if any) benefits shall begin with the first day of medical care or hospital confinement if ~~the such~~ care or confinement is for a covered disease, even though the diagnosis is made at some later date.

- x) Skin cancer benefits within a cancer policy shall not be limited as it is a minimum standard of specified disease coverage and is a risk purported to be assumed. Skin cancer may only be excluded if it is in an additional benefit provision added to compliment underlying coverage not required by this Section.

- B) The following minimum benefit standards apply to noncancer coverages: A policy ~~that which~~ provides coverage for each person insured under the policy for a specifically named disease (or ~~diseases~~disease(s)) with a deductible amount not in excess of (\$250.00) and an overall aggregate benefit limit, per person, of not less than (\$10,000) and a benefit period of not less than two (2) years for at least the following incurred expenses:

- i) Hospital room and board and any other hospital furnished medical services or supplies;
- ii) Treatment by a legally qualified physician or surgeon;
- iii) Private duty services of a registered nurse (R.N.);
- iv) X-ray, radium, cobalt, nuclear medicine, and other therapeutic procedures used in diagnosis and treatment;
- v) Professional ambulance for local service to or from a local hospital;
- vi) Blood transfusions, including expense incurred for blood donors;
- vii) Drugs and medicines prescribed by a physician;
- viii) The rental of an iron lung or similar mechanical apparatus;

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED AMENDMENTS

- ix) Braces, crutches and wheel chairs as are deemed necessary by the attending physician;
- x) Emergency transportation if in the opinion of the attending physician it is necessary to transport the insured to another locality for treatment of the disease; and
- xi) May include coverage of any other expenses necessarily incurred for treatment of the disease.

C) A policy ~~that which~~ provides coverage for each person insured under the policy for cancer-only coverage or in combination with one or more other specified diseases on an expense incurred basis for services, supplies, care and treatment that are prescribed by a physician as necessary for the treatment of cancer, in amounts not in excess of the usual and customary charges, with a deductible amount not in excess of \$250-00 and an overall aggregate benefit limit, per person, of not less than \$10,000 and a benefit period of not less than two (2)-years for at least the following:

- i) Treatment by, or under the direction of, a legally qualified physician or surgeon;
- ii) X-ray, radium, cobalt, chemotherapy, nuclear medicine, and other therapeutic procedures used in diagnosis and treatment;
- iii) Hospital room and board and any other hospital furnished medical services or supplies;
- iv) Blood transfusions and ~~their~~the administration ~~thereof~~, including expense incurred for blood donors;
- v) Drugs and medicines prescribed by a physician;
- vi) Professional ambulance for local service to or from a local hospital;

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED AMENDMENTS

- vii) Private duty services of a registered nurse (R.N.) provided in a hospital;
- viii) May include coverage of any other expenses necessarily incurred in the treatment of the disease; however, [subsections \(b\)\(8\)\(C\) items \(i\), \(ii\), \(iv\), \(v\) and \(vi\)](#) plus at least the following shall be included, but may be subject to copayment not to exceed 20% of covered charges when rendered on an out-patient basis;
- ix) Braces, crutches and wheel chairs as are deemed necessary by the attending physician for the treatment of the disease;
- x) Emergency transportation if in the opinion of the attending physician it is necessary to transport the insured to another locality for treatment of the disease;
- xi) Home Health Care, that is necessary care and treatment provided at the covered person's residence by a home health care agency or by others under arrangements made with a home health care agency. The program of treatment must be prescribed in writing by the covered person's attending physician, who must approve the program prior to its start. The physician must certify that hospital confinement would be otherwise required;
- xii) Physical, speech, hearing and occupational therapy;
- xiii) Special equipment including hospital bed, toilette, pulleys, aspirator, incontinence pants, oxygen, surgical dressings, rubber shields, colostomy and ileostomy appliances;
- xiv) Reconstructive surgery when deemed necessary by the attending physician;
- xv) Prosthetic devices; and
- xvi) Nursing home care for non-custodial services.

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED AMENDMENTS

- D) The following minimum benefit standards apply to specified disease coverages written on a per diem indemnity basis. ~~These~~ ~~Such~~ coverages shall offer covered persons:
- i) A fixed sum payment of at least \$100 for each day of the hospital confinement for at least 365 days.
 - ii) A fixed sum payment equal to one-half of the hospital in-patient benefit for each day of hospital or non-hospital out-patient surgery, chemotherapy and radiation therapy for at least 365 days of treatment.
 - iii) Benefits tied to confinement in a skilled nursing home or to receipt of home health care are optional; if a policy offers these benefits, they must equal the following:

A fixed sum payment equal to one-fourth the hospital in-patient benefit for each day of skilled nursing home confinement for at least 100 days (approximately \$25.00 per day or \$2,500 minimum benefit). A fixed sum payment equal to one-fourth the hospital in-patient benefit for each day of home health care for at least 100 days (\$2,500). Notwithstanding any other provision of this regulation, any restriction or limitation applied to the benefits in the above requirements, whether by definition or otherwise, shall be no more restrictive than those under Medicare.
- E) "Specified Accident Coverage" is an accident insurance policy ~~that which~~ provides coverage for a specifically identified kind of accident (or accidents) for each person insured under the policy for accidental death or dismemberment combined, with a benefit amount not less than \$1,000 for double dismemberment and \$500.00 for single dismemberment.
- 9) ~~Limited Benefit Health Insurance Coverage~~ With respect to excepted benefit policies and grandfathered health plans. "Limited Benefit Health Insurance Coverage" is any policy or policies other than a policy or contract covering only a specified disease or diseases ~~that which~~ provide benefits that are less than the minimum standards for benefits required

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED AMENDMENTS

under Section 2007.50(b)(2) through (7) ~~of this Part~~. ~~The Such~~ policies or contracts may be delivered or issued for delivery in this State only if the outline of coverage required by Section 2007.80(k) ~~of this Part~~ is completed and delivered as required by Section 2007.80(b) ~~of this Part~~.

- 10) Non-Conventional Coverage: With respect to excepted benefit policies and grandfathered health plans, nothing ~~Nothing~~ contained in this subsection (b) shall prohibit the issuance of a policy that does not fall within subsections subsection ~~subsection~~ (b)(1) through (9) ~~above~~ if ~~the such~~ policy is experimental in nature and is appropriately and prominently described in the outline of coverage required by Section 2007.80(1) ~~of this Part~~.
- 11) The requirements of this Section do not apply to policies issued in compliance with Section 363 of the Illinois Insurance Code [215 ILCS 5/363].

(Source: Amended at 37 Ill. Reg. _____, effective _____)

Section 2007.80 Required Disclosure Provisions

a) General Rules

- 1) Each individual policy of accident and health insurance shall include a renewal, continuation, or nonrenewal provision. The language or specifications of ~~the such~~ provision must be consistent with the requirements of 50 Ill. Adm. Code 2001.Subpart A and the type of plan ~~policy to be~~ issued. ~~The Such~~ provision shall be appropriately captioned, shall appear on the first page of the policy, and shall clearly state the duration, ~~whenwhere~~ limited, of renewability and the duration of the term of coverage for which the policy is issued and for which it may be renewed.
- 2) Except for riders or endorsements by which the insurer effectuates a request made in writing by the policyholder or exercises a specifically reserved right under the policy, all riders or endorsements added to a policy after date of issue or at reinstatement or renewal ~~that which~~ reduce or eliminate benefits or coverage in the policy shall require signed acceptance by the policyholder. After date of policy issue, any rider or endorsement ~~that which~~ increases benefits or coverage with a concomitant

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED AMENDMENTS

increase in premium during the policy term must be agreed to by the insured, except if the increased benefits or coverage is required by law.

- 3) ~~When~~Where a separate additional premium is charged for benefits provided in connection with riders or endorsements, ~~the~~such premium charge shall be set forth in the policy.
- 4) A policy ~~that which~~ provides for the payment of benefits based on standards described as "usual and customary;" "reasonable and customary;" or words of similar import shall include a definition of those such terms and an explanation of those such terms in its accompanying outline of coverage.
- 5) If a policy providing excepted benefits or a grandfathered health plan contains any limitations with respect to preexisting conditions, those such limitations must appear as a separate paragraph of the policy and be labeled as "Preexisting Condition Limitations:".
- 6) All accident only policies shall contain a prominent statement on the first page of the policy or attached to the policy thereto in either contrasting color or in boldface type at least equal to the size of type used for policy captions, a prominent statement as follows:

"This is an accident only policy and it does not pay benefits for loss from sickness."
- 7) All policies, except single premium nonrenewal policies, shall have a notice prominently printed on the first page of the policy or attached thereto stating in substance, that the policyholder shall have the right to return the policy within ~~ten (10)~~ days ~~after~~of its delivery and to have the premium refunded if after examination of the policy the policyholder is not satisfied for any reason.
- 8) If age is to be used as a determining factor for reducing the maximum aggregate benefits made available in the policy as originally issued, that such fact must be prominently set forth in the outline of coverage.
- 9) If a policy contains a conversion privilege, it shall comply, in substance, with the following: the caption of the provision shall be "Conversion

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED AMENDMENTS

Privilege," or words of similar import. The provision shall indicate the persons eligible for conversion, the circumstances applicable to the conversion privilege, including any limitations on the conversion, and the person by whom the conversion privilege may be exercised. The provision shall specify the benefits to be provided on conversion or may state that the converted coverage will be as provided on a policy form then being used by the insurer for that purpose.

- 10) All specified disease policies shall contain a prominent statement on the first page of the policy in contrasting color and in bold face type at least equal to the size of type used for policy captions, a prominent statement as follows: "This is a limited policy. Read it carefully."

b) Outline of Coverage Requirements for Individual Coverages

- 1) No individual accident and health insurance policy shall be delivered or issued for delivery in this State unless an appropriate [Summary of Benefits, in accordance with 50 Ill. Adm. Code 2001.10, that includes an outline of coverage as prescribed in subsections paragraphs \(c\) through \(l\) below](#) is completed as to ~~the such~~ policy and is delivered in accordance with Section 355a(5)(a) of the Illinois Insurance Code [215 ILCS 5/355a(5)(a)] ~~as enacted or thereafter amended~~.
- 2) In the event that a policy is issued on a basis other than that applied for, an outline of coverage properly describing the policy must accompany the policy when it is delivered and, if an outline of coverage was delivered earlier, contain the following statement, in not less than ~~twelve (12)~~ point type, immediately above the company name:

NOTICE

Read this outline of coverage carefully. It is not identical to the outline of coverage provided upon application and the coverage originally applied for has not been issued.

- 3) In those cases ~~in which~~ ~~where~~ a policy designed to supplement existing coverage is approved, the outline of coverage shall prominently state that coverage is designed to supplement other health insurance policies owned by the insured.

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED AMENDMENTS

- 4) The appropriate outline of coverage for policies providing hospital coverage ~~that which~~ only meets the standards of Section 2007.70(b)(2) ~~of this Part~~ shall be that statement contained in subsection (c) of this ~~Section~~ section. The appropriate outline of coverage for policies providing coverage ~~that which~~ meets the standards of both Section 2007.70(b)(2) and (3) ~~of this Part~~ shall be the statement contained in subsection paragraph (e) of this Section. The appropriate outline of coverage for policies providing coverage ~~that which~~ meets the standards of Section 2007.70(b)(2) and (5), ~~or Section 2007.70(b)(3) and (5), or Section 2007.70(b)(2), (3), and (5) of this Part~~ shall be the statement contained in subsection paragraph (g) of this Section.
- c) Basic Hospital Expense Coverage (Outline of Coverage)
An outline of coverage, in the form prescribed in this subsection (c) below, shall be issued in connection with policies meeting the standards of Section 2007.70(b)(2) ~~of this Part~~. The items included in the outline of coverage must appear in the sequence prescribed:

(COMPANY NAME)

BASIC HOSPITAL EXPENSE COVERAGE
OUTLINE OF COVERAGE

- 1) Read Your Policy Carefully – This outline of coverage provides a very brief description of the important features of your policy. This is not the insurance contract and only the actual policy provisions will control. The policy itself sets forth in detail the rights and obligations of both you and your insurance company. It is, therefore, important that you READ YOUR POLICY CAREFULLY!
- 2) Basic Hospital Expense Coverage – Policies of this category are designed to provide to persons insured coverage for hospital expenses incurred as a result of a covered accident or sickness. Coverage is provided for daily hospital room and board, miscellaneous hospital services, and hospital outpatient services, subject to any limitations, deductibles and co-payment requirements set forth in the policy. Coverage is not provided for physicians or surgeons fees or unlimited hospital expenses.
- 3) (A brief specific description of the benefits, including dollar amounts and

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED AMENDMENTS

number of days duration where applicable, contained in this policy in the following order:

- A) daily hospital room and board;
- B) miscellaneous hospital services;
- C) hospital out-patient services; and
- D) other benefits, if any.)

(AGENCY NOTE: The above description of benefits shall be stated clearly and concisely, and shall include a description of any deductible or co-payment provision applicable to the benefits described.)

- 4) (A description of any policy provisions ~~that which~~ exclude, eliminate, restrict, reduce, limit, delay, or in any other manner operate to qualify payment of the benefits described in subsection (c)(3) above.)
- 5) (A description of policy provisions respecting renewability or continuation of coverage, including age restrictions or any reservation of right to charge premiums.)

- d) Basic Medical-Surgical Expense Coverage (Outline of Coverage)
An outline of coverage, in the form prescribed below, shall be issued in connection with policies meeting the standards of Section 2007.70(b)(3)-~~of this Part~~. The items included in the outline of coverage must appear in the sequence prescribed:

(COMPANY NAME)
BASIC MEDICAL-SURGICAL EXPENSE COVERAGE
OUTLINE OF COVERAGE

- 1) Read Your Policy Carefully – This outline of coverage provides a very brief description of the important features of your policy. This is not the insurance contract and only the actual policy provisions will control your policy. The policy itself sets forth in detail the rights and obligations of both you and your insurance company. It is, therefore, important that you READ YOUR POLICY CAREFULLY!

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED AMENDMENTS

- 2) Basic Medical-Surgical Expense Coverage – Policies of this category are designed to provide to persons insured coverage for medical-surgical expenses incurred as a result of a covered accident or sickness. Coverage is provided for surgical services, anesthesia services, and in-hospital medical services, subject to any limitations, deductibles and co-payment requirements set forth in the policy. Coverage is not provided for hospital expenses or unlimited medical surgical expenses.
- 3) (A brief specific description of the benefits, including dollar amounts and number of days duration where applicable, contained in this policy, in the following order:
 - A) surgical services;
 - B) anesthesia services;
 - C) in-hospital medical services; and
 - D) other benefits, if any.)

(AGENCY NOTE: The above description of benefits shall be stated clearly and concisely, and shall include a description of any deductible or co-payment provision applicable to the benefits described.)

- 4) (A description of any policy provisions ~~that which~~ exclude, eliminate, restrict, reduce, limit, delay, or in any other manner operate to qualify payment of the benefits described in subsection (d)(3) above.)
 - 5) (A description of policy provisions respecting renewability or continuation of coverage, including age restrictions or any reservation of right to change premiums.)
- e) Basic Hospital and Medical Surgical Expense Coverage (Outline of Coverage)
An outline of coverage, in the form prescribed below, shall be issued in connection with policies meeting the standards of Section 2007.70(b)(2) and (3) of this Part. The items included in the outline of coverage must appear in the sequence prescribed.

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED AMENDMENTS

(COMPANY NAME)

BASIC HOSPITAL AND MEDIAL SURGICAL
EXPENSE COVERAGE OUTLINE OF COVERAGE

- 1) Read Your Policy Carefully – This outline of coverage provides a very brief description of the important features of your policy. This is not the insurance contract and only the actual policy provisions will control. The policy itself sets forth in detail the rights and obligations of both you and your insurance company. It is, therefore, important that you READ YOUR POLICY CAREFULLY!
- 2) Basic Hospital and Medical Surgical Expense Coverage – Policies of this category are designed to provide, to persons insured, coverage for hospital and medical-surgical expenses incurred as a result of a covered accident or sickness. Coverage is provided for daily hospital room and board, miscellaneous hospital services, hospital out-patient services, surgical services, anesthesia services, and in-hospital medical services, subject to any limitations, deductibles and co-payment requirements set forth in the policy. Coverage is not provided for unlimited hospital or medical-surgical expenses.
- 3) (A brief specific description of the benefits, including dollar amounts and number of days duration where applicable, contained in this policy, in the following order:
 - A) daily hospital room and board;
 - B) miscellaneous hospital services;
 - C) hospital out-patient services;
 - D) surgical services;
 - E) anesthesia services;
 - F) in-hospital medical services; and
 - G) other benefits, if any.)

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED AMENDMENTS

(AGENCY NOTE: The above description of benefits shall be stated clearly and concisely, and shall include a description of any deductible or co-payment provision applicable to the benefits described.)

- 4) (A description of any policy provisions ~~that which~~ exclude, eliminate, restrict, reduce, limit, delay, or in any other manner operate to qualify payment of the benefits described in ~~subsection (e)(3) above~~.)
- 5) (A description of policy provisions respecting renewability or continuation of coverage, including age restrictions or any reservation of right to change premiums.)

- f) Hospital Confinement Indemnity Coverage (Outline of Coverage)
An outline of coverage, in the form prescribed below, shall be issued in connection with policies meeting the standards of Section 2007.70(b)(4) ~~of this Part~~. The items included in the outline of coverage must appear in the sequence prescribed:

(COMPANY NAME)
HOSPITAL CONFINEMENT INDEMNITY COVERAGE
OUTLINE OF COVERAGE

- 1) Read Your Policy Carefully – This outline of coverage provides a very brief description of the important features of your policy. This is not the insurance contract and only the actual policy provisions will control. The policy itself sets forth in detail the rights and obligations of both you and your insurance company. It is, therefore, important that you READ YOUR POLICY CAREFULLY!
- 2) Hospital Confinement Indemnity Coverage – Policies of this category are designed to provide to persons insured, coverage in the form of a fixed daily benefit during periods of hospitalization resulting from a covered accident or sickness, subject to any limitations set forth in the policy. ~~These Such~~ policies do not provide any benefits other than the fixed daily indemnity for hospital confinement and any additional benefit described below.
- 3) (A brief specific description of the benefits contained in this policy, in the following order:

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED AMENDMENTS

- A) daily benefit payable during hospital confinement; and
- B) duration of benefit described in (A.)

(AGENCY NOTE: The ~~above~~-description of benefits in this subsection (f)(3) shall be stated clearly and concisely.)

- 4) (A description of any policy provisions ~~that which~~ exclude, eliminate, restrict, reduce, limit, delay, or in any other manner operate to qualify payment of the benefits described in (f)(3)-~~above~~.)
 - 5) (A description of policy provisions respecting renewability or continuation of coverage, including age restrictions or any reservation of right to change premiums.)
 - 6) (Any benefits provided in addition to the daily hospital benefit.)
- g) Major Medical Coverage (Outline of Coverage)
 An outline of coverage, in the form prescribed in this subsection (g)below, shall be issued in connection with policies meeting the standards of Section 2007.70(b)(5)-~~of this Part~~. The items included in the outline of coverage must appear in the sequence prescribed:

(COMPANY NAME)
 MAJOR MEDICAL EXPENSE COVERAGE
 OUTLINE OF COVERAGE

- 1) Read Your Policy Carefully – This outline of coverage provides a very brief description of the important features of your policy. This is not the insurance contract and only the actual policy provisions will control. The policy itself sets forth in detail the rights and obligations of both you and your insurance company. It is, therefore, important that you READ YOUR POLICY CAREFULLY!
- 2) Major Medical Expense Coverage – Policies of this category are designed to provide, to persons insured, coverage for major hospital, medical, and surgical expenses incurred as a result of a covered accident or sickness. Coverage is provided for daily hospital room and board, miscellaneous

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED AMENDMENTS

hospital services, surgical services anesthesia services, in-hospital medical services, and out of hospital care, subject to any deductibles, co-payment provisions, or other limitations ~~that which~~ may be set forth in the policy. Basic hospital or basic medical insurance coverage is not provided.

- 3) (A brief specific description of the benefits, including dollar amounts, contained in this policy, in the following order:
 - A) daily hospital room and board;
 - B) miscellaneous hospital services;
 - C) surgical services;
 - D) anesthesia services;
 - E) in-hospital medical services;
 - F) out of hospital care;
 - G) maximum dollar amount for covered charges; and
 - H) other benefits, if any.)

(AGENCY NOTE: The above description of benefits shall be stated clearly and concisely, and shall include a description of any deductible or co-payment provision applicable to the benefits described.)
 - 4) (A description of policy provisions ~~that which~~ exclude, eliminate, restrict, reduce, limit, delay, or in any other manner operate to qualify payment of the benefits described in subsection (g)(3)-above.)
 - 5) (A description of policy provisions respecting renewability or continuation of coverage, including age restrictions or any reservation of right to change premiums.)
- h) Disability Income Protection Coverage (Outline of Coverage)
An outline of coverage, in the form prescribed below, shall be issued in connection with policies meeting the standards of Section 2007.70(b)(6) ~~of this~~

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED AMENDMENTS

[Part](#). The items included in the outline of coverage must appear in the sequence prescribed:

(COMPANY NAME)
DISABILITY INCOME PROTECTION COVERAGE
OUTLINE OF COVERAGE

- 1) Read Your Policy Carefully – This outline of coverage provides a very brief description of the important features of your policy. This is not the insurance contract and only the actual policy provisions will control. The policy itself sets forth in detail the rights and obligations of both you and your insurance company. It is, therefore, important that you READ YOUR POLICY CAREFULLY!
- 2) Disability Income Protection Coverage – Policies of this category are designed to provide, to persons insured, coverage for disabilities resulting from a covered accident or sickness, subject to any limitations set forth in the policy. Coverage is not provided for basic hospital, basic medical-surgical, or major medical expenses.
- 3) (A brief specific description of the benefits contained in this policy:)

(AGENCY NOTE: The ~~above~~ description of benefits shall be stated clearly and concisely.)
- 4) (A description of any policy provisions ~~that which~~ exclude, eliminate, restrict, reduce, limit, delay, or in any other manner operate to qualify payment of the benefits described in [subsection \(h\)\(3\)](#) ~~above~~.)
- 5) (A description of policy provisions respecting renewability or continuation of coverage, including age restrictions or any reservation of right to change premiums.)

- i) Accident Only Coverage (Outline of Coverage)
An outline of coverage in the form prescribed [in this subsection \(i\) below](#), shall be issued in connection with policies meeting the standards of Section 2007.70(b)(7) [of this Part](#). The items included in the outline of coverage must appear in the sequence prescribed:

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED AMENDMENTS

(COMPANY)

ACCIDENT ONLY COVERAGE

OUTLINE OF COVERAGE

- 1) Read Your Policy Carefully – This outline of coverage provides a very brief description of the important features of your policy. This is not the insurance contract and only the actual policy provisions will control. The policy itself sets forth in detail the rights and obligations of both you and your insurance company. It is, therefore, important that you READ YOUR POLICY CAREFULLY!
 - 2) Accident Only Coverage – Policies of this category are designed to provide, to persons insured, coverage for certain losses resulting from a covered accident ONLY, subject to any limitations contained in the policy. Coverage is not provided for basic hospital, basic medical-surgical, or major medical expenses.
 - 3) (A brief specific description of the benefits contained in this policy:)

(AGENCY NOTE: The ~~above~~ description of benefits shall be stated clearly and concisely, and shall include a description of any deductible or co-payment provision applicable to the benefits described. Proper disclosure of benefits ~~that which~~ vary according to accidental cause shall be made in accordance with Section 2007.70(e) ~~of this Part.~~)
 - 4) (A description of any policy provisions ~~that which~~ exclude, eliminate, restrict, reduce, limit, delay, or in any other manner operate to qualify payment of the benefits described in subsection (i)(3)-above.)
 - 5) (A description of policy provisions respecting renewability or continuation of coverage, including age restrictions or any reservation of right to change premiums.)
- j) Specified Disease or Specified Accident Coverage (Outline of Coverage)
An outline of coverage in the form prescribed in this subsection (j)-below, shall be issued in connection with policies meeting the standards of Section 2007.70(b)(8) ~~of this Part~~. The coverage shall be identified by the appropriate bracketed title. The items included in the outline of coverage must appear in the sequence prescribed:

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED AMENDMENTS

(COMPANY NAME)
 (SPECIFIED DISEASE) (SPECIFIED ACCIDENT COVERAGE)
 OUTLINE OF COVERAGE

- 1) Read Your Policy Carefully – This outline of coverage provides a very brief description of the important features of your policy. This is not the insurance contract and only the actual policy provisions will control. The policy itself sets forth in detail the rights and obligations of both you and your insurance company. It is, therefore, important that you READ YOUR POLICY CAREFULLY!
- 2) (Specified Disease) (Specified Accident) Coverage – Policies of this category are designed to provide, to persons insured, restricted coverage paying benefits ONLY when certain losses occur as a result of (specified diseases) or (specified accidents). Coverage is not provided for basic hospital, basic medical-surgical, or major medical expenses.
- 3) (A brief specific description of the benefits, including dollar amounts, contained in this policy:)

(AGENCY NOTE: The ~~above~~ description of benefits shall be stated clearly and concisely, and shall include a description of any deductible or co-payment provisions applicable to the benefits described. Proper disclosure of benefits ~~that which~~ vary according to accidental cause shall be made in accordance with ~~subsection (b)(1)(L) of Section 2007.70(b)(1)(L) of this Part.~~
- 4) (A description of any policy provisions ~~that which~~ exclude, eliminate, restrict, reduce, limit, delay, or in any other manner operate to qualify payment of the benefits described in ~~subsection (j)(3) above.~~)
- 5) (A description of policy provisions respecting renewability or continuation of coverage, including age restriction or any reservation of right to change premiums.)

- k) Limited Benefit Health Coverage (Outline of Coverage)
 An outline of coverage, in the form prescribed below, shall be issued in connection with policies ~~that which~~ do not meet the minimum standards of

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED AMENDMENTS

~~Section Sections~~ 2007.70(b)(2) through ~~-(b)(7)-of this Part~~. The items included in the outline of coverage must appear in the sequence prescribed:

(COMPANY NAME)
LIMITED BENEFIT HEALTH COVERAGE
OUTLINE OF COVERAGE

- 1) Read Your Policy Carefully – This outline of coverage provides a very brief description of the important features of your policy. This is not the insurance contract and only the actual policy provisions will control. The policy itself sets forth in detail the rights and obligations of both you and your insurance company. It is, therefore, important that you READ YOUR POLICY CAREFULLY!
- 2) Limited Benefit Health Coverage – Policies of this category are designed to provide, to persons insured, limited or supplemental coverage.
- 3) (A brief specific description of the benefits, including dollar amounts, contained in this policy:)

(AGENCY NOTE: The ~~above~~ description of benefits shall be stated clearly and concisely, and shall include a description of any deductible or co-payment provisions applicable to the benefits described. Proper disclosure of benefits ~~that which~~ vary according to accidental cause shall be made in accordance with Section 2007.70(b)(1)(~~L~~)~~-of this Part.~~)
- 4) (A description of any policy provisions ~~that which~~ exclude, eliminate, restrict, reduce, limit, delay, or in any other manner operate to qualify payment of the benefits described in ~~subsection (k)(3)-above.~~)
- 5) (A description of policy provisions respecting renewability or continuation of coverage, including age restrictions or any reservation of right to change premiums.)

- l) Non-Conventional Coverage (Outline of Coverage)
The outline of coverage shall include the following information:

- 1) The name and principal address of the insurer.

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED AMENDMENTS

- 2) An appropriate statement of identification of the type of coverage provided by the policy.
- 3) A description of each of the principal benefits and coverages, including the benefit amounts, duration or limits, elimination periods, inner limits and any other items appropriate to the coverage provided.
- 4) A description of the terms and conditions of renewability of the policy, including any limitations by age, time or event, rights to change premium, status requirements and any other matters appropriate to the terms and conditions of renewability (including any rights of cancellation reserved to the insurer).
- 5) A description of the principal exceptions, reductions and limitations contained in the policy, including the preexisting conditions, if any, and the circumstances under which any reduction provisions become operative.
- 6) A statement that the Outline of Coverage is only a brief summary of the policy and is not the contract of insurance. The policy itself sets forth the rights and obligations of the insured and insurer.

(Source: Amended at 37 Ill. Reg. _____, effective _____)

Section 2007.90 Requirements for Replacement

- a) Application forms shall include a question designed to elicit information as to whether the insurance to be issued is intended to replace any other accident and health insurance presently in force. A supplementary application or other form to be signed by the applicant containing such a question may be used.
- b) Upon determining that a sale will involve replacement, an insurer, other than a direct response insurer, or its agent shall furnish the applicant, prior to issuance or delivery of the policy, the notice described in subsection (d) ~~below~~. One ~~(1)~~ copy of ~~the such~~ notice shall be retained by the applicant and an additional copy signed by the applicant shall be retained by the insurer. A direct response insurer shall deliver to the applicant upon issuance of the policy, the notice described in subsection (e) ~~below~~.

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED AMENDMENTS

- c) In no event, however, will such a notice be required in the solicitation of the following types of policies: accident only and single premium nonrenewable policies.
- d) The notice required by subsection (b) ~~above~~ for an insurer, other than a direct response insurer, shall provide, in substantially the following form:

NOTICE TO APPLICANT REGARDING REPLACEMENT
OF ACCIDENT AND HEALTH INSURANCE

According to (your application) (information you have furnished), you intend to lapse or otherwise terminate existing accident and health insurance and replace it with a policy to be issued by (Company Name) Insurance Company. For your own information and protection, you should be aware of and seriously consider certain factors which may affect the insurance protection available to you under the new policy.

- 1) Health conditions ~~that~~~~which~~ you may presently have (preexisting conditions) may not be immediately or fully covered under the new policy insofar as excepted benefit policies and grandfathered health plans are concerned. Generally, excepted benefits involve coverage only for accident or disability income insurance, or coverage issued as a supplement to liability insurance, or other separately offered coverage such as dental or vision benefits. This could result in denial or delay of a claim for benefits under the new policy, whereas a similar claim might have been payable under your present policy.
- 2) You may wish to secure the advice of your present insurer or its agent regarding the proposed replacement of your present policy. This is not only your right, but it is also in your best interests to make sure you understand all the relevant factors involved in replacing your present coverage.
- 3) If, after due consideration, you still wish to terminate your present policy and replace it with new coverage, be certain to truthfully and completely answer all questions on the application concerning your medical/health history. Failure to include all material medical information on an application may provide a basis for the Company to deny any future claims and to refund your premium as though your policy had never been

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED AMENDMENTS

in force. After the application has been completed and before you sign it, re-read it carefully to be certain that all information has been properly recorded.

The above "Notice to Applicant" was delivered to me on:

Date

Applicant's Signature

- e) The notice required by subsection (b) ~~above~~ for a direct response insurer shall be as follows:

According to (your application) (information you have furnished) you intend to lapse or otherwise terminate existing accident and health insurance and replace it with the policy delivered herewith issued by (Company Name) Insurance Company. Your new policy provides 10 days within which you may decide without cost whether you desire to keep the policy. For your own information and protection you should be aware of and seriously consider certain factors which may affect the insurance protection available to you under the new policy.

- 1) Health conditions ~~that~~~~which~~ you may presently have, (preexisting conditions), may not be immediately or fully covered under the new policy insofar as excepted benefit policies and grandfathered health plans are concerned. Generally, excepted benefits involve coverage only for accident or disability income insurance, or coverage issued as a supplement to liability insurance, or other separately offered coverage such as dental or vision benefits. This could result in denial or delay of a claim for benefits under the new policy, whereas a similar claim might have been payable under your present policy.
- 2) You may wish to secure the advice of your present insurer or its agent regarding the proposed replacement of your present policy. This is not only your right, but it is also in your best interests to make sure you understand all the relevant factors involved in replacing your present coverage.
- 3) (To be included only if the application is attached to the policy.) If, after

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED AMENDMENTS

due consideration, you still wish to terminate your present policy and replace it with new coverage, read the copy of the application attached to your new policy and be sure that all questions are answered fully and correctly. Omissions or misstatements in the application could cause an otherwise valid claim to be denied. Carefully check the application and write to (Company Name and Address) within 10 days if any information is not correct and complete, or if any past medical history has been left out of the application.

Company Name

(Source: Amended at 37 Ill. Reg. _____, effective _____)

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED RULES

- 1) Heading of the Part: Navigator, In-Person Counselor and Certified Application Counselor Certification
- 2) Code Citation: 50 Ill. Adm. Code 3125
- 3)

<u>Section Numbers:</u>	<u>Proposed Action:</u>
3125.10	New
3125.20	New
3125.30	New
3125.40	New
3125.50	New
3125.60	New
3125.70	New
3125.80	New
- 4) Statutory Authority: Implementing and authorized by PA 98-524
- 5) A Complete Description of the Subjects and Issues Involved: Part 3125 implements PA 98-524, the Insurance Navigator Act. It establishes pre-certification education requirements for applicants for navigator, in-person counselor and certified application counselors and establishes requirements for providers and instructors of continuing education courses. It also establishes disqualification and non-compliance penalty provisions and felony review standards for education providers, navigators, in-person counselors and certified application counselors.
- 6) Any published studies or reports, along with the sources of underlying data, that were used to comprise this rulemaking? None
- 7) Will this rulemaking replace any emergency rulemaking currently in effect? No
- 8) Does this rulemaking contain an automatic repeal date? No
- 9) Does this rulemaking contain incorporations by reference? No
- 10) Are there any other rulemakings pending on this Part? No
- 11) Statement of Statewide Policy Objective: This rulemaking will not require a local government to establish, expand or modify its activities in such a way as to necessitate additional expenditures from local revenues.

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED RULES

- 12) Time, Place and Manner in which interested persons may comment on this proposed rulemaking: Persons who wish to comment on this proposed rulemaking may submit written comments no later than 45 days after the publication of this Notice to:

Anne Marie Skallerup
Assistant General Counsel
Illinois Department of Insurance
122 S. Michigan Ave, 19th Fl
Chicago, IL 60603

or

Susan Anders
Rules Coordinator
Illinois Department of Insurance
320 W. Washington St.
Springfield, IL 62767

312/814-5410
312/814-2862 (fax)

217/558-0957

- 13) Initial Regulatory Flexibility Analysis:

- A) Types of small businesses, small municipalities and not-for-profit corporations affected: The potential impact is difficult to determine at this time.
- B) Reporting, bookkeeping or other procedures required for compliance: Navigators, in-person assisters and certified application counselors must complete training courses as specified in the rule. The rule sets forth certification requirements for training providers and requirements that they submit information regarding applicants' coursework to the Director.
- C) Types of professional skills necessary for compliance: Providers must maintain a bachelor degree or 3 years experience in the course subject matter. Navigators, in-person assisters and certified application counselors must successfully complete federal and state training.

- 14) Regulatory Agenda on which this rulemaking was summarized: July 2013

The full text of the Proposed Rules begins on the next page:

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED RULES

TITLE 50: INSURANCE

CHAPTER I: DEPARTMENT OF INSURANCE

SUBCHAPTER ii: NAVIGATOR, IN-PERSON COUNSELOR, CERTIFIED
APPLICATION COUNSELOR AND REGISTERED FIRMS

PART 3125

NAVIGATOR, IN-PERSON COUNSELOR AND CERTIFIED
APPLICATION COUNSELOR CERTIFICATION

Section

3125.10	Purpose
3125.20	Definitions
3125.30	Provider Responsibilities
3125.40	Responsibilities of the Applicant for Navigator, In-Person Counselor or Certified Application Counselor Certification
3125.50	Continuing Education Requirements
3125.60	Certification Denial, Nonrenewal or Revocation
3125.70	Regulatory Examinations
3125.80	Felony Review

AUTHORITY: Implementing and authorized by the Navigator Certification Act [215 ILCS 121].

SOURCE: Adopted at 37 Ill. Reg. _____, effective _____.

Section 3125.10 Purpose

The purpose of this Part is to establish pre-certification education requirements for applicants for Navigators, In-Person Counselors or Certified Application Counselors certification; establish continuing education requirements for Navigators, In-Person Counselors and Certified Application Counselors; and establish requirements for providers and instructors of continuing education courses. Additionally, this Part establishes disqualification and non-compliance penalty provisions and felony review standards for education providers, Navigators, In-person Counselors or Certified Application Counselors regardless of residency.

Section 3125.20 Definitions

"Certified Application Counselor" means a person who provides information about insurance affordability programs and coverage options; assists and

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED RULES

facilitates individuals and employees to apply for coverage in a qualified health plan through the marketplace and for insurance affordability programs; and helps to facilitate enrollment of eligible individual in qualified health plans and insurance affordability programs.

"Code" means the Illinois Insurance Code [215 ILCS 5].

"Contact Instruction" means a course presented in a classroom or seminar format.

"Course" means any course of study certified to the Director that meets the requirements of this Part, including but not limited to seminar, classroom and self-study formats.

"Date of Original Issue" means the date of the issuance of a Navigator, In-Person Counselor, or Certified Application Counselor's certification. Any lapse or suspension of one year or more shall establish a new date of original issue and subject the person to this Part.

"Department" means the Illinois Department of Insurance.

"Director" means the Director of the Illinois Department of Insurance or anyone to whom the Director's responsibilities and authority are lawfully delegated.

"In-Person Counselor" means any person or entity who receives grant funds from the State of Illinois to perform the activities and duties identified in 42 USC 18031(i) , including, but not limited to, maintain expertise in eligibility, enrollment and Marketplace program specification; conduct public education activities to raise awareness of the Marketplace; distribute information about exchange enrollment and the availability of premium subsidies and cost-sharing reductions for qualified individuals; provide information and services in a fair, accurate and impartial manner to facilitate selection and enrollment in qualified health plans by eligible consumers; provide referrals to consumer assistance services, as appropriate; provide information in a culturally and linguistically appropriate manner.

"Interactive Online Course" means self-study courses presented only on the Internet that do not require a proctored final exam.

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED RULES

"Navigator" means any person or entity who receives grant funds from the United States Department of Health and Human Services to perform any of the activities and duties identified in 42 USC 18031(i), including, but not limited to, maintain expertise in eligibility, enrollment and Marketplace program specification; conduct public education activities to raise awareness of the Marketplace; distribute information about exchange enrollment and the availability of premium subsidies and cost-sharing reductions for qualified individuals; provide information and services in a fair, accurate and impartial manner to facilitate selection and enrollment in qualified health plans by eligible consumers; provide referrals to consumer assistance services, as appropriate; provide information in a culturally and linguistically appropriate manner.

"Provider" means any person who offers a course for which the certification required by Section 3125.30 has been received by the Director.

"Successful Completion" means passing an examination with a score of 70% or above in accordance with criteria established by the provider and certified by the Director.

"Supervised Examination" means a proctored, timed and closed book examination.

Section 3125.30 Provider Responsibilities

- a) Prior to receiving approval for a Navigator, In-Person Counselor or Certified Application Counselor certification, the applicant must complete an approved State and federal training courses prescribed by the Director. These courses must be used within one year after completion.
- b) Each provider shall submit a certification to the Director for each course it intends to offer for continuing education credit. Certification is to be submitted to the Department at least 30 days prior to the first date the course will be offered. Certification must be accompanied by the appropriate fee (see 215 ILCS 5/500-135(a)(6) or (7)), be signed and dated by the provider, and contain: the provider's name; Federal Employer Identification Number (FEIN) and/or Social Security number of the individual provider; contact person and that person's telephone number; published provider telephone number; course title; first date course will be offered; whether the course is for public education; class of insurance to which the course is applicable; and type of course instruction (see 215 ILCS 5/500-

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED RULES

35(b)(1)). The certification format and content are available on the Department's website at: www.insurance.illinois.gov/Producer/producer_information.asp and will be made available by the Department upon request.

- c) Each provider shall submit a new certification when there is a significant change in the course. No provider shall submit the same or substantially the same course content for more than one course.
- d) Each provider shall maintain a copy of all instructional materials for each course. If the provider ceases to offer a course or makes a significant change in the course materials, the provider shall maintain the original material for one year from the date the course was terminated or significantly changed.
- e) Each provider shall maintain the following records for 3 years at a central location:
 - 1) Classroom or seminar – roster for each classroom course or seminar identifying the instructors, the students, the course, the location, the date and hours of attendance, the completion date, the examinations and the results of any examinations administered.
 - 2) Self-study online – name of student, name of course, date of completion, the examinations, the results of examinations, and other applicable proof of completion.
 - 3) Courses initiated or completed prior to the original issue date of the certification shall not be used to meet continuing education requirements.
- f) Each provider shall provide to the Director a list of students who have successfully completed a continuing education course. The list shall contain course number; credit hours; course title; reporting week being submitted; provider name; FEIN and/or Social Security number for the individual navigator or in-person counselor; and student data (including student name and Social Security number, date course completed and credit hours for continuing education). The information shall be submitted by an electronic method of transfer prescribed by the Director and in the specifications established by the Director. Each list shall be received by the Director within 10 days following the end of the week in which the course was completed. The date of completion for a course with an examination shall be the date the examination is graded by the

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED RULES

provider. Other than the original course fee, no additional fee shall be charged to the student for reporting the student's successful completion to the Department. If the initial report contains an error, no additional charge shall be given for re-reporting the credits to the Department.

- g) Instructors shall have either a Bachelor's degree or 3 years experience in the course subject matter. Providers must maintain evidence of the qualifications while the instructor is actively engaged in instructing the course and for one year thereafter.
- h) Providers shall, upon the request of the Director, provide a copy of all course material, provider records, and evidence of instructor's qualifications to the Director. All such requests shall be subject to a warrant of the Director and for the express purpose of gauging compliance with the Code and Department regulations pertaining to the Code.
- i) The Director may make arrangements, including contracting with an outside service administrator, for the purpose of administrating and collecting the educational data from the providers. Under the arrangement, all or a portion of the reporting required of the provider shall be made to the servicing administrator.
- j) Providers may not advertise a pre-licensing or continuing education course unless it has been approved by the Department.

Section 3125.40 Responsibilities of the Applicant for Navigator, In-Person Counselor or Certified Application Counselor Certification

- a) Certified Navigator, In-Person Counselor or Certified Application Counselor
 - 1) Each Navigator, In-Person Counselor or Certified Application Counselor shall complete 24 hours of continuing education prior to requesting an extension of a certification. Three of the 24 hours of continuing education must consist of an ethics training classroom course. The Navigator, In-Person Counselor or Certified Application Counselor should complete the course no later than one month prior to the certification extension date to allow time for the provider to submit proof of completion to the Director. Each Navigator, In-Person Counselor or Certified Application Counselor shall maintain a record of each course completed for 3 years from the date

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED RULES

of completion. The record shall include the name of the provider, the course title, and the date of completion.

- 2) Courses initiated or completed prior to the original issue date of the certificate shall not be used to meet continuing education requirements.
- b) Each Navigator, In-Person Counselor or Certified Application Counselor whose certification is subject to renewal shall meet the ethics training requirement by registering for, and successfully completing, three hours of ethics training classroom course.

Section 3125.50 Continuing Education Requirements

- a) The certification must be received by the Director at least 30 days prior to any course being offered.
- b) For purposes of this Section, "full credit" shall mean the reasonable amount of time, as certified by the provider, that is necessary for a student to study for and pass an examination or, in the case of a course with no examination, the number of documented classroom attendance hours.
- c) Courses shall be intended to increase the knowledge and understanding of insurance principles and coverages, applicable laws, insurance regulations, agency management, customer service and sales. The following courses shall not be considered for continuing education:
 - 1) Courses used for pre-certification training or insurance qualifying examination preparation.
 - 2) Courses with less than one hour of certified continuing education credit.
- d) For purposes of this Section, the minimum number of hours may be made up of any combination of classroom, seminar or self-study hours.
- e) One credit will be awarded for each 50 minutes of contact instruction.
- f) No credit shall be given for a self-study course if the student does not successfully complete the examination. If the student fails an examination and successive examinations are given, the successive examinations must be substantially

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED RULES

different from each other. Self-study courses are subject to the following additional requirements:

- 1) No students shall evaluate their own examination. The evaluation of the examination must be completed by the provider;
 - 2) No provider shall furnish the answers to an examination prior to the student completing the examination;
 - 3) Self-study exams must contain at least 25 questions. The number of questions must increase proportionately as the amount of material increases;
 - 4) No more than a third of the questions shall be true/false; and
 - 5) Credit hours shall be determined by the time it may take a student to study the material using 10 8½" by 11" full pages per credit hour (10-12 point font text), single line spacing with 1" margins.
- g) **Interactive Online Courses**
Interactive online is a type of self-study course. Interactive online courses are, by definition, only presented on the Internet and do not require a proctored final exam. To be eligible for certification under Section 3125.30, an interactive online course must meet the following additional requirements:
- 1) The course must provide at least 5 questions after each unit or chapter. The questions must be answered prior to proceeding to the next unit or chapter. The material may be reviewed while answering questions;
 - 2) The course must provide clear instructions on how to navigate through the course;
 - 3) The course must provide the ability to go back and review any unit at any time;
 - 4) The course must provide online viewing access to the Department at all times;

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED RULES

- 5) The course must include a statement that the student information will not be sold or distributed to any third party without prior written consent of the student. Taking the course shall not constitute consent;
- 6) The course must provide some type of encryption. All personal information, including credit card number and name and address of the student must be encrypted so that the information cannot be read as it passes across the Internet;
- 7) Students must affirm that they, and only they, completed the course; and
- 8) The course must include the ability to contact an instructor (i.e., automated e-mail).

Section 3125.60 Certification Denial, Nonrenewal or Revocation

- a) The Director may place on probation, suspend, revoke or refuse to issue or renew a Navigator, In-Person Counselor or Certified Application Counselor's certificate or may levy a civil penalty in accordance with this Section or take any combination of actions, for any one or more of the following causes:
 - 1) Providing incorrect, misleading, incomplete or materially untrue information in the certificate application;
 - 2) Violating any insurance laws, or violating any rule, subpoena or order of the Director or of another state's insurance commissioner;
 - 3) Obtaining or attempting to obtain a certificate through misrepresentation or fraud;
 - 4) Obtaining or attempting to obtain any monies or properties from Illinois consumers while conducting navigator business;
 - 5) Intentionally misrepresenting the terms of an actual or proposed insurance contract;
 - 6) Having been convicted of a felony;

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED RULES

- 7) Having admitted or been found to have committed any insurance unfair trade practice or fraud;
 - 8) Using fraudulent, coercive or dishonest practices, or demonstrating incompetence, untrustworthiness or financial irresponsibility in the conduct of business in this State or elsewhere;
 - 9) Having a Navigator, In-Person Counselor or Certified Application Counselor certificate, or its equivalent, denied, suspended or revoked in any other state, province, district or territory;
 - 10) Forging a name to an application for insurance or to a document related to an insurance transaction;
 - 11) Failing to comply with an administrative or court order imposing a child support obligation;
 - 12) Failing to pay state income tax or penalty or interest or comply with any administrative or court order directing payment of state income tax or failing to file a return or to pay any final assessment of any tax due to the Department of Revenue; or
 - 13) Failing to make satisfactory repayment to the Illinois Student Assistance Commission for a delinquent or defaulted student loan.
- b) In addition to or instead of any applicable denial, suspension or revocation, a person may be subject to a civil penalty of up to \$10,000 for each cause for denial, suspension or revocation; however, the civil penalty may total no more than \$100,000.

Section 3125.70 Regulatory Examinations

- a) The Director may examine any applicant for or holder of a Navigator, In-person Counselor or Certified Application Counselor certificate or Navigator or In-Person Counselor entity certificate.
- b) All Navigators, In-Person Counselors or Certified Application Counselors being examined must provide to the Director convenient and free access, at all reasonable hours, at their offices, and/or comply with any requests, to all books,

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED RULES

records, documents and other papers relating to the persons' navigator business affairs. The Navigator, In-Person Counselor or Certified Application Counselor and employees must facilitate and aid the Director in the examinations, as much as it is in their power to do so.

- c) The Director may designate an examiner or examiners to conduct any examination under this Section. The Director or his or her designee may administer oaths and examine under oath any individual relative to the business of the person being examined.
- d) The examiners designated by the Director under this Section may make reports to the Director. A report alleging substantive violations of this Part or any rules prescribed by the Director must be in writing and be based upon facts ascertained from the books, records, documents, papers and other evidence obtained by the examiners or from sworn or affirmed testimony of or written affidavits from the Navigator, In-Person Counselor or Certified Application Counselor employees or other individuals, as given to the examiners. The report of an examination must be verified by the examiners.

Section 3125.80 Felony Review

Review Standards

When reviewing Navigator, In-Person Counselor and Certified Application Counselor certifications or applications involving Navigators, In-Person Counselors or Certified Application Counselors who have been convicted of a felony, the Director shall consider the following factors in determining the appropriate action:

- a) Nature and severity of the criminal activity. Violent criminals or sex offenders may be denied certification privileges, as well as those convicted of crimes that are insurance related and/or involve untrustworthiness;
- b) Time elapsed since the criminal conduct. The greater the time period since the criminal conduct, the more leniency is appropriate. When making this determination, the duration since the criminal activity should be proportionate to the severity of the criminal conduct;
- c) Absence of additional criminal conduct since the reported felony. Continued criminal conduct of a lesser or greater nature should not be tolerated;

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED RULES

- d) Multiple offenses or pattern of criminal conduct. Those engaged in repeated criminal conduct are a greater risk to the public;
- e) Restitution. Payment to the victim of the felony is necessary to both satisfy the court order and to demonstrate penitence;
- f) Proper disclosure. Failure to fully cooperate or properly report the criminal activity to the Department does not reflect favorably on the applicant's character;
- g) Successful completion of sentence and probationary period. The debt to society must be fully satisfied before the applicant is granted any further privileges;
- h) Rehabilitation. Post-conviction community service or charitable activity may serve as evidence of rehabilitation;
- i) Nature of work performed. There is less risk when the work to be performed does not involve money transactions or direct contact with the public; and
- j) Any other facts or circumstances deemed relevant by the Director. Letters of recommendation addressed to the Director attesting to the character and reputation of the applicant or certificate holder may be considered by the Director.

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED AMENDMENTS

- 1) Heading of the Part: Managed Care Reform & Patient Rights
- 2) Code Citation: 50 Ill. Adm. Code 5420
- 3)

<u>Section Numbers:</u>	<u>Proposed Action:</u>
5420.40	Amend
5420.50	Amend
5420.70	Amend
5420.90	Amend
5420.110	Amend
5420.EXHIBIT A	Repeal
5420.EXHIBIT B	Repeal
5420.EXHIBIT C	Amend
- 4) Statutory Authority: Implementing the Managed Care Reform and Patient Rights Act [215 ILCS 134] and authorized by Section 401 of the Illinois Insurance Code [215 ILCS 5/401]
- 5) A Complete Description of the Subjects and Issues Involved: This amends Part 5420 regarding managed care and patient rights so that state disclosure standards for notice of policy modification, summaries of benefits and uniform glossaries contained in group policy forms are consistent with the disclosure requirements of the Patient Protection and Affordable Care Act (42 USC 300gg et seq.) The reforms take effect for non-grandfathered plans on a rolling basis beginning January 1, 2014, in connection with plans purchased both on and off the exchange.
- 6) Any published studies or reports, along with the sources of underlying data used to compose this rulemaking: None
- 7) Will this rulemaking replace any emergency rulemaking currently in effect? No
- 8) Does this rulemaking contain an automatic repeal date? No
- 9) Does this rulemaking contain incorporations by reference? No
- 10) Are there any other proposed rulemakings pending on this Part? No

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED AMENDMENTS

- 11) Statement of Statewide Policy Objective: This rulemaking will not require a local government to establish, expand or modify its activities in such a way as to necessitate additional expenditures from local revenues.
- 12) Time, Place and Manner in which interested persons may comment on this proposed rulemaking: Persons who wish to comment on this proposed rulemaking may submit written comments no later than 45 days after the publication of this Notice to:

Simone Arthur
Assistant General Counsel
Illinois Department of Insurance
122 S. Michigan Ave, 19th Fl
Chicago, IL 60603

or

Susan Anders
Rules Coordinator
Illinois Department of Insurance
320 W. Washington St.
Springfield, IL 62767

312/814-8580
312/814-2862 (fax)

217/558-0957

- 13) Initial Regulatory Flexibility Analysis:
- A) Types of small businesses, small municipalities and not-for-profit corporations affected: The potential impact is difficult to determine at this time.
- B) Reporting, bookkeeping or other procedures required for compliance: Determinations and notifications regarding insurance policy coverage
- C) Types of professional skills necessary for compliance: Insurance
- 14) Regulatory Agenda on which this rulemaking was summarized: July 2013

The full text of the Proposed Amendments begins on the next page:

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED AMENDMENTS

TITLE 50: INSURANCE
CHAPTER I: DEPARTMENT OF INSURANCE
SUBCHAPTER kkk : HEALTH CARE SERVICE PLANSPART 5420
MANAGED CARE REFORM & PATIENT RIGHTS

Section	
5420.10	Purpose
5420.20	Applicability and Scope
5420.30	Definitions
5420.40	Provision of Information
5420.50	Notice of Nonrenewal or Termination
5420.60	Transition of Services
5420.70	Health Care Services, Appeals, Complaints and External Independent Reviews
5420.80	Joint Resolution of Complaints – Department of Insurance and Department of Public Health – Notification and Resolution Process
5420.90	Record of Complaints
5420.100	Access and Quality of Care from Providers Without Primary Care Physician Referral or Authorization
5420.110	Emergency Services
5420.120	Post Stabilization Services
5420.130	Registration of Utilization Review Organizations
5420.140	Operational Requirements
5420.EXHIBIT A	Description of Coverage – Cover Page (Repealed)
5420.EXHIBIT B	Description of Coverage – Worksheet (Repealed)
5420.EXHIBIT C	Complaint Reporting Column Descriptions
5420.EXHIBIT D	Application for Registration of a Utilization Review Organization
5420.EXHIBIT E	Utilization Review Organization Officers and Directors Biographical Affidavit
5420.EXHIBIT F	NAIC Utilization Review Organization Officers and Directors Biographical Affidavit

AUTHORITY: Implementing the Managed Care Reform and Patient Rights Act [215 ILCS 134] and authorized by Section 401 of the Illinois Insurance Code [215 ILCS 5/401].

SOURCE: Emergency rules adopted at 23 Ill. Reg. 12466, effective September 27, 1999, for a maximum of 150 days; adopted at 24 Ill. Reg. 3374, effective February 10, 2000; amended at 24 Ill. Reg. 9429, effective July 1, 2000; amended at 28 Ill. Reg. 13711, effective September 28,

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED AMENDMENTS

2004; amended at 30 Ill. Reg. 6368, effective March 29, 2006; amended at 34 Ill. Reg. 6879, effective April 29, 2010; amended at 37 Ill. Reg. _____, effective _____.

Section 5420.40 Provision of Information**a) Description of Coverage**

~~1) A written summary of benefits and coverage (SBC) in accordance with 50 Ill. Adm. Code 2001.10, so that a person can compare the attributes of various health care plans, both a description of coverage cover page and worksheet must be completed provided to the enrollee by the health care plan. The cover page and worksheet shall follow substantially the same format as prescribed in Exhibits A and B respectively of this Part. Each shall be printed in no less than 12 point type.~~

- ~~A) Copayments and/or deductibles which vary within a specific benefit category must be listed individually for each item (e.g., copayments for prescription drugs should be listed separately based upon the drug being brand name or generic equivalent).~~
- ~~B) The category entitled "Other Services" may be modified to include additional headings as may be appropriate. If the contract does not provide coverage for listed "Other Services", the description of coverage worksheet should so indicate by stating "Not Applicable" for each such item.~~
- ~~C) A health care plan specific description of coverage worksheet shall contain financial information specific to the enrollee's plan. A generic description of coverage worksheet will be applicable to all of the health care plan's plans and include a general description of financial information.~~
- ~~D) All description of coverage worksheets shall include a notice of the enrollee's right to request a description of the financial relationships between the health care plan and any health care provider, the percent of copayments, deductibles and total premiums spent on health care related and administrative expenses, as well as a notice of the enrollee's right to request health care provider information from their provider as set forth in Section 15(e) of the Managed Care Reform and Patient Rights Act.~~

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED AMENDMENTS

- ~~E) All description of coverage worksheets shall clearly disclose that referral arrangements through the enrollee's participating primary care physician may limit the enrollee's ability to seek services from certain participating specialist physicians or participating health care providers. To obtain clarification on such referral arrangements, the enrollees must be instructed to contact their participating primary care physician's office. If a referral arrangement does not exist between the enrollee's participating primary care physician and the desired participating specialist physician or participating health care provider, then the enrollees must be informed of their ability to designate a new participating primary care physician with whom such referral arrangement does exist.~~
- ~~F) The description of coverage worksheet for point of service products, defined within 50 Ill. Adm. Code 5421.20, must include a specific description of coverages, limitations, exclusions, deductibles and copayments specific to the indemnity contract.~~
- 2) ~~A plan specific description of coverage cover page, worksheet and a list of participating health care providers shall be given to all new enrollees. Annually thereafter, a generic description of coverage cover page and worksheet must be mailed to enrollees. Only one enrollee per household must be furnished this material unless otherwise requested by the enrollee. For group contracts, the plan may satisfy this requirement by giving the required material to the contract holder, for distribution to their members.~~
- 3) ~~Enrollees must be advised annually of their right to request a plan specific description of coverage cover page, worksheet and an updated list of participating health care providers. The enrollee shall be given the choice of requesting this information through a local telephone number or long distance toll free telephone number and a prepaid postcard.~~
- 4) ~~The plan specific description of coverage cover page, worksheet and list of participating health care providers shall be given to all prospective enrollees upon request. Availability of this information shall be prominently communicated within the health care plan's marketing materials. Prospective enrollees shall be able to request this information through a local telephone number or a long distance toll free telephone~~

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED AMENDMENTS

~~number.~~

- ~~5) Health care plans are encouraged to make a generic description of coverage cover page, worksheet and list of participating health care providers available on their web sites. This will not act as a substitute for other forms of required disclosure.~~
 - ~~6) Health care plans issuing contracts or evidences of coverage for delivery in this State shall not issue such contract or evidence of coverage unless a specific description of coverage cover page and worksheet are provided.~~
 - ~~7) All health care plans must clearly communicate their procedure for the filing of complaints pursuant to Section 45 of the Act. When a health care plan is permitted by statute to require complaints be filed in writing, the appropriate complaint form must be made available to the enrollee.~~
- b) ~~Within the group contract, evidence of coverage, individual contract and enrollee handbook, the health care plan shall provide a notice of the enrollees' right to request a description of the financial relationships between the health care plan and any health care provider, the percent of copayments, deductibles and total premiums spent on health care related and administrative expenses as well as the right to obtain health care provider information from their provider as set forth in Section 15(c) of the Managed Care Reform and Patient Rights Act.~~
 - e) ~~Each health care plan shall clearly disclose, within the group contract, evidence of coverage, individual contract, enrollee handbook and provider directory that referral arrangements through the enrollee's participating primary care physician may limit the enrollee's ability to seek services from certain participating specialist physicians or participating health care providers. To obtain clarification on such referral arrangements, the enrollees must be instructed to contact their participating primary care physician's office. If a referral arrangement does not exist between the enrollee's participating primary care physician and the desired participating specialist physician or participating health care provider, then the enrollee must be informed of his ability to designate a new participating primary care physician with whom such referral arrangement does exist.~~
 - d) ~~Within the group contract, evidence of coverage, individual contract and enrollee handbook, all health care plans must clearly communicate their procedure for the filing of complaints pursuant to Section 45 of the Act. When a health care plan is~~

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED AMENDMENTS

~~permitted by statute to require complaints be filed in writing, the appropriate complaint form must be made available to the enrollee.~~

(Source: Amended at 37 Ill. Reg. _____, effective _____)

Section 5420.50 Notice of Nonrenewal or Termination

- a) All provider agreements shall provide for at least 60 days notice by the provider for termination with cause, as defined in ~~thesueh~~ provider agreement, and at least 90 days notice by the provider for termination without cause. Upon receipt of ~~thesueh~~ notice, the health care plan shall notify enrollees within 30 days after the termination and the proper steps to be taken for selecting a new health care provider. In the event the provider violates the provider agreement and does not give a notice of termination in the appropriate timeframe, the health care plan must provide immediate notice to the enrollees. The health care plan must inform the ~~Department~~~~Division of Insurance of the Department of Financial and Professional Regulation~~ immediately of any known or intended termination, with or without cause, of an MCO.
- b) A health care plan must give at least 60 days notice of nonrenewal or termination of a health care provider to the health care provider and to the enrollees served by the health care provider. The notice shall include a name and address to which an enrollee or health care provider may direct comments and concerns regarding the nonrenewal or termination. Immediate written notice may be provided without 60 days notice when a health care provider's license has been disciplined by a State licensing board. The notice shall inform the enrollee of the availability of transitional services and that the enrollee must request transitional services within 30 days from receipt of this notice.

(Source: Amended at 37 Ill. Reg. _____, effective _____)

Section 5420.70 Health Care Services, Appeals, Complaints and External Independent Reviews

- a) A plan shall implement an effective appeals process for appeals of coverage determinations and claims, under which the health care plan shall, at a minimum:
- 1) have in effect an internal claims appeal process;

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED AMENDMENTS

- 2) provide notice to enrollees, in a culturally and linguistically appropriate manner, of available internal and external appeals processes, and the availability of Department consumer assistance to assist enrollees with the appeals processes; and
- 3) allow an enrollee to review his or her file, to present evidence and testimony as part of the appeals process, and to receive continued coverage pending the outcome of the appeals process. (Section 2719 of the Public Health Service Act; 42 USC 201 et seq.)
- ba) A plan shall affirm or deny liability on claims within a reasonable time and shall offer payment within 30 days after affirmation of liability, if the amount of the claim is determined and not in dispute. For those portions of the claim that are not in dispute and the payee is known, the plan shall tender payment within the 30 days.
- cb) If a settlement of a claim is less than the amount claimed, or if the claim is denied, the plan shall provide to the insured a reasonable written explanation of the basis of the lower offer or denial within 30 days after the investigation and determination of liability is completed. This explanation shall clearly set forth the policy definition, limitation, exclusion or condition upon which denial was based. The explanation shall clearly inform the enrollee of the right to appeal the claim reduction or denial, the process by which the enrollee (or the enrollee's designee or guardian) may initiate the appeal process and the plan's phone number to call to receive more information concerning the appeal process. Notice of Availability of the Department Division of Insurance shall accompany this explanation.
- de) A health plan shall ensure that an enrollee (or the enrollee's designee or guardian) has a period of not less than 180 days after the date of the explanation of a denial of a claim for benefits in which to appeal thesuch denial under this Section. The only exception to this requirement isare those complaints that are handled by the Department of Healthcare and Family Services (HFS), IDPA consistent with the requirements of Section 5420.80(a) of this Part.
- d) Every health care plan shall submit for the Division's review, and thereafter maintain, a mechanism for the joint selection of the external independent reviewer. Any proposed changes to the mechanism must be filed for review by the Division.

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED AMENDMENTS

(Source: Amended at 37 Ill. Reg. _____, effective _____)

Section 5420.90 Record of Complaints

- a) Complaint, as used in this Section, means any communication primarily expressing a grievance to the health care plan by, or on behalf of, the enrollee, or by the health care provider. For purposes of this definition, "communication" shall include the following:
- 1) A written notice relating to the health care plan's determinations, procedures and administration as stated in Sections 45 and 50 of the Act; and
 - 2) Written or oral notice filed under the expedited health care services appeal process or under the utilization review process.
- b) The health care plan shall submit to the Director ~~of the Division of Insurance~~ a report by April 1 for the previous calendar year that shall include a record of the plan's complaints in the format prescribed in Exhibit C ~~of this Part~~. Beginning April 1, 2005, all plans or companies must electronically submit the record of complaints to the Director in a format prescribed by the Director.
- c) Any plan or company failing to file a complaint report by April 1 for the previous calendar year may be subject to a late fee of \$100 for each day the report is late.

(Source: Amended at 37 Ill. Reg. _____, effective _____)

Section 5420.110 Emergency Services

- a) For purposes of determining compliance with Section 65 of the Act, timely determination shall mean a determination is made within 30 days after the health care plan receives a claim for emergency services if no additional information is needed to determine the emergency services meet the definition of an emergency medical condition. In the event additional information is necessary to make ~~the~~ such a determination, the health care plan shall request the medical record documenting the presenting symptoms at the time care was sought within 15 days after receipt of the emergency services claim and make a determination within 30 days after its receipt.

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED AMENDMENTS

- b) If a group health care plan offering group or individual health insurance, provides or covers any benefits with respect to services in an emergency department of a hospital, the plan shall cover emergency services in a manner that those services will be provided without imposing a requirement under the plan for prior authorization of services or any limitation on coverage when the provider of services does not have a contractual relationship with the plan for the providing of services that is more restrictive than the requirements or limitations that apply to emergency department services received from providers who do have such a contractual relationship with the plan.
- c) In addition to complying with the coverage requirements provided in 50 Ill. Adm. Code 2051.310(a)(6)(J), if emergency services are provided out-of-network, the cost-sharing requirement (expressed as a copayment amount or coinsurance rate) is the same requirement that would apply if the services were provided in-network. (Section 2719A(b) and (c)(ii) of the Public Health Service Act (42 USC 300 gg-19(1)))

(Source: Amended at 37 Ill. Reg. _____, effective _____)

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED AMENDMENTS

Section 5420.EXHIBIT A Description of Coverage – Cover Page (Repealed)

~~The Managed Care Reform and Patient Rights Act of 1999 established rights for enrollees in health care plans. These rights cover the following:~~

~~What emergency room visits will be paid for by your health care plan.~~

~~How specialists (both in and out of network) can be accessed.~~

~~How to file complaints and appeal health care plan decisions (including external independent reviews).~~

~~How to obtain information about your health care plan, including general information about its financial arrangements with providers.~~

~~You are encouraged to review and familiarize yourself with these subjects and the other benefit information in the attached Description of Coverage Worksheet. SINCE THE DESCRIPTION OF COVERAGE IS NOT A LEGAL DOCUMENT, for full benefit information please refer to your contract or certificate, or contact your health care plan at the toll free number on the next page. In the event of any inconsistency between your Description of Coverage and contract or certificate, the terms of the contract or certificate will control.~~

~~For general assistance and information, please contact the Illinois Department of Insurance Office of Consumer Health Insurance at _____. (Please be aware that the Office of Consumer Health Insurance will not be able to provide specific plan information. For this type of information you should contact your health care plan directly.)~~

(Source: Repealed at 37 Ill. Reg. _____, effective _____)

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED AMENDMENTS

Section 5420.EXHIBIT B Description of Coverage – Worksheet (Repealed)

Plan:
Name:
Address:
Toll Free Telephone Number:
Web site (optional)

		<i>Description of Coverage</i>		
Basics	Your Doctor <i>(description of process for selection of physician, PCP and/or WPHCP)</i>			
	Annual Deductible (if applicable)			
	Out-of-Pocket Maximum	<i>Individual</i>		
		<i>Family</i>		
	Lifetime Maximums (if applicable)			
	Preexisting Condition Limitations			
		Description of Coverage	Health Care Plan Covers	You Pay
In the Hospital	Number of Days of Inpatient Care			
	Room & Board			
	Surgeon's Fees			
	Doctor's Visits			
	Medications			
	Other Miscellaneous Charges			
Emergency Care	Emergency Services – <i>(medical conditions of sufficient severity such that a prudent layperson could reasonably expect the absence of immediate medical attention to result in serious jeopardy of the person's health, serious impairment to bodily functions or serious dysfunction of any bodily organ or part.)</i>			
	Emergency Post-stabilization Services			
In the Doctor's Office	Doctor's Office Visits			
	Routine Physical Exams			
	Diagnostic Tests and X-rays			
	Immunizations			
	Allergy Treatment & Testing			
	Wellness Care			

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED AMENDMENTS



DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED AMENDMENTS

Medical Services	Outpatient Surgery	-			
	Maternity Care	<i>Hospital Care</i>	-		
		<i>Physician Care</i>			
	Infertility Services				
	Mental Health	<i>Outpatient</i>			
		<i>Inpatient</i>			
	Substance Abuse	<i>Outpatient</i>			
	<i>Inpatient</i>				
	Outpatient Rehabilitation Services				
Other Services*	Durable Medical Equipment				
	Hospice				
	Home Health Care				
	Prescription Drugs				
	Dental Services				
	Vision Care				

*Copayments and deductibles for these services may not apply to your out of pocket maximums.

Service Area (Boldface Type)

[A summary description of the area to be served by the health care plan.]

Exclusions and Limitations (Boldface Type)

[A summary description of all contract exclusions, exceptions and limitations.]

Pre-certification and Utilization Review (Boldface Type)

[A summary description of the procedures and requirements for pre-certification and other utilization review procedures.]

Emergency Care (Boldface Type)

[A summary description of requirements for and coverage of pre- and post-emergency care.]

Primary Care Physician Selection (Boldface Type)

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED AMENDMENTS

~~[A summary description of procedures and requirements for primary care physician selection.]~~

~~Access to Specialty Care~~ (Boldface Type)

~~[A summary description of referral policies, including standing referrals, and any limitation on access to specialists. This should include access to, and limitations on access to, out of network specialists.]~~

~~Out-of-Area Coverage~~ (Boldface Type)

~~[A summary description of benefits available to the enrollee for out-of-area coverage.]~~

~~Financial Responsibility~~ (Boldface Type)

~~[A summary description to the enrollee of all out-of-pocket expenses, including copayments, deductibles and premiums payable under the policy. When the entire premium is not paid directly by the enrollee, then the enrollee may need to contact the benefit administrator for the level of contribution.]~~

~~Continuity of Treatment~~ (Boldface Type)

~~[A summary description of the health care plan's provision for continuity of treatment in the event that the enrollee's health care provider terminates from the plan during a course of care, including time frames for requesting transitional services.]~~

~~Appeals Process~~ (Boldface Type)

~~[A summary description of the process for health care service appeals, complaints, external independent reviews, administrative complaints and utilization review complaints, including time frames and a phone number to call to receive more information from the health care plan concerning the enrollee's appeal process.]~~

~~Any enrollee not satisfied with the health care plan's resolution of any complaint may appeal the final plan decision to the Department of Insurance, through the Consumer Services Section, at one of the following locations:~~

~~320 West Washington Street
Springfield, Illinois 62767-0001~~

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED AMENDMENTS

~~OR~~

~~100 West Randolph Street
Suite 15-100
Chicago, Illinois 60601-3251~~

~~You may electronically file your appeal with the Department at
http://insurance.illinois.gov/Complaints/file_complaint.asp.~~

~~Note: External grievance determinations in most cases are not appealable through the
Department of Insurance.~~

~~**IMPORTANT: In the event of any inconsistency between your Description of Coverage
and contract or certificate, the terms of the contract or certificate will control.**~~

(Source: Repealed at 37 Ill. Reg. _____, effective _____)

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED AMENDMENTS

Section 5420.EXHIBIT C Complaint Record and Column Descriptions

1. Column A. Health Care Plan Identification Number – This is the identification number used by the health care plan to identify the complaint internally. The identification number must be unique for each complaint.
2. Column B. Complaint Origin – complaint was filed by:
 - a) Consumer or enrollee;
 - b) Provider;
 - c) Any other individual.
3. Column C. Function Code. Complaints are to be classified by functions function(s) or the health care plan involved, as follows:
 - a) Denial of care or treatment (dissatisfaction regarding prospective non-authorization of a request for care or treatment recommended by a provider excluding diagnostic procedures and referral requests; partial approvals and care terminations are also considered to be denials);
 - b) Denial of diagnostic procedure (dissatisfaction regarding prospective non-authorization of a request for a diagnostic procedure recommended by a provider; partial approvals are also considered to be denials);
 - c) Denial of referral request (dissatisfaction regarding non-authorization of a request for a referral to another provider recommended by a PCP);
 - d) Sufficient choice and accessibility of health care providers (dissatisfaction by an enrollee or policyholder regarding the extent to which the health care plan has practitioners/providers of the appropriate type and number distributed geographically to meet the needs of the member; in addition, dissatisfaction by an enrollee or policyholder regarding the extent to which the enrollee or policyholder may obtain available services at the time they are needed – available service refers to both telephone access and ease of scheduling an appointment);
 - e) Underwriting (dissatisfaction by an enrollee or policyholder regarding the health care plan's process of examining, accepting, or rejecting insurance risks and

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED AMENDMENTS

classifying those selected in order to charge the proper premiums for each);

- f) Marketing and sales (dissatisfaction regarding solicitation or the sale of a policy by the managed care organization; solicitation means any method by which information relative to the health care plan is made known to the public for the purpose of informing or influencing potential enrollees to enroll in the health care plan, regardless of the media or technique used);
 - g) Claims and utilization review (dissatisfaction regarding the concurrent or retrospective evaluation of the coverage, medical necessity, efficiency or appropriateness of health care services or treatment plans; prospective "Denials of care or treatment," "Denials of diagnostic procedures" and "Denials of referral requests" should not be classified in this category, but the appropriate one above);
 - h) Member services (dissatisfaction by an enrollee or policyholder related to response time regarding provision of information; handling of a complaint, appeal or external review; or any interaction between plan representatives and enrollee);
 - i) Provider relations:
 - I) Quality of Care (dissatisfaction regarding any aspect of care provider by an institution or organization or practitioner that provides services to a managed care organization's members; this category does not include sufficient choice or accessibility of a provider);
 - II) Provider complaints – Prompt Pay (complaints by providers (prompt pay, etc.), excluding those filed under "Denials of care or treatment," "Denials of diagnostic procedures" and "Denials of referral request" above);
 - j) Miscellaneous (any "complaint", as defined above, not falling in one of the above categories).
4. Column D. Date Received – date received by the health care plan.
 5. Column E. Date Closed – date closed by the health care plan.
 6. Column F. Illinois ~~Department~~Division of Insurance Complaint File Number – If the complaint was also sent to the health care plan from the ~~Department~~Division, the health care plan should provide the IDOI complaint number in this column.

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED AMENDMENTS

7. Column G. Illinois ~~Department~~Division of Insurance Complaint File Closed Date. The ~~Department~~Division of Insurance will provide the company with the date the complaint was closed by the ~~Department~~Division of Insurance.
8. Column H. External Review – indicate by placing an "X" in the column if complaint was processed through external review procedure.
9. Column I. Disposition.
 - a) Relief Granted – If the complaint was resolved in favor of the complainant;
 - b) Partial Relief Granted – If the complaint was only partially resolved in favor of the complainant;
 - c) Information Furnished – The complaint did not require action, only information to be provided to the enrollee;
 - d) No Relief Granted – If the complaint was not resolved in favor of the complainant.

(Source: Amended at 37 Ill. Reg. _____, effective _____)

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED AMENDMENTS

- 1) Heading of the Part: Health Maintenance Organization
- 2) Code Citation: 50 Ill. Adm. Code 5421
- 3)

<u>Section Numbers:</u>	<u>Proposed Action:</u>
5421.20	Amend
5421.60	Amend
5421.110	Amend
5421.130	Amend
- 4) Statutory Authority: Implementing and authorized by Sections 4-6.1, 4-17, 5-2 and 5-7 of the Health Maintenance Organization Act [215 ILCS 125/4-6.1, 4-17, 5-2 and 5-7]
- 5) A Complete Description of the Subjects and Issues Involved: This rulemaking makes HMO policy forms submitted for the approval of the Director consistent with the market reforms contained in the federal Affordable Care Act (ACA). The reforms, which take effect for non-grandfathered policies on a rolling basis beginning January 1, 2014, for both exchange-traded and non-exchange-traded health plans, prohibit excessive waiting periods, pre-existing conditions and rating based on health status, the establishment of lifetime or annual limits on essential health benefits, rescissions and discrimination based on health status. The reforms require guaranteed availability or renewability of coverage, the provision of essential health benefits, and coverage for preventative health services. Certain disclosure standards for notice of policy modification, benefit summaries and uniform glossaries are also included in the reforms.
- 6) Any published studies or reports, along with the sources of underlying data used to compose this rulemaking: None
- 7) Will this rulemaking replace any emergency rulemaking currently in effect? No
- 8) Does this rulemaking contain an automatic repeal date? No
- 9) Does this rulemaking contain incorporations by reference? No
- 10) Are there any other proposed rulemakings pending on this Part? No
- 11) Statement of Statewide Policy Objective: This rulemaking will not require a local government to establish, expand or modify its activities in such a way as to necessitate additional expenditures from local revenues.

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED AMENDMENTS

- 12) Time, Place and Manner in which interested persons may comment on this proposed rulemaking: Persons who wish to comment on this proposed rulemaking may submit written comments no later than 45 days after the publication of this Notice to:

James Rundblom
Deputy General Counsel
Department of Insurance
320 West Washington, 4th Floor
Springfield, Illinois 62767-0001

or

Susan Anders
Rules Coordinator
Department of Insurance
320 West Washington, 4th Floor
Springfield, Illinois 62767-0001

217/785-8559

Ph: 217/558-0957
Fax: 217/524-9033

- 13) Initial Regulatory Flexibility Analysis:

- A) Types of small businesses, small municipalities and not-for-profit corporations affected: The potential impact is difficult to determine at this time.
- B) Reporting, bookkeeping or other procedures required for compliance: Rate filings with the Department; determination of benefits covered.
- C) Types of professional skills necessary for compliance: Insurance

- 14) Regulatory Agenda on which this rulemaking was summarized: July 2013

The full text of the proposed rulemaking begins on the next page:

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED AMENDMENTS

TITLE 50: INSURANCE
CHAPTER I: DEPARTMENT OF INSURANCE
SUBCHAPTER kkk: HEALTH CARE SERVICE PLANSPART 5421
HEALTH MAINTENANCE ORGANIZATION

Section	
5421.10	Scope
5421.20	Definitions
5421.30	Valuation of Investments
5421.40	Grievance Procedure
5421.50	Contracts, Administrative Arrangements and Material Modifications
5421.60	Rates
5421.70	Subordinated Indebtedness
5421.80	Financial Reporting
5421.90	Conflict of Interest and Required Disclosure
5421.100	Solicitation
5421.110	Requirements for Group Contracts, Evidences of Coverage and Individual Contracts
5421.111	Cancellation
5421.112	Form Filing Requirements
5421.113	Point of Service Plan Requirements
5421.120	Internal Security Standards and Fidelity Bonds
5421.130	Basic Health Care Services
5421.131	Basic Outpatient Preventive and Primary Health Care Services for Children
5421.132	Required Coverage for Reconstructive Surgery Following Mastectomies
5421.140	General Provisions
5421.141	HMO Producer Licensing Requirements
5421.142	Limited Insurance Representative Requirements – Public Aid and Medicare Enrollers
5421.150	Severability
5421.160	Effective Date (Repealed)

AUTHORITY: Implementing and authorized by Sections 4-6.1, 4-17, 5-2 and 5-7 of the Health Maintenance Organization Act [215 ILCS 125/4-6.1, 4-17, 5-2 and 5-7].

SOURCE: Filed June 16, 1976, effective July 1, 1976; codified at 7 Ill. Reg. 3016; amended at 15 Ill. Reg. 199, effective December 28, 1990; amended at 20 Ill. Reg. 10639, effective July 25,

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED AMENDMENTS

1996; recodified at 21 Ill. Reg. 1729; emergency amendment at 21 Ill. Reg. 15262, effective November 18, 1997, for a maximum of 150 days; amended at 22 Ill. Reg. 6671, effective March 31, 1998; amended at 23 Ill. Reg. 5690, effective May 3, 1999; emergency amendment at 26 Ill. Reg. 5146, effective March 25, 2002, for a maximum of 150 days; amended at 26 Ill. Reg. 13088, effective August 19, 2002; amended at 28 Ill. Reg. 14412, effective October 19, 2004; amended at 30 Ill. Reg. 4732, effective March 2, 2006; amended at 37 Ill. Reg. 14032, effective August 26, 2013; amended at 37 Ill. Reg. _____, effective _____.

Section 5421.20 Definitions

"Act" means the Health Maintenance Organization Act [215 ILCS 125].

"Advertisement" means any printed or published material, audiovisual material and descriptive literature of the health care plan used in direct mail, newspapers, magazines, radio scripts, television scripts, billboards and similar displays; and any descriptive literature or sales aids of all kinds disseminated by a representative of the health care plan for presentation to the public including, but not limited to, circulars, leaflets, booklets, depictions, illustrations, form letters and prepared sales presentations (Section 1-2(1) of the Act).

"Base Rates" means the rate generated before any classification deviations are applied.

"Basic Health Care Services" means emergency care, and inpatient hospital and physician care, outpatient medical services, mental health services and care for alcohol and drug abuse, infertility treatment, prenatal and postnatal care, delivery and inpatient services for maternity care, and preventative services required pursuant to 42 USC 300gg-13 U.S.C. including any reasonable deductibles and co-payments, all of which are subject to ~~such~~ limitations ~~as are~~ set forth in this Part (see Section 1-2(3) of the Act).

"Cancellation" means the termination of a group contract, evidence of coverage or individual contract by an HMO prior to the expiration date of the group contract, evidence of coverage or individual contract.

"Consumer" means any enrollee, provided that ~~thesuch~~ individual is not or has not been ~~in~~ the previous two years: an employee (including the employee'shis spouse or dependent) of the HMO or affiliate of the HMO; or a provider furnishing health care services to the HMO or affiliate of the HMO.

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED AMENDMENTS

"Copayment" means the amount an enrollee must pay in order to receive a specific covered service ~~that~~^{which} is not fully prepaid.

"Deductible" means the amount an enrollee is responsible to pay out-of-pocket before the HMO begins to pay the costs associated with treatment.

"Director" means the Director of the Illinois Department of Insurance (see Section 1-2(2) of the Act).

"Department" means the Illinois Department of Insurance.

"Department of Insurance Complaint" means a written complaint filed by or on behalf of an enrollee, with the Department pursuant to Section 4-6 of the Act ~~[215 ILCS 125/4-6]~~, excluding complaints filed by Illinois Department of Healthcare and Family Services ~~Public Aid~~ HMO members under Section 5-11 of the Public Aid Code [305 ILCS 5/5-11] and complaints subject to handling by the Centers for Medicare and Medicaid Services (CMMS) pursuant to a contract entered into between CMMS and the HMO.

"Enrollee" *means an individual who has been enrolled in a health care plan.* (Section 1-2(4) of the Act):

"Evidence of Coverage" *means any certificate, agreement, or contract issued to enrollees setting out the coverage to which they are entitled in exchange for a per capita prepaid sum.* (Section 1-2(5) of the Act):

"Governing Body" means the board of trustees, or directors, or if otherwise designated in the basic organizational document bylaws, those individuals vested with the ultimate responsibility for the management of any organization that has been issued, or is applying for, a certificate of authority as an HMO.

"Grievance" means any written complaint submitted to the HMO by or on behalf of an enrollee regarding any aspect of the HMO relative to the enrollee, but shall not include any complaint by or on behalf of a provider.

"Grievance Committee" means individuals who have been appointed by the HMO to respond to grievances ~~that~~^{which} have been filed on appeal from the HMO's simplified complaint process established pursuant to Section 5421.40(d) ~~of this~~

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED AMENDMENTS

Part. At least 50% of the individuals on this committee shall be ~~composed of~~ enrollees who are consumers.

"Group Contract" means a contract for health care services which by its terms limits eligibility to members of a specified group (Section 1-2(6) of the Act).

"Health Care Plan" means any arrangement ~~in which~~ ~~whereby~~ any organization undertakes to provide or arrange for, and pay for or reimburse the cost of, any basic health care services from providers selected by the HMO. ~~The and such~~ arrangement consists of arranging for, or the provision of, ~~the such~~ health care services, as distinguished from mere indemnification against the cost of ~~thesuch~~ services, except as otherwise authorized by Section 2-3 of the Act, on a per capita prepaid basis, through insurance or otherwise (see Section 1-2(7) of the Act). A health care plan also includes any arrangement ~~in which~~ ~~whereby~~ an organization undertakes to provide, or arrange for, or pay for, or reimburse the cost of, any health care services for persons who are enrolled in the integrated health care program established under Section 5-16.3 of the Illinois Public Aid Code ~~[305 ILCS 5/5-16.3]~~ through providers selected by the organization and the arrangement consists of making provision for the delivery of health care services, as distinguished from mere indemnification. A health care plan also includes any arrangement pursuant to Section 4-17 of the Act ~~[215 ILCS 125/4-17]~~. Nothing in the definition of Health Care Plan, however, affects the total medical services available to persons eligible for medical assistance under the Illinois Public Aid Code.

"Health Care Services" means any services included in the furnishing to any individual of medical or dental care, or the hospitalization or incident to the furnishing of such care or hospitalization as well as the furnishing to any person of any and all other services for the purpose of preventing, alleviating, curing or healing human illness or injury (Section 1-2(8) of the Act).

"HMO" means Health Maintenance Organization.

"Individual Contract" means a contract for health care services issued to and covering an individual. The individual contract may include dependents of the subscriber.

"Limited Insurance Representative" means an individual appointed by an HMO to represent the HMO in the enrollment of recipients of public aid or Medicare in the

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED AMENDMENTS

HMO.

"Managed Care Organization" ~~or ("MCO")~~ means a partnership, association, corporation or other legal entity, including but not limited to individual practice associations (IPAs) and Physician Hospital Organizations (PHOs), ~~that~~ ~~which~~ delivers or arranges for the delivery of health care services through providers it has contracted with or otherwise made arrangements with to furnish ~~those such~~ health care services.

"Notice of Availability of the Department" as required by this Part, shall be no less informative than the following:

The regulations of the Illinois Department of Insurance (50 Ill. Adm. Code 5421.110(n)) require that we advise you that if you wish to take this matter up with the Illinois Department of Insurance it maintains a Consumer Division in Chicago at 122 S. Michigan Avenue, 19th Floor, Chicago, Illinois 60603 and in Springfield at 320 West Washington Street, Springfield, Illinois 62767-0001.

"Point of Service Plan" means a plan in which an eligible enrollee is covered under both an HMO evidence of coverage and an indemnity insurance policy or certificate and may select, on a point of service basis, between using the HMO or the indemnity benefit program.

"Primary Care Physician" means a provider who has contracted with an HMO to provide primary care services as defined by the contract and who is:

a physician licensed to practice medicine in all of its branches who spends a majority of clinical time engaged in general practice ~~or in the practice~~ of internal medicine, pediatrics, gynecology, obstetrics or family practice; ~~or~~

a chiropractic physician licensed to treat human ailments without the use of drugs or operative surgery ~~(77 Ill. Adm. Code 240.2)~~.

"Producer" means a person directly or indirectly associated with a health care plan who engages in solicitation or enrollment (see Section 1-2(13) of the Act).

"Provider" means any physician, hospital facility, or other person which is licensed or otherwise authorized to furnish health care services and also includes

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED AMENDMENTS

any other entity that arranges for the delivery or furnishing of health care services (Section 1-2(12) of the Act). For purposes of Section 5421.50 ~~of this Part, "provider"~~ **Provider** shall also mean an MCO.

"Renewal" means the issuance and delivery by an HMO of a group contract or individual contract superseding at the end of the contract period a contract previously issued and delivered by the same HMO or the issuance and delivery of a certificate or notice extending the term of the group or individual contract beyond its contract term.

"Solicitation" means any method by which information relative to an HMO is made known to the public for the purpose of informing or influencing potential enrollees to enroll in a Health Care Plan, regardless of the media or technique used.

"State" means any governing body, department, or agency of the State of Illinois ~~that which~~ has regulatory authority ~~undergoverning~~ the Act.

"Subscriber" means a person who has entered into a contractual relationship with the HMO for the provision of or arrangement of at least Basic Health Care Services to the beneficiaries of such contract (Section 1-2(15) of the Act).

"Supplemental Health Care Services" means any health care service other than basic health care services.

"Usual and Customary Fee" ~~means shall mean~~ the fee, as reasonably determined by the HMO, that is based on the fee ~~which~~ the provider who renders the service usually charges its patients for the same service. ~~The and the~~ fee ~~shall be~~ within the range of usual fees other providers of similar type, training and experience in a similar geographic area charge their patients for the same service, under similar or comparable circumstances.

(Source: Amended at 37 Ill. Reg. _____, effective _____)

Section 5421.60 Rates

- a) ~~Subject to the requirements of 50 Ill. Adm. Code 2026, the~~ The HMO shall file all schedules of base rates to be used in conjunction with enrollee certificates. The schedules shall be filed with the Director prior to the effective date and will be

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED AMENDMENTS

maintained as a public document by the Department.

- b) When the schedules of base rates are filed, percentage change from the previous filing for the schedules of base rates shall be included.
- c) Upon the request of the Director, the HMO shall submit actuarial documentation for any submitted rates, which shall be stamped "confidential" by the HMO. Documentation shall include, but not be limited to, the major cost components, experience, assumptions, and procedures used to develop the submitted rates. The actuarial documentation shall be deemed confidential and proprietary by the Department unless specific authorization is given by the HMO.

(Source: Amended at 37 Ill. Reg. _____, effective _____)

Section 5421.110 Requirements for Group Contracts, Evidences of Coverage and Individual Contracts

- a) Any group contract, evidence of coverage, individual contract, enrollee handbook, enrollment application, identification card or other form that affects the terms and conditions applicable to the subscriber or enrollee in the provision of health care services must be filed with and approved by the Director prior to use in accordance with the requirements of Section 5421.112 ~~of this Part~~ and Section 4-13 of the Act. The HMO shall issue to each subscriber or enrollee a group contract, evidence of coverage, or individual contract. Any conflicting information between the valid current document referenced in this subsection above issued to the subscriber or enrollee and the current group contract shall be interpreted according to whichever is most beneficial to the subscriber or enrollee. Any group contract, evidence of coverage, or individual contract shall provide for the rendering of health care services as defined in that document for either a specific period of not less than 12 months from the date of issuance or for another period mutually agreed to by the HMO and the group or individual contract holder; and shall provide for renewal on a basis mutually agreed to by both parties, unless the HMO has given 31 days written notice of nonrenewal prior to the renewal date of the contract.
- b) A detailed statement of any exceptions, exclusions or limitations shall be set forth in the group contract, evidence of coverage, and individual contract for any type of health care service to be excepted. Exception, exclusions or limitations shall appear with the same prominence in the group contract, evidence of coverage and

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED AMENDMENTS

individual contract as any benefit.

- c) The group contract, evidence of coverage, and individual contract shall set forth a detailed statement of the terms and conditions of maternity benefits and any related exceptions, exclusions, limitations, copayments and deductibles. Exceptions, exclusions, limitations, copayments and deductibles applicable to prenatal and post-natal care shall be covered no differently than any other covered health care services provided pursuant to the contract, with the exception of a limitation for coverage of routine prenatal care or delivery when the enrollee is outside the service area against medical advice, except when the enrollee is outside of the service area due to circumstances beyond her control, may be included in the group contract and evidence of coverage.
- d) Entire Contract. The group contract, evidence of coverage and individual contract shall contain a statement that the group contract evidence of coverage and individual contract, all applications, and any amendments shall constitute the entire agreement between the parties. No portion of the charter, by-laws or other document of the HMO shall be part of a contract or evidence of coverage unless set forth in full in the document or attached to it.
- e) Eligibility Requirements. The group contract, evidence of coverage and individual contract shall contain eligibility requirements indicating the conditions that must be met to enroll in a health care plan, the limiting age for enrollees and eligible dependents including the effects of Medicare eligibility, and a clear statement regarding coverage of newborn children as set forth in Sections 4-8 and 4-9 of the Act.
- f) Benefits and Services Within the Service Area. The group contract, evidence of coverage and individual contract shall contain a specific description of benefits and services available within the HMO's designated service area.
- g) Emergency Care Services. The group contract, evidence of coverage and individual contract shall contain a specific description of benefits and services available for emergencies 24-hours a day, 7 days a week, including disclosure of any restrictions on emergency care services. No group contract, evidence of coverage or individual contract shall limit the coverage of emergency services within the service area to those providers having a contract with the HMO.
- h) Out of Area Benefits and Services. The group contract, evidence of coverage and

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED AMENDMENTS

individual contract shall contain a specific description of benefits and services available out of the HMO's designated service area.

i) Deductibles and Copayments

- 1) An HMO may require deductibles and copayments of enrollees as a condition for the receipt of specific health care services, including basic health care services. Deductibles and copayments shall be the only allowable charge, other than premiums, assessed enrollees. Nothing within this subsection (i) shall preclude the provider from charging reasonable administrative fees, such as service fees for checks returned for non-sufficient funds and missed appointments.
- 2) Copayments and deductibles appearing in the policy shall be for specific dollar amounts or for specific percentages of the cost of the health care services.
- 3) No combination of deductibles and copayments for ~~the receipt of~~ basic health care services may exceed the annual maximum out-of-pocket expenses of a high deductible health plan as defined in 26 USC 223.
- 4) Deductibles and copayments applicable to supplemental health care services, catastrophic-only plans as defined under the federal Affordable Care Act, ~~or pre-existing conditions~~ are not subject to the annual limitations described in this Section.
- 5) This subsection (i) applies to enrollees and does not limit the health care plan payment for services provided by non-participating providers.

- j) ~~Pre-existing Conditions. An HMO may impose deductible and copayment pre-existing condition limitations as a condition to receiving health care services. A pre-existing condition shall not be defined more restrictively than a condition for which medical advice or treatment was recommended by a physician or received from a physician within a one year period preceding the effective date of coverage under the health care plan or the existence of symptoms that, in the opinion of a legally qualified physician, would have caused an ordinarily prudent person to seek diagnosis, care or treatment within a one year period preceding the effective date of coverage under the health care plan. The condition may only be limited for a period not to exceed one year from the effective date of coverage.~~

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED AMENDMENTS

- ~~jk~~) Cancellation. The group contract, evidence of coverage, and individual contract shall contain the conditions upon which cancellation may be effected by the HMO or the enrollee as set forth in Section 5421.111.
- ~~kl~~) Reinstatement. The group contract, evidence of coverage, and individual contract shall contain the conditions of the enrollee's right to reinstatement.
- ~~lm~~) Grace Period:
- 1) A group contract or individual contract not involving the use of a premium tax credit shall provide for a grace period for the payment of any premium, except the first, during which coverage shall remain in effect if payment is made during the grace period. The grace period for a group contract shall not be less than 10 days. The grace period for an individual contract shall not be less than 31 days. During the grace period, the HMO shall remain liable for providing the services and benefits contracted for; the subscriber shall remain liable for the payment of the premium for the time coverage was in effect during the grace period and the enrollee shall remain liable for the payment of any applicable share of the premium, for the time coverage was in effect, as well as for any copayments owed.
- 2) Termination of coverage for individuals receiving advance payments of premium tax credits shall comply with the requirements of 45 CFR 155 (77 FR 18444, Mar. 27, 2012, as amended at 78 FR 42313, July 15, 2013, no later amendments or editions) and 45 CFR 156.270 (78 FR 42322, as amended July 15, 2013, no later amendments or editions).
- ~~mn~~) No group contract, or evidence of coverage, or individual contract may be delivered in this State unless the subscriber and/or enrollee is provided written notice required by Section 143c of the Illinois Insurance Code [215 ILCS 5/143c].
- ~~no~~) Right to Examine Contract. An individual contract, with the exception of an HMO Medicare contract entered into between the Health Care Financing Administration and the HMO under Title XVIII of the Social Security Act, as amended from time to time, shall contain a provision stating that an enrollee who has entered into an agreement with an HMO shall be permitted to return the individual contract within ten days after receiving it and to receive a refund of the premium paid if the enrollee is not satisfied with the contract for any reason. If

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED AMENDMENTS

the individual contract is returned to the HMO or to its representative through whom it was purchased, it is considered void from the beginning. However, if services are rendered or claims are paid for ~~thesueh~~ enrollee or dependent by the HMO during the 10 day examination period, the enrollee shall not be permitted to return the contract and receive a refund of the premium paid.

op) An HMO Medicare contract entered into between the Health Care Financing Administration and the HMO under Title XVIII of the Social Security Act, as amended from time to time, shall be delivered to the enrollee at least 15 days prior to the effective date of the contract. The enrollee shall be permitted to return the HMO Medicare contract prior to the effective date and to receive a refund of the premium paid if the enrollee is not satisfied with the contract for any reason, provided the enrollee complies with the disenrollment procedures of Title XVIII of the Social Security Act, as amended from time to time.

pe) Every HMO will provide to every enrollee of the HMO information that generally describes the philosophy, functions and organization of the HMO and related institutions, and specific information that describes the appropriate use of the HMO's services, including a general description of benefits and limitations. The HMO shall include in its enrollee information a description of the HMO's grievance procedure, directions for filing a grievance, and a Notice of Availability of the Department.

pf) Every HMO shall provide enrollees with an identification card that must prominently display the following information:

- 1) the words "Health Maintenance Organization" or "HMO";
- 2) disclaimer language concerning an enrollee's unauthorized use of providers not selected by the HMO;
- 3) a current telephone number for the enrollees to use when health care services are required outside of normal office hours; and
- 4) the name of all enrollees entitled to coverage, along with all other mandated information, if the HMO does not issue a card to each enrollee who is entitled to coverage. In these situations, at least two cards must be issued to the primary enrollee upon enrollment and the HMO must issue additional cards to all enrollees at the request of the enrollee for no

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED AMENDMENTS

additional charge. Notification of the right to order additional cards for no additional charge must be included with information required to be disseminated to enrollees under subsection (~~pe~~).

~~rs~~) Enrollment Application. No individual contract shall be issued except upon the signed enrollment application of the enrollee for whom coverage is being sought. Any information or statement of the applicant shall appear on the application in the form of interrogatories by the HMO and answers by the applicant. The enrollee shall not be bound by any statement made within an application for health care coverage unless a copy of the application is attached to the individual contract. Group enrollment applications must be maintained on file by the HMO; otherwise, disputes arising from statements made within the applications will be resolved in the enrollee's favor. Except for those instances involving fraud or material misrepresentation, an HMO's failure to investigate incomplete or conflicting answers on an enrollment application shall estop the HMO from subsequently denying coverage on the basis of those responses.

~~st~~) Coordination of Benefits

- 1) HMOs are permitted, but not required, to adopt coordination of benefits provisions to avoid over insurance and to provide for the orderly payment of claims when a person is covered by two or more group health insurance or health care plans.
- 2) If an HMO adopts coordination of benefits, the provision must be consistent with the coordination of benefits requirements set forth in 50 Ill. Adm. Code 2009.
- 3) To the extent necessary for an HMO to meet its obligations as a secondary carrier under 50 Ill. Adm. Code 2009, and where an enrollee has established a credit within the reserve bank, the HMO shall make payments for services that are:
 - A) received from non-participating providers;
 - B) provided outside its services areas; or
 - C) not covered under the terms of health care plan.

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED AMENDMENTS

- tt)** Dependents-termination of coverage-disability and dependency, proof-application. Every group contract, evidence of coverage, or individual contract that provides that coverage of a dependent person of an enrollee shall terminate upon attainment of the limiting age for dependent persons shall comply with the requirements of Section 4-9.1 of the Act.
- uv)** Conversion of Coverage
- 1) The group contract and evidence of coverage shall contain a conversion provision that provides that each enrollee has the right to convert coverage to an individual or group HMO contract in the following circumstances:
 - A) upon cancellation of eligibility for coverage under a group contract;
 - B) upon cancellation of the group contract; or
 - C) upon non-renewal of the group contract.
 - 2) The conversion contract shall cover the enrollee and his/her eligible dependents who were covered by the group contract on the date of cancellation or non-renewal of coverage. To obtain the conversion contract, an enrollee shall submit a written application and the application premium payment within 31 days after the date the enrollee's coverage is cancelled.
 - 3) The HMO may require copayments and deductibles under a conversion contract that differ from the group contract.
 - 4) A conversion contract shall not be required to be made available if:
 - A) The cancellation of the enrollee's coverage occurred for any of the reasons listed in Section 5421.111(a);
 - B) The enrollee is covered by or is eligible for benefits under Title XVIII of the United States Social Security Act;
 - C) The enrollee is covered by similar hospital, medical, or surgical benefits under State or federal law;

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED AMENDMENTS

- D) The enrollee is covered by similar hospital, medical, or surgical benefits under any arrangement of coverage for individuals in a group whether on an insured or uninsured basis;
- E) The enrollee is covered for similar benefits through individual coverage;
- F) The enrollee has not been continuously covered during the three-month period immediately preceding cancellation of that person's coverage;
- G) The enrollee has moved outside of the service area of the health maintenance organization;
- H) The cancellation of the enrollee's coverage occurred in relation to the HMO being placed in rehabilitation or liquidation proceedings pursuant to Section 5-6 of the Act; or
- I) The group contract has been discontinued in its entirety and there is a succeeding carrier providing coverage to the group in its entirety.
- 5) Benefits or coverage shall be considered "similar" if coverage is provided for at least 12 months under comprehensive type medical coverage.
- ~~6) Notwithstanding subsection (v)(4)(C), (D), (E) or (I), if the enrollee or any of his or her covered dependents has a pre-existing condition, and the enrollee is covered by similar hospital, medical or surgical benefits under any arrangement of coverage for individuals in a group, whether on an insured or uninsured basis, and the coverage does not cover pre-existing conditions, then the enrollee may continue conversion coverage for the individual with the pre-existing condition until the enrollee's or dependent's pre-existing condition is covered under the succeeding plan.~~
- 67) The conversion contract shall provide as a minimum to its enrollees basic health care services.
- 78) The conversion contract shall begin coverage of the enrollee and any

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED AMENDMENTS

dependents formerly covered under the group contract on the date of termination from the group or the former individual contract.

89) Coverage shall be provided without requiring evidence of insurability and shall not impose any pre-existing condition limitations or exclusions ~~other than those remaining unexpired under the contract from which conversion is exercised.~~

910) Prior to the issuance of a conversion contract, the enrollee must be notified in writing that the election of any conversion contract will terminate the individual's federal eligibility for coverage under the Illinois Comprehensive Health Insurance Plan.

v*) Discrimination between individuals of the same class in the terms and conditions of the health care plan, or in the amount charged for coverage under a health care plan except when the rate differential is based on sound actuarial principles, or in any other manner whatsoever is prohibited.

w*) Grievance Procedure
The group contract, evidence of coverage, and individual contract shall set forth a full description of the HMO grievance procedure required by Section 5421.40.

x) The provisions of 50 Ill. Adm. Code 2001, Subparts A and C, shall apply to this Part.

(Source: Amended at 37 Ill. Reg. _____, effective _____)

Section 5421.130 Basic Health Care Services

The provision of Basic Health Care Services shall not discriminate against any class of physician. The following minimum standards shall meet the requirements for Basic Health Care Services, provided that services are medically necessary as determined by the enrollee's primary care physician and, if required by the HMO, are authorized on a prospective and timely basis by the HMO's Medical Director:

- a) Physician services, including primary care, consultation, referral, surgical, anesthesia or other as needed by the enrollee in any level of service delivery. Physician services need not include organ transplants unless specifically authorized by a primary care physician and approved by the HMO's Medical

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED AMENDMENTS

Director;

- b) Outpatient diagnostic imaging, pathology services and radiation therapy;
- c) 120 days of non-mental health inpatient services per year, including all professional services, medications, surgically implanted devices and supplies used by the enrollee while an inpatient;
- d) Emergency services for accidental injury or emergency illness 24 hours per day, and 7 days per week. Emergency services are covered benefits inside and out of the plan's service area. Emergency treatment shall include outpatient visits and referrals for emergency mental health problems;
- e) Maternity care, including prenatal and post-natal care and care for complication of pregnancy of mother and care with respect to a newborn child from the moment of birth, which shall include the care and treatment of illness, injury, congenital defects, birth abnormalities and premature birth;
- f) Blood transfusion services, processing and the administration of whole blood and blood components and derivatives;
- g) Preventive health services as appropriate for the patient population, including a health evaluation program and immunizations to prevent or arrest the further manifestation of human illness or injury including but not limited to allergy injections and allergy serum. A health evaluation program shall include at least periodic physical examinations and medical history, hearing and vision testing or screening, routine laboratory testing or screening, blood pressure testing, and uterine cervical cytological testing, and low dose mammography testing as required by Section 4-6.1 of the Act;
- h) Ten days inpatient mental health care per year. Care in a day hospital, residential non-hospital or intensive outpatient mode may be substituted on a two-to-one basis for inpatient hospital services as deemed appropriate by the primary care physician. Twenty individual outpatient mental health care visits per enrollee per year, as appropriate for evaluation, short-term treatment and crisis intervention services. Group outpatient mental health care visits may be substituted on a two-to-one basis for individual mental health care visits as deemed appropriate by the primary care physician;

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED AMENDMENTS

- i) Alcoholism and Drug Abuse
- 1) Diagnosis, detoxification and treatment of the medical complications of the abuse of or addiction to alcohol or drugs on either an inpatient or outpatient basis. Inpatient hospital services are subject to subsection (c).
 - 2) Rehabilitation services on an inpatient basis, for up to 10 days inpatient care per year. Care in a day hospital, residential non-hospital or intensive outpatient treatment mode may be substituted on a two-to-one basis for inpatient hospital services as deemed appropriate by the primary care physician. Twenty individual outpatient care visits per enrollee per year as appropriate for evaluation, short-term treatment, and crisis intervention services. Group outpatient care visits may be substituted on a two-to-one basis for individual outpatient visits as deemed appropriate by the primary care physician. Prolonged rehabilitation services in a specialized inpatient or residential facility need not be a part of Basic Health Care Services;
- j) Outpatient Rehabilitative therapy (including but not limited to: speech therapy, physical therapy, and occupational therapy directed at improving physical functioning of the member) up to 60 treatments per year for conditions which are expected to result in significant improvement within two months as determined by the primary care physician and if required by the HMO, are authorized on a prospective and timely basis by the HMO's Medical Director;
- k) Preventive services required pursuant to 42 USC 300gg-13;
- l) Essential health benefits as provided in 50 Ill. Adm. Code 2001.11.

(Source: Amended at 37 Ill. Reg. _____, effective _____)

POLLUTION CONTROL BOARD

NOTICE OF PROPOSED AMENDMENT

August 28, 2013
(78 Fed. Reg. 53029)

USEPA exempted one new compound from the definition of VOM. The newly exempted compound is a hydrochlorofluoroalkene.

Tables appear in the Board's opinion and order of September 5, 2013 in docket R14-7 that list a limited number of deviations from the literal text of the federal amendments and corrections and amendments that are not directly based on current federal amendments. The tables contain deviations from the literal text of the federal amendments underlying these amendments, as well as corrections and clarifications that the Board made in the base text involved. Persons interested in the details of those corrections and amendments should refer to the September 5, 2013 opinion and order in docket R14-7.

Section 9.1(e) of the Environmental Protection Act [415 ILCS 5/9.1(e)] provides that Section 5-35 of the Administrative Procedure Act [5 ILCS 100/5-35] does not apply to this rulemaking. Because this rulemaking is not subject to Section 5-35 of the APA, it is not subject to First Notice or to Second Notice review by the Joint Committee on Administrative Rules (JCAR).

- 6) Published studies or reports, and sources of underlying data, used to compose this rulemaking: None
- 7) Will this proposed rulemaking replace any emergency rulemaking currently in effect?
No
- 8) Does this rulemaking contain an automatic repeal date? No
- 9) Does this proposed rulemaking contain incorporations by reference? No
- 10) Statement of Statewide Policy Objective: None
- 11) Are there any other rulemakings pending on this Part? No
- 12) Time, Place and Manner in which interested persons may comment on this proposed rulemaking: The Board will accept written public comment on this proposal for a period of 45 days after the date of this publication. Comments should reference docket R14-7 and be addressed to:

POLLUTION CONTROL BOARD

NOTICE OF PROPOSED AMENDMENT

John T. Therriault, Assistant Clerk
Illinois Pollution Control Board
State of Illinois Center, Suite 11-500
100 W. Randolph St.
Chicago, IL 60601

The Board will conduct one public hearing on the proposed amendments because they will ultimately result in submission to the United States Environmental Protection Agency of an amendment to the state implementation plan (SIP). Section 110(a)(2) of the Federal Clean Air Act (42 USC 7410(a)(2) (2006)) requires reasonable notice and hearing before a state undertakes an amendment to the SIP. The public hearing will occur by videoconference at the following time and locations:

1:15 p.m., October 31, 2013

James R. Thompson Center
Illinois Pollution Control Board Hearing Room
100 West Randolph Street, Room 11-512
Chicago

and

Sangamo Building
Illinois Pollution Control Board Hearing Room
1021 North Grand Avenue
Springfield

Please direct inquiries to the following person and reference docket R14-7:

Michael J. McCambridge
Staff Attorney
Illinois Pollution Control Board
100 W. Randolph 11-500
Chicago, IL 60601

Phone: 312/814-6924
E-mail: mccambm@ipcb.state.il.us

Request copies of the Board's opinion and order at 312/814-3620, or download a copy from the Board's Website at <http://www.ipcb.state.il.us>.

POLLUTION CONTROL BOARD

NOTICE OF PROPOSED AMENDMENT

- 13) Initial regulatory flexibility analysis:
- A) Types of small businesses, small municipalities, and not-for-profit corporations affected: This rulemaking may affect those small businesses, small municipalities, and not-for-profit corporations that use or emit the affected chemicals that are proposed for deletion from the definition of VOM. These proposed amendments do not create or enlarge a state mandate, as defined in Section 3(b) of the State Mandates Act. [30 ILCS 805/3(b) (2010)]
 - B) Reporting, bookkeeping or other procedures required for compliance: The existing rules and proposed amendments require extensive reporting, bookkeeping and other procedures, including emissions monitoring, annual reports, and maintenance of operating records. These proposed amendments do not create or enlarge a state mandate, as defined in Section 3(b) of the State Mandates Act. [30 ILCS 805/3(b) (2010)]
 - C) Types of professional skills necessary for compliance: Compliance with the existing rules and proposed amendments may require the services of an attorney, certified public accountant, chemist, and registered professional engineer. These proposed amendments do not create or enlarge a state mandate, as defined in Section 3(b) of the State Mandates Act. [30 ILCS 805/3(b) (2010)].
- 14) Regulatory Agenda on which this rulemaking was summarized: June 2013

The full text of the Proposed Amendment begins on the next page:

POLLUTION CONTROL BOARD

NOTICE OF PROPOSED AMENDMENT

TITLE 35: ENVIRONMENTAL PROTECTION
SUBTITLE B: AIR POLLUTION
CHAPTER I: POLLUTION CONTROL BOARD
SUBCHAPTER c: EMISSION STANDARDS AND LIMITATIONS
FOR STATIONARY SOURCESPART 211
DEFINITIONS AND GENERAL PROVISIONS

SUBPART A: GENERAL PROVISIONS

Section	
211.101	Incorporated and Referenced Materials
211.102	Abbreviations and Conversion Factors

SUBPART B: DEFINITIONS

Section	
211.121	Other Definitions
211.122	Definitions (Repealed)
211.130	Accelacota
211.150	Accumulator
211.170	Acid Gases
211.200	Acrylonitrile Butadiene Styrene (ABS) Welding
211.210	Actual Heat Input
211.230	Adhesive
211.233	Adhesion Primer
211.235	Adhesive Primer
211.240	Adhesion Promoter
211.250	Aeration
211.260	Aerosol Adhesive and Adhesive Primer
211.270	Aerosol Can Filling Line
211.290	Afterburner
211.310	Air Contaminant
211.330	Air Dried Coatings
211.350	Air Oxidation Process
211.370	Air Pollutant
211.390	Air Pollution
211.410	Air Pollution Control Equipment

POLLUTION CONTROL BOARD

NOTICE OF PROPOSED AMENDMENT

211.430	Air Suspension Coater/Dryer
211.450	Airless Spray
211.470	Air Assisted Airless Spray
211.474	Alcohol
211.479	Allowance
211.481	Ammunition Sealant
211.484	Animal
211.485	Animal Pathological Waste
211.490	Annual Grain Through-Put
211.492	Antifoulant Coating
211.493	Antifouling Sealer/Tie Coat
211.495	Anti-Glare/Safety Coating
211.510	Application Area
211.530	Architectural Coating
211.540	Architectural Structure
211.550	As Applied
211.560	As-Applied Fountain Solution
211.570	Asphalt
211.590	Asphalt Prime Coat
211.610	Automobile
211.630	Automobile or Light-Duty Truck Assembly Source or Automobile or Light-Duty Truck Manufacturing Plant
211.650	Automobile or Light-Duty Truck Refinishing
211.660	Automotive/Transportation Plastic Parts
211.665	Auxiliary Boiler
211.670	Baked Coatings
211.680	Bakery Oven
211.685	Basecoat/Clearcoat System
211.690	Batch Loading
211.695	Batch Operation
211.696	Batch Process Train
211.710	Bead-Dipping
211.715	Bedliner
211.730	Binders
211.735	Black Coating
211.740	Brakehorsepower (rated-bhp)
211.750	British Thermal Unit
211.770	Brush or Wipe Coating
211.790	Bulk Gasoline Plant

POLLUTION CONTROL BOARD

NOTICE OF PROPOSED AMENDMENT

211.810	Bulk Gasoline Terminal
211.820	Business Machine Plastic Parts
211.825	Camouflage Coating
211.830	Can
211.850	Can Coating
211.870	Can Coating Line
211.880	Cap Sealant
211.890	Capture
211.910	Capture Device
211.930	Capture Efficiency
211.950	Capture System
211.953	Carbon Adsorber
211.954	Cavity Wax
211.955	Cement
211.960	Cement Kiln
211.965	Ceramic Tile Installation Adhesive
211.970	Certified Investigation
211.980	Chemical Manufacturing Process Unit
211.990	Choke Loading
211.995	Circulating Fluidized Bed Combustor
211.1000	Class II Finish
211.1010	Clean Air Act
211.1050	Cleaning and Separating Operation
211.1070	Cleaning Materials
211.1090	Clear Coating
211.1110	Clear Topcoat
211.1120	Clinker
211.1128	Closed Molding
211.1130	Closed Purge System
211.1150	Closed Vent System
211.1170	Coal Refuse
211.1190	Coating
211.1210	Coating Applicator
211.1230	Coating Line
211.1250	Coating Plant
211.1270	Coil Coating
211.1290	Coil Coating Line
211.1310	Cold Cleaning
211.1312	Combined Cycle System

POLLUTION CONTROL BOARD

NOTICE OF PROPOSED AMENDMENT

211.1315	Combustion Tuning
211.1316	Combustion Turbine
211.1320	Commence Commercial Operation
211.1324	Commence Operation
211.1328	Common Stack
211.1330	Complete Combustion
211.1350	Component
211.1370	Concrete Curing Compounds
211.1390	Concentrated Nitric Acid Manufacturing Process
211.1410	Condensate
211.1430	Condensable PM-10
211.1435	Container Glass
211.1455	Contact Adhesive
211.1465	Continuous Automatic Stoking
211.1467	Continuous Coater
211.1470	Continuous Process
211.1490	Control Device
211.1510	Control Device Efficiency
211.1515	Control Period
211.1520	Conventional Air Spray
211.1530	Conventional Soybean Crushing Source
211.1550	Conveyorized Degreasing
211.1560	Cove Base
211.1565	Cove Base Installation Adhesive
211.1570	Crude Oil
211.1590	Crude Oil Gathering
211.1610	Crushing
211.1630	Custody Transfer
211.1650	Cutback Asphalt
211.1655	Cyanoacrylate Adhesive
211.1670	Daily-Weighted Average VOM Content
211.1690	Day
211.1700	Deadener
211.1710	Degreaser
211.1730	Delivery Vessel
211.1740	Diesel Engine
211.1745	Digital Printing
211.1750	Dip Coating
211.1770	Distillate Fuel Oil

POLLUTION CONTROL BOARD

NOTICE OF PROPOSED AMENDMENT

211.1780	Distillation Unit
211.1790	Drum
211.1810	Dry Cleaning Operation or Dry Cleaning Facility
211.1830	Dump-Pit Area
211.1850	Effective Grate Area
211.1870	Effluent Water Separator
211.1872	Ejection Cartridge Sealant
211.1875	Elastomeric Materials
211.1876	Electric Dissipating Coating
211.1877	Electric-Insulating Varnish
211.1878	Electrical Apparatus Component
211.1880	Electrical Switchgear Compartment Coating
211.1882	Electrodeposition Primer (EDP)
211.1883	Electromagnetic Interference/Radio Frequency Interference (EMI/RFI) Shielding Coatings
211.1885	Electronic Component
211.1890	Electrostatic Bell or Disc Spray
211.1900	Electrostatic Prep Coat
211.1910	Electrostatic Spray
211.1920	Emergency or Standby Unit
211.1930	Emission Rate
211.1950	Emission Unit
211.1970	Enamel
211.1990	Enclose
211.2010	End Sealing Compound Coat
211.2030	Enhanced Under-the-Cup Fill
211.2040	Etching Filler
211.2050	Ethanol Blend Gasoline
211.2055	Ethylene Propylenediene Monomer (DPDM) Roof Membrane
211.2070	Excess Air
211.2080	Excess Emissions
211.2090	Excessive Release
211.2110	Existing Grain-Drying Operation (Repealed)
211.2130	Existing Grain-Handling Operation (Repealed)
211.2150	Exterior Base Coat
211.2170	Exterior End Coat
211.2190	External Floating Roof
211.2200	Extreme High-Gloss Coating
211.2210	Extreme Performance Coating

POLLUTION CONTROL BOARD

NOTICE OF PROPOSED AMENDMENT

211.2230	Fabric Coating
211.2250	Fabric Coating Line
211.2270	Federally Enforceable Limitations and Conditions
211.2285	Feed Mill
211.2290	Fermentation Time
211.2300	Fill
211.2310	Final Repair Coat
211.2320	Finish Primer Surfacer
211.2330	Firebox
211.2350	Fixed-Roof Tank
211.2355	Flare
211.2357	Flat Glass
211.2358	Flat Wood Paneling
211.2359	Flat Wood Paneling Coating Line
211.2360	Flexible Coating
211.2365	Flexible Operation Unit
211.2368	Flexible Packaging
211.2369	Flexible Vinyl
211.2370	Flexographic Printing
211.2390	Flexographic Printing Line
211.2410	Floating Roof
211.2415	Fog Coat
211.2420	Fossil Fuel
211.2425	Fossil Fuel-Fired
211.2430	Fountain Solution
211.2450	Freeboard Height
211.2470	Fuel Combustion Emission Unit or Fuel Combustion Emission Source
211.2490	Fugitive Particulate Matter
211.2510	Full Operating Flowrate
211.2525	Gasket/Gasket Sealing Material
211.2530	Gas Service
211.2550	Gas/Gas Method
211.2570	Gasoline
211.2590	Gasoline Dispensing Operation or Gasoline Dispensing Facility
211.2610	Gel Coat
211.2615	General Work Surface
211.2620	Generator
211.2622	Glass Bonding Primer
211.2625	Glass Melting Furnace

POLLUTION CONTROL BOARD

NOTICE OF PROPOSED AMENDMENT

211.2630	Gloss Reducers
211.2650	Grain
211.2670	Grain-Drying Operation
211.2690	Grain-Handling and Conditioning Operation
211.2710	Grain-Handling Operation
211.2730	Green-Tire Spraying
211.2750	Green Tires
211.2770	Gross Heating Value
211.2790	Gross Vehicle Weight Rating
211.2800	Hardwood Plywood
211.2810	Heated Airless Spray
211.2815	Heat Input
211.2820	Heat Input Rate
211.2825	Heat-Resistant Coating
211.2830	Heatset
211.2840	Heatset Web Letterpress Printing Line
211.2850	Heatset Web Offset Lithographic Printing Line
211.2870	Heavy Liquid
211.2890	Heavy Metals
211.2910	Heavy Off-Highway Vehicle Products
211.2930	Heavy Off-Highway Vehicle Products Coating
211.2950	Heavy Off-Highway Vehicle Products Coating Line
211.2955	High Bake Coating
211.2956	High Build Primer Surfacer
211.2958	High Gloss Coating
211.2960	High-Performance Architectural Coating
211.2965	High Precision Optic
211.2970	High Temperature Aluminum Coating
211.2980	High Temperature Coating
211.2990	High Volume Low Pressure (HVLP) Spray
211.3010	Hood
211.3030	Hot Well
211.3050	Housekeeping Practices
211.3070	Incinerator
211.3090	Indirect Heat Transfer
211.3095	Indoor Floor Covering Installation Adhesive
211.3100	Industrial Boiler
211.3110	Ink
211.3120	In-Line Repair

POLLUTION CONTROL BOARD

NOTICE OF PROPOSED AMENDMENT

211.3130	In-Process Tank
211.3150	In-Situ Sampling Systems
211.3170	Interior Body Spray Coat
211.3190	Internal-Floating Roof
211.3210	Internal Transferring Area
211.3215	Janitorial Cleaning
211.3230	Lacquers
211.3240	Laminate
211.3250	Large Appliance
211.3270	Large Appliance Coating
211.3290	Large Appliance Coating Line
211.3300	Lean-Burn Engine
211.3305	Letterpress Printing Line
211.3310	Light Liquid
211.3330	Light-Duty Truck
211.3350	Light Oil
211.3355	Lime Kiln
211.3370	Liquid/Gas Method
211.3390	Liquid-Mounted Seal
211.3410	Liquid Service
211.3430	Liquids Dripping
211.3450	Lithographic Printing Line
211.3470	Load-Out Area
211.3475	Load Shaving Unit
211.3480	Loading Event
211.3483	Long Dry Kiln
211.3485	Long Wet Kiln
211.3487	Low-NO _x Burner
211.3490	Low Solvent Coating
211.3500	Lubricating Oil
211.3505	Lubricating Wax/Compound
211.3510	Magnet Wire
211.3530	Magnet Wire Coating
211.3550	Magnet Wire Coating Line
211.3555	Maintenance Cleaning
211.3570	Major Dump Pit
211.3590	Major Metropolitan Area (MMA)
211.3610	Major Population Area (MPA)
211.3620	Manually Operated Equipment

POLLUTION CONTROL BOARD

NOTICE OF PROPOSED AMENDMENT

211.3630	Manufacturing Process
211.3650	Marine Terminal
211.3660	Marine Vessel
211.3665	Mask Coating
211.3670	Material Recovery Section
211.3690	Maximum Theoretical Emissions
211.3695	Maximum True Vapor Pressure
211.3705	Medical Device
211.3707	Medical Device and Pharmaceutical Manufacturing
211.3710	Metal Furniture
211.3730	Metal Furniture Coating
211.3750	Metal Furniture Coating Line
211.3760	Metallic Coating
211.3770	Metallic Shoe-Type Seal
211.3775	Metal to Urethane/Rubber Molding or Casting Adhesive
211.3780	Mid-Kiln Firing
211.3785	Military Specification Coating
211.3790	Miscellaneous Fabricated Product Manufacturing Process
211.3810	Miscellaneous Formulation Manufacturing Process
211.3820	Miscellaneous Industrial Adhesive Application Operation
211.3830	Miscellaneous Metal Parts and Products
211.3850	Miscellaneous Metal Parts and Products Coating
211.3870	Miscellaneous Metal Parts or Products Coating Line
211.3890	Miscellaneous Organic Chemical Manufacturing Process
211.3910	Mixing Operation
211.3915	Mobile Equipment
211.3925	Mold Seal Coating
211.3930	Monitor
211.3950	Monomer
211.3960	Motor Vehicles
211.3961	Motor Vehicle Adhesive
211.3965	Motor Vehicle Refinishing
211.3966	Motor Vehicle Weatherstrip Adhesive
211.3967	Mouth Waterproofing Sealant
211.3968	Multi-Colored Coating
211.3969	Multi-Component Coating
211.3970	Multiple Package Coating
211.3975	Multipurpose Construction Adhesive
211.3980	Nameplate Capacity

POLLUTION CONTROL BOARD

NOTICE OF PROPOSED AMENDMENT

211.3985	Natural Finish Hardwood Plywood Panel
211.3990	New Grain-Drying Operation (Repealed)
211.4010	New Grain-Handling Operation (Repealed)
211.4030	No Detectable Volatile Organic Material Emissions
211.4050	Non-Contact Process Water Cooling Tower
211.4052	Non-Convertible Coating
211.4055	Non-Flexible Coating
211.4065	Non-Heatset
211.4067	NO _x Trading Program
211.4070	Offset
211.4080	One-Component Coating
211.4090	One Hundred Percent Acid
211.4110	One-Turn Storage Space
211.4130	Opacity
211.4150	Opaque Stains
211.4170	Open Top Vapor Degreasing
211.4190	Open-Ended Valve
211.4210	Operator of a Gasoline Dispensing Operation or Operator of a Gasoline Dispensing Facility
211.4220	Optical Coating
211.4230	Organic Compound
211.4250	Organic Material and Organic Materials
211.4260	Organic Solvent
211.4270	Organic Vapor
211.4280	Other Glass
211.4285	Outdoor Floor Covering Installation Adhesive
211.4290	Oven
211.4310	Overall Control
211.4330	Overvarnish
211.4350	Owner of a Gasoline Dispensing Operation or Owner of a Gasoline Dispensing Facility
211.4370	Owner or Operator
211.4390	Packaging Rotogravure Printing
211.4410	Packaging Rotogravure Printing Line
211.4430	Pail
211.4450	Paint Manufacturing Source or Paint Manufacturing Plant
211.4455	Pan-Backing Coating
211.4460	Panel
211.4470	Paper Coating

POLLUTION CONTROL BOARD

NOTICE OF PROPOSED AMENDMENT

211.4490	Paper Coating Line
211.4510	Particulate Matter
211.4530	Parts Per Million (Volume) or PPM (Vol)
211.4540	Perimeter Bonded Sheet Flooring
211.4550	Person
211.4590	Petroleum
211.4610	Petroleum Liquid
211.4630	Petroleum Refinery
211.4650	Pharmaceutical
211.4670	Pharmaceutical Coating Operation
211.4690	Photochemically Reactive Material
211.4710	Pigmented Coatings
211.4730	Plant
211.4735	Plastic
211.4740	Plastic Part
211.4750	Plasticizers
211.4760	Plastic Solvent Welding Adhesive
211.4765	Plastic Solvent Welding Adhesive Primer
211.4768	Pleasure Craft
211.4769	Pleasure Craft Surface Coating
211.4770	PM-10
211.4790	Pneumatic Rubber Tire Manufacture
211.4810	Polybasic Organic Acid Partial Oxidation Manufacturing Process
211.4830	Polyester Resin Material(s)
211.4850	Polyester Resin Products Manufacturing Process
211.4870	Polystyrene Plant
211.4890	Polystyrene Resin
211.4895	Polyvinyl Chloride Plastic (PVC Plastic)
211.4900	Porous Material
211.4910	Portable Grain-Handling Equipment
211.4930	Portland Cement Manufacturing Process Emission Source
211.4950	Portland Cement Process or Portland Cement Manufacturing Plant
211.4960	Potential Electrical Output Capacity
211.4970	Potential to Emit
211.4990	Power Driven Fastener Coating
211.5010	Precoat
211.5012	Prefabricated Architectural Coating
211.5015	Preheater Kiln
211.5020	Preheater/Precalciner Kiln

POLLUTION CONTROL BOARD

NOTICE OF PROPOSED AMENDMENT

211.5030	Pressure Release
211.5050	Pressure Tank
211.5060	Pressure/Vacuum Relief Valve
211.5061	Pretreatment Coating
211.5062	Pretreatment Wash Primer
211.5065	Primary Product
211.5070	Prime Coat
211.5075	Primer Sealant
211.5080	Primer Sealer
211.5090	Primer Surfacer Coat
211.5110	Primer Surfacer Operation
211.5130	Primers
211.5140	Printed Interior Panel
211.5150	Printing
211.5170	Printing Line
211.5185	Process Emission Source
211.5190	Process Emission Unit
211.5195	Process Heater
211.5210	Process Unit
211.5230	Process Unit Shutdown
211.5245	Process Vent
211.5250	Process Weight Rate
211.5270	Production Equipment Exhaust System
211.5310	Publication Rotogravure Printing Line
211.5330	Purged Process Fluid
211.5335	Radiation Effect Coating
211.5340	Rated Heat Input Capacity
211.5350	Reactor
211.5370	Reasonably Available Control Technology (RACT)
211.5390	Reclamation System
211.5400	Red Coating
211.5410	Refiner
211.5430	Refinery Fuel Gas
211.5450	Refinery Fuel Gas System
211.5470	Refinery Unit or Refinery Process Unit
211.5480	Reflective Argent Coating
211.5490	Refrigerated Condenser
211.5500	Regulated Air Pollutant
211.5510	Reid Vapor Pressure

POLLUTION CONTROL BOARD

NOTICE OF PROPOSED AMENDMENT

211.5520	Reinforced Plastic Composite
211.5530	Repair
211.5535	Repair Cleaning
211.5550	Repair Coat
211.5570	Repaired
211.5580	Repowering
211.5585	Research and Development Operation
211.5590	Residual Fuel Oil
211.5600	Resist Coat
211.5610	Restricted Area
211.5630	Retail Outlet
211.5640	Rich-Burn Engine
211.5650	Ringelmann Chart
211.5670	Roadway
211.5690	Roll Coater
211.5710	Roll Coating
211.5730	Roll Printer
211.5750	Roll Printing
211.5770	Rotogravure Printing
211.5790	Rotogravure Printing Line
211.5800	Rubber
211.5810	Safety Relief Valve
211.5830	Sandblasting
211.5850	Sanding Sealers
211.5860	Scientific Instrument
211.5870	Screening
211.5875	Screen Printing
211.5880	Screen Printing on Paper
211.5885	Screen Reclamation
211.5890	Sealer
211.5910	Semi-Transparent Stains
211.5930	Sensor
211.5950	Set of Safety Relief Valves
211.5970	Sheet Basecoat
211.5980	Sheet-Fed
211.5985	Sheet Rubber Lining Installation
211.5987	Shock-Free Coating
211.5990	Shotblasting
211.6010	Side-Seam Spray Coat

POLLUTION CONTROL BOARD

NOTICE OF PROPOSED AMENDMENT

211.6012	Silicone-Release Coating
211.6015	Single-Ply Roof Membrane
211.6017	Single-Ply Roof Membrane Adhesive Primer
211.6020	Single-Ply Roof Membrane Installation and Repair Adhesive
211.6025	Single Unit Operation
211.6030	Smoke
211.6050	Smokeless Flare
211.6060	Soft Coat
211.6063	Solar-Absorbent Coating
211.6065	Solids Turnover Ratio (R_T)
211.6070	Solvent
211.6090	Solvent Cleaning
211.6110	Solvent Recovery System
211.6130	Source
211.6140	Specialty Coatings
211.6145	Specialty Coatings for Motor Vehicles
211.6150	Specialty High Gloss Catalyzed Coating
211.6170	Specialty Leather
211.6190	Specialty Soybean Crushing Source
211.6210	Splash Loading
211.6230	Stack
211.6250	Stain Coating
211.6270	Standard Conditions
211.6290	Standard Cubic Foot (scf)
211.6310	Start-Up
211.6330	Stationary Emission Source
211.6350	Stationary Emission Unit
211.6355	Stationary Gas Turbine
211.6360	Stationary Reciprocating Internal Combustion Engine
211.6370	Stationary Source
211.6390	Stationary Storage Tank
211.6400	Stencil Coat
211.6405	Sterilization Indicating Ink
211.6410	Storage Tank or Storage Vessel
211.6420	Strippable Spray Booth Coating
211.6425	Stripping
211.6427	Structural Glazing
211.6430	Styrene Devolatilizer Unit
211.6450	Styrene Recovery Unit

POLLUTION CONTROL BOARD

NOTICE OF PROPOSED AMENDMENT

211.6460	Subfloor
211.6470	Submerged Loading Pipe
211.6490	Substrate
211.6510	Sulfuric Acid Mist
211.6530	Surface Condenser
211.6535	Surface Preparation
211.6540	Surface Preparation Materials
211.6550	Synthetic Organic Chemical or Polymer Manufacturing Plant
211.6570	Tablet Coating Operation
211.6580	Texture Coat
211.6585	Thin Metal Laminating Adhesive
211.6587	Thin Particleboard
211.6590	Thirty-Day Rolling Average
211.6610	Three-Piece Can
211.6620	Three or Four Stage Coating System
211.6630	Through-the-Valve Fill
211.6635	Tileboard
211.6640	Tire Repair
211.6650	Tooling Resin
211.6670	Topcoat
211.6690	Topcoat Operation
211.6695	Topcoat System
211.6710	Touch-Up
211.6720	Touch-Up Coating
211.6730	Transfer Efficiency
211.6740	Translucent Coating
211.6750	Tread End Cementing
211.6770	True Vapor Pressure
211.6780	Trunk Interior Coating
211.6790	Turnaround
211.6810	Two-Piece Can
211.6825	Underbody Coating
211.6830	Under-the-Cup Fill
211.6850	Undertread Cementing
211.6860	Uniform Finish Blender
211.6870	Unregulated Safety Relief Valve
211.6880	Vacuum Metallizing
211.6885	Vacuum Metalizing Coating
211.6890	Vacuum Producing System

POLLUTION CONTROL BOARD

NOTICE OF PROPOSED AMENDMENT

211.6910	Vacuum Service
211.6930	Valves Not Externally Regulated
211.6950	Vapor Balance System
211.6970	Vapor Collection System
211.6990	Vapor Control System
211.7010	Vapor-Mounted Primary Seal
211.7030	Vapor Recovery System
211.7050	Vapor-Suppressed Polyester Resin
211.7070	Vinyl Coating
211.7090	Vinyl Coating Line
211.7110	Volatile Organic Liquid (VOL)
211.7130	Volatile Organic Material Content (VOMC)
211.7150	Volatile Organic Material (VOM) or Volatile Organic Compound (VOC)
211.7170	Volatile Petroleum Liquid
211.7190	Wash Coat
211.7200	Washoff Operations
211.7210	Wastewater (Oil/Water) Separator
211.7220	Waterproof Resorcinol Glue
211.7230	Weak Nitric Acid Manufacturing Process
211.7240	Weatherstrip Adhesive
211.7250	Web
211.7270	Wholesale Purchase – Consumer
211.7290	Wood Furniture
211.7310	Wood Furniture Coating
211.7330	Wood Furniture Coating Line
211.7350	Woodworking
211.7400	Yeast Percentage

211.APPENDIX A Rule into Section Table

211.APPENDIX B Section into Rule Table

AUTHORITY: Implementing Sections 9, 9.1, 9.9 and 10 and authorized by Sections 27 of the Environmental Protection Act [415 ILCS 5/9, 9.1, 9.9, 10, and 27].

SOURCE: Adopted as Chapter 2: Air Pollution, Rule 201: Definitions, R71-23, 4 PCB 191, filed and effective April 14, 1972; amended in R74-2 and R75-5, 32 PCB 295, at 3 Ill. Reg. 5, p. 777, effective February 3, 1979; amended in R78-3 and 4, 35 PCB 75 and 243, at 3 Ill. Reg. 30, p. 124, effective July 28, 1979; amended in R80-5, at 7 Ill. Reg. 1244, effective January 21, 1983; codified at 7 Ill. Reg. 13590; amended in R82-1 (Docket A) at 10 Ill. Reg. 12624, effective

POLLUTION CONTROL BOARD

NOTICE OF PROPOSED AMENDMENT

July 7, 1986; amended in R85-21(A) at 11 Ill. Reg. 11747, effective June 29, 1987; amended in R86-34 at 11 Ill. Reg. 12267, effective July 10, 1987; amended in R86-39 at 11 Ill. Reg. 20804, effective December 14, 1987; amended in R82-14 and R86-37 at 12 Ill. Reg. 787, effective December 24, 1987; amended in R86-18 at 12 Ill. Reg. 7284, effective April 8, 1988; amended in R86-10 at 12 Ill. Reg. 7621, effective April 11, 1988; amended in R88-23 at 13 Ill. Reg. 10862, effective June 27, 1989; amended in R89-8 at 13 Ill. Reg. 17457, effective January 1, 1990; amended in R89-16(A) at 14 Ill. Reg. 9141, effective May 23, 1990; amended in R88-30(B) at 15 Ill. Reg. 5223, effective March 28, 1991; amended in R88-14 at 15 Ill. Reg. 7901, effective May 14, 1991; amended in R91-10 at 15 Ill. Reg. 15564, effective October 11, 1991; amended in R91-6 at 15 Ill. Reg. 15673, effective October 14, 1991; amended in R91-22 at 16 Ill. Reg. 7656, effective May 1, 1992; amended in R91-24 at 16 Ill. Reg. 13526, effective August 24, 1992; amended in R93-9 at 17 Ill. Reg. 16504, effective September 27, 1993; amended in R93-11 at 17 Ill. Reg. 21471, effective December 7, 1993; amended in R93-14 at 18 Ill. Reg. 1253, effective January 18, 1994; amended in R94-12 at 18 Ill. Reg. 14962, effective September 21, 1994; amended in R94-14 at 18 Ill. Reg. 15744, effective October 17, 1994; amended in R94-15 at 18 Ill. Reg. 16379, effective October 25, 1994; amended in R94-16 at 18 Ill. Reg. 16929, effective November 15, 1994; amended in R94-21, R94-31 and R94-32 at 19 Ill. Reg. 6823, effective May 9, 1995; amended in R94-33 at 19 Ill. Reg. 7344, effective May 22, 1995; amended in R95-2 at 19 Ill. Reg. 11066, effective July 12, 1995; amended in R95-16 at 19 Ill. Reg. 15176, effective October 19, 1995; amended in R96-5 at 20 Ill. Reg. 7590, effective May 22, 1996; amended in R96-16 at 21 Ill. Reg. 2641, effective February 7, 1997; amended in R97-17 at 21 Ill. Reg. 6489, effective May 16, 1997; amended in R97-24 at 21 Ill. Reg. 7695, effective June 9, 1997; amended in R96-17 at 21 Ill. Reg. 7856, effective June 17, 1997; amended in R97-31 at 22 Ill. Reg. 3497, effective February 2, 1998; amended in R98-17 at 22 Ill. Reg. 11405, effective June 22, 1998; amended in R01-9 at 25 Ill. Reg. 108, effective December 26, 2000; amended in R01-11 at 25 Ill. Reg. 4582, effective March 15, 2001; amended in R01-17 at 25 Ill. Reg. 5900, effective April 17, 2001; amended in R05-16 at 29 Ill. Reg. 8181, effective May 23, 2005; amended in R05-11 at 29 Ill. Reg. 8892, effective June 13, 2005; amended in R04-12/20 at 30 Ill. Reg. 9654, effective May 15, 2006; amended in R07-18 at 31 Ill. Reg. 14254, effective September 25, 2007; amended in R08-6 at 32 Ill. Reg. 1387, effective January 16, 2008; amended in R07-19 at 33 Ill. Reg. 11982, effective August 6, 2009; amended in R08-19 at 33 Ill. Reg. 13326, effective August 31, 2009; amended in R10-7 at 34 Ill. Reg. 1391, effective January 11, 2010; amended in R10-8 at 34 Ill. Reg. 9069, effective June 25, 2010; amended in R10-20 at 34 Ill. Reg. 14119, effective September 14, 2010; amended in R11-23 at 35 Ill. Reg. 13451, effective July 27, 2011; amended in R12-24 at 37 Ill. Reg. 1662, effective January 28, 2013; amended in R13-1 at 37 Ill. Reg. 1913, effective February 4, 2013; amended in R14-7 at 37 Ill. Reg. _____, effective _____.

SUBPART B: DEFINITIONS

POLLUTION CONTROL BOARD

NOTICE OF PROPOSED AMENDMENT

Section 211.7150 Volatile Organic Material (VOM) or Volatile Organic Compound (VOC)

"Volatile organic material" (also "VOM") or "volatile organic compound" (also "VOC") means any compound of carbon, excluding carbon monoxide, carbon dioxide, carbonic acid, metallic carbides or carbonates, and ammonium carbonate, that participates in atmospheric photochemical reactions.

- a) This definition of VOM includes any organic compound that participates in atmospheric photochemical reactions, other than the compounds listed in this subsection (a). USEPA has determined that the compounds listed in this subsection (a) have negligible photochemical reactivity. USEPA has excluded the listed negligibly-reactive compounds from the definition of VOM for purposes of VOM limitations or VOM content requirements. However, USEPA has required that certain of these compounds be considered VOM for purposes of recordkeeping, emissions reporting, and inventory requirements, as described in subsection (e) of this Section.

Acetone (2-propanone or dimethylketone)

Bis(difluoromethoxy)(difluoro)methane (CHF₂OCF₂OCHF₂ or HFE-236cal2)

1,2-Bis(difluoromethoxy)-1,1,2,2-tetrafluoroethane (CHF₂OCF₂CF₂OCHF₂ or HFE-338pcc13)

tertiary-Butyl acetate

1-Chloro-1,1-difluoroethane (HCFC-142b)

Chlorodifluoromethane (CFC-22)

1-Chloro-1-fluoroethane (HCFC-151a)

~~2-Chloro-1,1,1,2-tetrafluoroethane (HCFC-124)~~

Chlorofluoromethane (HCFC-31)

Chloropentafluoroethane (CFC-115)

2-Chloro-1,1,1,2-tetrafluoroethane (HCFC-124)

trans-1-chloro-3,3,3-trifluoroprop-1-ene

1,1,1,2,2,3,4,5,5,5-Decafluoro-3-methoxy-4-trifluoromethyl-pentane (HFE-7300, L-14787, or C₂F₅CF(OCH₃)CF(CF₃)₂)

1,1,1,2,3,4,4,5,5,5-Decafluoropentane (HFC 43-10mee)

Dichlorodifluoromethane (CFC-12)

1,1-Dichloro-1-fluoroethane (HCFC-141b)

3,3-Dichloro-1,1,1,2,2-pentafluoropropane (HCFC-225ca)

1,3-Dichloro-1,1,2,2,3-pentafluoropropane (HCFC-225cb)

POLLUTION CONTROL BOARD

NOTICE OF PROPOSED AMENDMENT

1,2-Dichloro-1,1,2,2-tetrafluoroethane (CFC-114)
1,2-Dichloro-1,1,2-trifluoroethane (HCFC-123a)
1,1-Difluoroethane (HFC-152a)
Difluoromethane (HFC-32)
(Difluoromethoxy)(difluoro)methane (CHF₂OCHF₂ or HFE-134)
1-(Difluoromethoxy)-2-[(difluoromethoxy)(difluoro)methoxy]-1,1,2,2-
tetrafluoroethane (CHF₂OCF₂OCF₂CF₂OCHF₂ or HFE-43-10pccc)
2-(Difluoromethoxymethyl)-1,1,1,2,3,3,3-heptafluoropropane
(CF₃)₂CFCF₂OCH₃)
Dimethyl carbonate
Ethane
2-(Ethoxydifluoromethyl)-1,1,1,2,3,3,3-heptafluoropropane
(CF₃)₂CFCF₂OC₂H₅)
Ethylfluoride (HFC-161)
3-Ethoxy-1,1,1,2,3,4,4,5,5,6,6,6-dodecafluoro-2-(trifluoromethyl)hexane
(HFE-7500)
1-Ethoxy-1,1,2,2,3,3,4,4,4-nonafluorobutane (C₄F₉OC₂H₅ or HFE-7200)
3-Ethoxy-1,1,1,2,3,4,4,5,5,6,6,6-dodecafluoro-2-(trifluoromethyl)hexane
(HFE-7500)
Ethylfluoride (HFC-161)
1,1,1,2,2,3,3-Heptafluoro-3-methoxypropane (n-C₃F₇OCH₃ or HFE-7000)
1,1,1,2,3,3,3-Heptafluoropropane (HFC-227ea)
1,1,1,2,3,3-Hexafluoropropane (HFC-236ea)
1,1,1,3,3,3-Hexafluoropropane (HFC-236fa)
Methane
Methyl acetate
Methylene chloride (dichloromethane)
Methyl formate (CHOOCH₃)(~~HCOOCH₃~~)
1,1,1,2,2,3,3,4,4-Nonafluoro-4-methoxybutane (C₄F₉OCH₃ or HFE-7100)
Parachlorobenzotrifluoride (PCBTF)
1,1,1,3,3-Pentafluorobutane (HFC-365mfc)
Pentafluoroethane (HFC-125)
1,1,2,2,3-Pentafluoropropane (HFC-245ca)
1,1,2,3,3-Pentafluoropropane (HFC-245ea)
1,1,1,2,3-Pentafluoropropane (HFC-245eb)
1,1,1,3,3-Pentafluoropropane (HFC-245fa)
Perchloroethylene (tetrachloroethylene)
Perfluorocarbon compounds that fall into the following classes:
Cyclic, branched, or linear, completely fluorinated alkanes

POLLUTION CONTROL BOARD

NOTICE OF PROPOSED AMENDMENT

Cyclic, branched, or linear, completely fluorinated ethers with no unsaturations

Cyclic, branched, or linear, completely fluorinated tertiary amines with no unsaturations

Sulfur-containing perfluorocarbons with no unsaturations and with sulfur bonds only to carbon and fluorine

Propylene carbonate (4-methyl-1,3-dioxolan-2-one)

Siloxanes: cyclic, branched, or linear completely-methylated

1,1,2,2-Tetrafluoroethane (HFC-134)

1,1,1,2-Tetrafluoroethane (HFC-134a)

trans-1,3,3,3-Tetrafluoropropene (HFO-1234ze)

1,1,1-Trichloroethane (methyl chloroform)

Trichlorofluoromethane (CFC-11)

1,1,2-Trichloro-1,2,2-trifluoroethane (CFC-113)

1,1,1-Trifluoro-2,2-dichloroethane (HCFC-123)

1,1,1-Trifluoroethane (HFC-143a)

Trifluoromethane (HFC-23)

- b) For purposes of determining VOM emissions and compliance with emissions limits, VOM will be measured by the test methods in the approved implementation plan or 40 CFR 60, ~~appendix~~Appendix A, incorporated by reference at 35 Ill. Adm. Code 215.105, 218.112, and 219.112, as applicable, or by source-specific test methods that have been established pursuant to a permit issued under a program approved or promulgated under Title V of the Clean Air Act; under 40 CFR 51, ~~subpart~~Subpart I or ~~appendix~~Appendix S, incorporated by reference at 35 Ill. Adm. Code 218.112 and 219.112; or under 40 CFR 52.21, incorporated by reference at 35 Ill. Adm. Code 218.112 and 219.112, as applicable. Where such a method also measures compounds with negligible photochemical reactivity, these negligibly-reactive compounds may be excluded as VOM if the amount of such compounds is accurately quantified and the exclusion is approved by the Agency.
- c) As a precondition to excluding these negligibly-reactive compounds as VOM, or at any time thereafter, the Agency may require an owner or operator to provide monitoring or testing methods and results demonstrating, to the satisfaction of the Agency, the amount of negligibly-reactive compounds in the source's emissions.
- d) The USEPA will not be bound by any State determination as to appropriate methods for testing or monitoring negligibly-reactive compounds if such

POLLUTION CONTROL BOARD

NOTICE OF PROPOSED AMENDMENT

determination is not reflected in any of the test methods in subsection (b)~~-above~~.

- e) The following compound is VOM for the purposes of all recordkeeping, emissions reporting, photochemical dispersion modeling and inventory requirements that apply to VOM, and it must be uniquely identified in emission reports, but it is not VOM for the purposes of VOM emissions limitations or VOM content requirements: t-butyl acetate.

(Source: Added at 37 Ill. Reg. _____, effective _____)

POLLUTION CONTROL BOARD

NOTICE OF PROPOSED AMENDMENTS

- 1) Heading of the Part: Air Quality Standards
- 2) Code Citation: 35 Ill. Adm. Code 243
- 3)

<u>Section Numbers</u> :	<u>Proposed Action</u> :
243.107	Amend
243.108	Amend
243.120	Amend
243.122	Amend
243.TABLE A	Amend
- 4) Statutory Authority: 415 ILCS 5/7.2, 10, and 27
- 5) A Complete Description of the Subjects and Issues Involved: The following briefly describes the subjects and issues involved in this rulemaking. A comprehensive description is contained in the Board's opinion and order of September 5, 2013, proposing amendments in docket R14-6 for public comment, which opinion and order is available from the address below. As is explained in that opinion, the Board will receive public comment on the proposed amendments for 45 days from the date they appear in the Illinois Register before proceeding to adopt amendments based on this proposal.

The R14-6 proceeding relates to the Illinois ambient air quality requirements in 35 Ill. Adm. Code 243 of the Illinois air pollution control rules. These amendments would update the Illinois ambient air quality requirements to correspond with amendments to the federal National Ambient Air Quality Standards (NAAQSs) that the United States Environmental Protection Agency (USEPA) adopted during the period January 1, 2013 through June 30, 2013. The Federal NAAQS are codified at 40 C.F.R. 50. During this period, USEPA amended its NAAQSs as follows:

January 15, 2013 (78 Fed. Reg. 3086)	USEPA adopted new 2012 primary 24-hour and annual average NAAQS for PM _{2.5} . USEPA further revised the interpretation of the NAAQS for PM _{2.5} .
June 27, 2013	USEPA updated the "List of Designated Reference and Equivalent Methods".

The Board has further included amendments based on two USEPA actions that occurred after July 1, 2013. Those two federal actions are described as follows:

July 3, 2013	USEPA amended appendix G to 40 C.F.R. 50 to
--------------	---

POLLUTION CONTROL BOARD

NOTICE OF PROPOSED AMENDMENTS

(78 Fed. Reg. 40000)	establish a new federal reference method (FRM) for measuring lead in total suspended particulate matter for the purposes of the lead NAAQS.
August 5, 2013 (78 Fed. Reg. 47191)	USEPA made area designations for the 2010 NAAQS for sulfur dioxide.

Tables appear in the Board's opinion and order of September 5, 2013 in docket R14-6 that list a limited number of deviations from the literal text of the federal amendments and corrections and amendments that are not directly based on current federal amendments. The tables contain deviations from the literal text of the federal amendments underlying these amendments, as well as corrections and clarifications that the Board made in the base text involved. Persons interested in the details of those corrections and amendments should refer to the September 5, 2013 opinion and order in docket R14-6.

Section 10(H) of the Environmental Protection Act [415 ILCS 5/10(H)] provides that Section 5-35 of the Administrative Procedure Act [5 ILCS 100/5-35] does not apply to this rulemaking. Because this rulemaking is not subject to Section 5-35 of the APA, it is not subject to First Notice or to Second Notice review by the Joint Committee on Administrative Rules.

- 6) Published studies or reports, and sources of underlying data, used to compose this rulemaking: None
- 7) Will this proposed rulemaking replace any emergency rulemaking currently in effect?
No
- 8) Does this rulemaking contain an automatic repeal date? No
- 9) Does this proposed rulemaking contain incorporations by reference? Yes
- 10) Statement of Statewide Policy Objective: None
- 11) Are there any other rulemaking pending on this Part? No
- 12) Time, Place and Manner in which interested persons may comment on this proposed rulemaking: The Board will accept written public comment on this proposal for a period

POLLUTION CONTROL BOARD

NOTICE OF PROPOSED AMENDMENTS

of 45 days after the date of this publication. Comments should reference docket R14-6 and be addressed to:

John T. Therriault, Assistant Clerk
Illinois Pollution Control Board
State of Illinois Center, Suite 11-500
100 W. Randolph St.
Chicago, IL 60601

The Board will conduct one public hearing on the proposed amendments because they will ultimately result in submission to the United States Environmental Protection Agency of an amendment to the state implementation plan (SIP). Section 110(a)(2) of the Federal Clean Air Act (42 U.S.C. § 7410(a)(2) (2006)) requires reasonable notice and hearing before a state undertakes an amendment to the SIP. The public hearing will occur by videoconference at the following time and locations:

1:00 p.m., October 31, 2013

James R. Thompson Center
Illinois Pollution Control Board Hearing Room
100 West Randolph Street, Room 11-512
Chicago

and

Sangamo Building
Illinois Pollution Control Board Hearing Room
1021 North Grand Avenue
Springfield

Please direct inquiries to the following person and reference docket R14-6:

Michael J. McCambridge
Staff Attorney
Illinois Pollution Control Board
100 W. Randolph 11-500
Chicago, IL 60601

Phone: 312-814-6924
E-mail: mccambm@ipcb.state.il.us

POLLUTION CONTROL BOARD

NOTICE OF PROPOSED AMENDMENTS

Request copies of the Board's opinion and order at 312-814-3620, or download a copy from the Board's Website at <http://www.ipcb.state.il.us>.

- 13) Initial regulatory flexibility analysis:
- A) Types of small businesses, small municipalities, and not-for-profit corporations affected: This rulemaking may affect those small businesses, small municipalities, and not-for-profit corporations that emit pollutants that could potentially affect ambient air quality in any area of Illinois. These proposed amendments do not create or enlarge a State mandate, as defined in Section 3(b) of the State Mandates Act. [30 ILCS 805/3(b) (2012)].
 - B) Reporting, bookkeeping or other procedures required for compliance: The existing rules and proposed amendments require extensive reporting, bookkeeping and other procedures, including emissions monitoring, annual reports, and maintenance of operating records. These proposed amendments do not create or enlarge a State mandate, as defined in Section 3(b) of the State Mandates Act. [30 ILCS 805/3(b) (2012)].
 - C) Types of professional skills necessary for compliance: Compliance with the existing rules and proposed amendments may require the services of an attorney, certified public accountant, chemist, and registered professional engineer. These proposed amendments do not create or enlarge a State mandate, as defined in Section 3(b) of the State Mandates Act. [30 ILCS 805/3(b) (2012)].
- 14) Regulatory Agenda on which this rulemaking was summarized: 37 Ill. Reg. 9060; June 28, 2013

The full text of the Proposed Amendments begins on the next page:

POLLUTION CONTROL BOARD

NOTICE OF PROPOSED AMENDMENTS

TITLE 35: ENVIRONMENTAL PROTECTION
SUBTITLE B: AIR POLLUTION
CHAPTER I: POLLUTION CONTROL BOARD
SUBCHAPTER I: AIR QUALITY STANDARDS AND EPISODESPART 243
AIR QUALITY STANDARDS

SUBPART A: GENERAL PROVISIONS

Section

243.101	Definitions
243.102	Scope
243.103	Applicability
243.104	Nondegradation (Repealed)
243.105	Air Quality Monitoring Data Influenced by Exceptional Events
243.106	Monitoring (Repealed)
243.107	Reference Conditions
243.108	Incorporations by Reference

SUBPART B: STANDARDS AND MEASUREMENT METHODS

Section

243.120	PM ₁₀ and PM _{2.5}
243.121	Particulates (Repealed)
243.122	Sulfur Oxides (Sulfur Dioxide)
243.123	Carbon Monoxide
243.124	Nitrogen Oxides (Nitrogen Dioxide as Indicator)
243.125	Ozone
243.126	Lead
243.APPENDIX A	Rule into Section Table (Repealed)
243.APPENDIX B	Section into Rule Table (Repealed)
243.APPENDIX C	Past Compliance Dates (Repealed)
243.TABLE A	Schedule of Exceptional Event Flagging and Documentation Submission for New or Revised NAAQS

AUTHORITY: Implementing Sections 7.2 and 10 and authorized by Section 27 of the Environmental Protection Act [415 ILCS 5/7.2, 10 and 27].

POLLUTION CONTROL BOARD

NOTICE OF PROPOSED AMENDMENTS

SOURCE: Adopted as Chapter 2: Air Pollution, Part III: Air Quality Standards, in R71-23, 4 PCB 191, filed and effective April 14, 1972; amended in R80-11, 46 PCB 125, at 6 Ill. Reg. 5804, effective April 22, 1982; amended in R82-12, at 7 Ill. Reg. 9906, effective August 18, 1983; codified at 7 Ill. Reg. 13630; amended in R91-35 at 16 Ill. Reg. 8185, effective May 15, 1992; amended in R09-19 at 35 Ill. Reg. 18857, effective October 25, 2011; amended in R13-11 at 37 Ill. Reg. 12882, effective July 29, 2013; amended in R14-6 at 37 Ill. Reg. _____, effective _____.

SUBPART A: GENERAL PROVISIONS

Section 243.107 Reference Conditions

All measurements of air quality that are expressed as mass per unit volume (e.g., micrograms per cubic meter, other than for particulate matter (PM_{2.5}) standards contained in Section 243.120(b), ~~and (c) and (d)~~ and lead standards contained in Section 243.126(b), are corrected to a reference temperature of 25° C, and to a reference pressure of 760 millimeters of mercury (1013.2 millibars). Measurements of PM_{2.5}, for purposes of comparison to the standards contained in Section 243.120(b), ~~and (c) and (d)~~, and lead, for purposes of comparison to the standards contained in Section 243.126(b), must be reported based upon the actual ambient air volume measured at the actual temperature and pressure at the monitoring site during the measurement period.

BOARD NOTE: Derived from 40 CFR 50.3 (~~2013~~2012).

(Source: Amended at 37 Ill. Reg. _____, effective _____)

Section 243.108 Incorporations by Reference

The following materials are incorporated by reference. These incorporations do not include any later amendments or editions:

Government Printing Office (GPO), 732 Capitol Street NW, Washington DC 20401 (telephone: 202-512-1800 or 866-512-1800; website: www.gpo.gov).
The following documents incorporated by reference are available from this source:

Appendix A-1 to 40 CFR 50 (~~2013~~2012) (Reference Measurement Principle and Calibration Procedure for the Measurement of Sulfur

POLLUTION CONTROL BOARD

NOTICE OF PROPOSED AMENDMENTS

Dioxide in the Atmosphere (Ultraviolet Fluorescence Method)), referenced in Section 243.122.

Appendix A-2 to 40 CFR 50 [\(2013\)](#)~~(2012)~~ (Reference Method for the Determination of Sulfur Dioxide in the Atmosphere (Pararosaniline Method)), referenced in Section 243.122.

Appendix B to 40 CFR 50 [\(2013\)](#)~~(2012)~~ (Reference Method for the Determination of Suspended Particulate Matter in the Atmosphere (High-Volume Method)), referenced in appendix G to 40 CFR 50 (see below).

Appendix C to 40 CFR 50 [\(2013\)](#)~~(2012)~~ (Reference Measurement Principle and Calibration Procedure for the Measurement of Carbon Monoxide in the Atmosphere (Non-Dispersive Infrared Photometry)), referenced in Section 243.123.

Appendix D to 40 CFR 50 [\(2013\)](#)~~(2012)~~ (Reference Measurement Principle and Calibration Procedure for the Measurement of Ozone in the Atmosphere), referenced in Section 243.125.

Appendix F to 40 CFR 50 [\(2013\)](#)~~(2012)~~ (Reference Measurement Principle and Calibration Procedure for the Measurement of Nitrogen Dioxide in the Atmosphere (Gas Phase Chemiluminescence)), referenced in Section 243.124.

Appendix G to 40 CFR 50 [\(2013\)](#), [as amended at 78 Fed. Reg. 40000 \(July 3, 2013\)](#)~~(2012)~~ (Reference Method for the Determination of Lead in Suspended Particulate Matter Collected from Ambient Air), referenced in Section 243.126.

Appendix H to 40 CFR 50 [\(2013\)](#)~~(2012)~~ (Interpretation of the 1-Hour Primary and Secondary National Ambient Air Quality Standards for Ozone), referenced in Section 243.125.

Appendix I to 40 CFR 50 [\(2013\)](#)~~(2012)~~ (Interpretation of the 8-Hour Primary and Secondary National Ambient Air Quality Standards for Ozone), referenced in Section 243.125.

POLLUTION CONTROL BOARD

NOTICE OF PROPOSED AMENDMENTS

Appendix J to 40 CFR 50 [\(2013\)](#)~~(2012)~~ (Reference Method for the Determination of Particulate Matter as PM₁₀ in the Atmosphere), referenced in Section 243.120.

Appendix K to 40 CFR 50 [\(2013\)](#)~~(2012)~~ (Interpretation of the Primary and Secondary National Ambient Air Quality Standards for Particulate Matter), referenced in Section 243.120.

Appendix L to 40 CFR 50 [\(2013\)](#)~~(2012)~~ (Reference Method for the Determination of Fine Particulate Matter as PM_{2.5} in the Atmosphere), referenced in Section 243.120.

Appendix N to 40 CFR 50 [\(2013\)](#), [as amended at 78 Fed. Reg. 47191 \(August 5, 2013\)](#)~~(2012)~~ (Interpretation of the Primary and Secondary National Ambient Air Quality Standards for Particulate Matter), referenced in Section 243.120.

Appendix O to 40 CFR 50 [\(2013\)](#)~~(2012)~~ (Reference Method for the Determination of Coarse Particulate Matter as PM_{10-2.5} in the Atmosphere), referenced in appendix Q to 40 CFR 50 and for use in federally required monitoring by the NCore system pursuant to 40 CFR 58.

Appendix P to 40 CFR 50 [\(2013\)](#)~~(2012)~~ (Interpretation of the Primary and Secondary National Ambient Air Quality Standards for Ozone), referenced in Section 243.125.

Appendix Q to 40 CFR 50 [\(2013\)](#)~~(2012)~~ (Reference Method for the Determination of Lead in Particulate Matter as PM₁₀ Collected from Ambient Air), referenced in appendix R to 40 CFR 50.

Appendix R to 40 CFR 50 [\(2013\)](#)~~(2012)~~ (Interpretation of the National Ambient Air Quality Standards for Lead), referenced in Section 243.126.

Appendix S to 40 CFR 50 [\(2013\)](#)~~(2012)~~ (Interpretation of the Primary National Ambient Air Quality Standards for Oxides of Nitrogen (Nitrogen Dioxide)), referenced in Section 243.124.

POLLUTION CONTROL BOARD

NOTICE OF PROPOSED AMENDMENTS

Appendix T to 40 CFR 50 ~~(2012)~~(2013) (Interpretation of the Primary National Ambient Air Quality Standards for Oxides of Sulfur (Sulfur Dioxide)), referenced in Section 243.122.

Clean Air Act, 42 USC 7401 et seq. (2011) (for definitions of terms only), referenced in Section 243.102.

BOARD NOTE: Segments of the Code of Federal Regulations and the United States Code are available for free download as PDF documents from the GPO FDsys website: <http://www.gpo.gov/fdsys/>.

USEPA, National Exposure Research Laboratory, Human Exposure & Atmospheric Sciences Division (MD-D205-03), Research Triangle Park, NC 27711. The following documents incorporated by reference are available from this source:

"List of Designated Reference and Equivalent Methods" ~~(December 17, 2012)~~ [\(June 27, 2013\)](#) (referred to as [the "List of Designated Methods"](#) and referenced in Sections 243.101, 243.120, 243.122, 243.123, 243.124, 243.125, and 243.126 This reference includes, [as an FEM](#), the [former codified FRM that USEPA designated an FEM in the following](#) ~~no~~ Federal Register ~~notices~~ [notices](#) subsequent to ~~December 17, 2012~~ [June 27, 2013](#) ~~that updated List of Designated Methods~~.

[78 Fed. Reg. 40000 \(July 3, 2013\) \(designating the former FRM in appendix G of 40 CFR 50 as an FEM\).](#)

BOARD NOTE: [The List of Designated Methods](#) ~~This document~~ is available for free download as a PDF document from the USEPA, Technology Transfer, Ambient Monitoring Technology Information Center website: <http://www.epa.gov/ttn/amtic/criteria.html>.

(Source: Amended at 37 Ill. Reg. _____, effective _____)

SUBPART B: STANDARDS AND MEASUREMENT METHODS

Section 243.120 PM₁₀ and PM_{2.5}

- a) 1987 Primary and Secondary 24-Hour NAAQS for PM₁₀.

POLLUTION CONTROL BOARD

NOTICE OF PROPOSED AMENDMENTS

- 1) The level of the 1987 primary and secondary 24-hour NAAQS for PM_{10} is $150 \mu\text{g}/\text{m}^3$, 24-hour average concentration. The 1987 primary and secondary NAAQS for PM_{10} is attained when the expected number of days per calendar year with a 24-hour average concentration above $150 \mu\text{g}/\text{m}^3$, as determined in accordance with appendix K to 40 CFR 50, incorporated by reference in Section 243.108, is equal to or less than one.
- 2) This subsection (a)(2) corresponds with 40 CFR 51.6(b), a provision marked "reserved" by USEPA. This statement maintains structural consistency with the corresponding federal regulation.
- 3) For the purpose of determining attainment of the 1987 primary and secondary 24-hour NAAQS for PM_{10} , particulate matter must be measured in the ambient air as PM_{10} by a method that fulfills either of the following requirements:
 - A) An FRM based on appendix J to 40 CFR 50, incorporated by reference in Section 243.108, and designated by USEPA and listed in List of Designated Methods, incorporated by reference in Section 243.108; or
 - B) An FEM designated by USEPA and listed in the List of Designated Methods, incorporated by reference in Section 243.108.

BOARD NOTE: This subsection (a) is derived from 40 CFR 50.6 ~~(2013)~~(2012). USEPA adopted 1997 primary NAAQS for PM_{10} at 62 Fed. Reg. 38652 (July 18, 1997). As a result of a judicial vacatur, USEPA later removed the transitional provision relative to the 1987 NAAQS at 65 Fed. Reg. 80776 (Dec. 22, 2000) and the 1997 NAAQS at 69 Fed. Reg. 45595 (July 30, 2004). Thus, the 1987 primary and secondary NAAQS for PM_{10} are included in this subsection (a).

- b) 1997 Primary and Secondary Annual Average and 24-Hour NAAQS for $PM_{2.5}$.
 - 1) The 1997 primary and secondary annual average NAAQS for $PM_{2.5}$ is $15.0 \mu\text{g}/\text{m}^3$, annual arithmetic mean concentration, and the 1997 primary and secondary 24-hour NAAQS for $PM_{2.5}$ is $65 \mu\text{g}/\text{m}^3$, 24-hour average concentration, measured in the ambient air as $PM_{2.5}$ by a method that fulfills either of the following requirements:

POLLUTION CONTROL BOARD

NOTICE OF PROPOSED AMENDMENTS

- A) An FRM based on appendix L of 40 CFR 50, incorporated by reference in Section 243.108, and designated by USEPA and listed in the List of Designated Methods, incorporated by reference in Section 243.108; or
 - B) An FEM designated by USEPA and listed in the List of Designated Methods, incorporated by reference in Section 243.108.
- 2) The 1997 primary and secondary annual average NAAQS for PM_{2.5} is met when the annual arithmetic mean concentration, as determined in accordance with appendix N of 40 CFR 50, incorporated by reference in Section 243.108, is less than or equal to 15.0 µg/m³.
 - 3) The 1997 primary and secondary 24-hour NAAQS for PM_{2.5} is met when the 98th percentile 24-hour concentration, as determined in accordance with appendix N of 40 CFR 50, incorporated by reference in Section 243.108, is less than or equal to 65 µg/m³.

BOARD NOTE: This subsection (b) is derived from 40 CFR 50.7 ~~(2013)~~(2012). The 2006 primary and secondary annual average and 24-hour NAAQS for PM_{2.5} differs from the 1997 standards in that the 24-hour average concentration required by the 2006 standard is substantially lower (more stringent) than that for the 1997 standard. The Board has retained the 1997 standard in this subsection (b) because USEPA has retained the 1997 standard in 40 CFR 50.6.

- c) 2006 Primary and Secondary Annual Average and 24-Hour NAAQS for PM_{2.5}.
 - 1) The 2006 primary and secondary annual average NAAQS for PM_{2.5} is 15.0 µg/m³, annual arithmetic mean concentration, and the 2006 primary and secondary 24-hour NAAQS for PM_{2.5} is 35 µg/m³, 24-hour average concentration, measured in the ambient air as PM_{2.5} by a method that fulfills either of the following requirements:
 - A) An FRM based on appendix L of 40 CFR 50, incorporated by reference in Section 243.108, and designated by USEPA and listed in the List of Designated Methods, incorporated by reference in Section 243.108; or

POLLUTION CONTROL BOARD

NOTICE OF PROPOSED AMENDMENTS

- B) An FEM designated by USEPA and listed in the List of Designated Methods, incorporated by reference in Section 243.108.
- 2) The 2006 primary and secondary annual average NAAQS for PM_{2.5} is met when the annual arithmetic mean concentration, as determined in accordance with appendix N of 40 CFR 50, incorporated by reference in Section 243.108, is less than or equal to 15.0 µg/m³.
- 3) The 2006 primary and secondary 24-hour NAAQS for PM_{2.5} is met when the 98th percentile 24-hour concentration, as determined in accordance with appendix N of 40 CFR 50, incorporated by reference in Section 243.108, is less than or equal to 35 µg/m³.

BOARD NOTE: This subsection (c) is derived from 40 CFR 50.13 ~~(2013)~~(2012).

d) 2012 Primary Annual Average and 24-Hour NAAQS for PM_{2.5}

- 1) The 2012 primary annual average NAAQS for PM_{2.5} is 12.0 µg/m³ annual arithmetic mean concentration, and the 2012 primary 24-hour NAAQS for PM_{2.5} is 35 µg/m³ 24-hour average concentration, measured in the ambient air as PM_{2.5} by a method that fulfills either of the following requirements:
- A) An FRM based on appendix L of 40 CFR 50, incorporated by reference in Section 243.108, and designated by USEPA and listed in List of Designated Methods, incorporated by reference in Section 243.108; or
- B) An FEM designated by USEPA and listed in List of Designated Methods, incorporated by reference in Section 243.108.
- 2) The 2012 primary annual NAAQS for PM_{2.5} is met when the annual arithmetic mean concentration, as determined in accordance with appendix N of 40 CFR 50, incorporated by reference in Section 243.108, is less than or equal to 12.0 µg/m³.
- 3) The 2012 primary 24-hour NAAQS for PM_{2.5} is met when the 98th percentile 24-hour concentration, as determined in accordance with appendix N of 40 CFR 50, incorporated by reference in Section 243.108, is less than or equal to 35 µg/m³.

POLLUTION CONTROL BOARD

NOTICE OF PROPOSED AMENDMENTS

BOARD NOTE: This subsection (d) is derived from 40 CFR 50.13 (2013).

(Source: Amended at 37 Ill. Reg. _____, effective _____)

Section 243.122 Sulfur Oxides (Sulfur Dioxide)

- a) 1971 Primary Annual Average and 24-Hour NAAQS for Sulfur Oxides (as Sulfur Dioxide (SO₂)).
- 1) The level of the 1971 primary annual average NAAQS for sulfur oxides is 0.030 ppm, not to be exceeded in a calendar year. The annual arithmetic mean must be rounded to three decimal places (fractional parts equal to or greater than 0.0005 ppm must be rounded up).
 - 2) The level of the 1971 primary 24-hour NAAQS for sulfur oxides is 0.14 ppm, not to be exceeded more than once per calendar year. The 24-hour averages must be determined from successive non-overlapping 24-hour blocks starting at midnight each calendar day and must be rounded to two decimal places (fractional parts equal to or greater than 0.005 ppm must be rounded up).
 - 3) Sulfur oxides must be measured in the ambient air as SO₂ by the FRM described in appendix A-2 to 40 CFR 50, incorporated by reference in Section 243.108, or by an FEM designated by USEPA and listed in the List of Designated Methods, incorporated by reference in Section 243.108.
 - 4) To demonstrate attainment, the annual arithmetic mean and the second-highest 24-hour averages must be based upon hourly data that are at least 75 percent complete in each calendar quarter. A 24-hour block average must be considered valid if at least 75 percent of the hourly averages for the 24-hour period are available. In the event that only 18-, 19-, 20-, 21-, 22-, or 23-hour averages are available, the 24-hour block average must be computed as the sum of the available hourly averages using the number of hours (i.e., 18, 19, etc.) as the divisor. If less than 18-hour averages are available, but the 24-hour average would exceed the level of the standard when zeros are substituted for the missing values, subject to the rounding rule of subsection (b) of this Section, this must be considered a valid 24-

POLLUTION CONTROL BOARD

NOTICE OF PROPOSED AMENDMENTS

hour average. In this case, the 24-hour block average must be computed as the sum of the available hourly averages divided by 24.

- 5) The 1971 primary annual average and 24-hour NAAQS for sulfur oxides set forth in this subsection (a) remains applicable to all areas notwithstanding the promulgation of the 2010 primary one-hour NAAQS for sulfur oxides in subsection (c) of this Section. The Board will delete the 1971 primary annual average and 24-hour NAAQS for sulfur oxides set forth in this subsection (a) after fulfillment of the conditions recited by USEPA in corresponding 40 CFR 50.4(e).

BOARD NOTE: Corresponding 40 CFR 50.4(e) recites that the 1971 primary NAAQS for sulfur oxides remains effective in two types of areas for which USEPA has not yet approved an implementation plan for attainment with the 2010 primary one-hour NAAQS for sulfur oxides. The first type of area is one that USEPA had designated as non-attainment for that standard as of the effective date of the 2010 primary one-hour NAAQS for the 1971 primary NAAQS for sulfur oxides as of the effective date of the 2010 NAAQS. That date was August 23, 2010. See 75 Fed. Reg. 35520 (June 22, 2010). As of that date, USEPA had not designated any area in Illinois as non-attainment. See 40 CFR 81.314 (2010). The Board is unaware of any USEPA SIP call for any area of Illinois relative to the 1971 primary NAAQS for sulfur oxides. ~~As of December 31, 2012, USEPA had not yet designated the attainment status of two areas in Illinois for the 2010 primary one-hour NAAQS for sulfur oxides on August 5, 2013, effective October 4, 2013. See 40 CFR 81.314 (2013), as amended at 78 Fed. Reg. 47191 (Aug. 5, 2013) (Lemont and Pekin areas). See 40 CFR 81.314 (2012). The 1971 primary annual average and 24-hour NAAQS for sulfur oxides will no longer apply to those two designated areas effective October 4, 2014; although the NAAQS will continue to apply to all other areas of Illinois after that date. The Agency recommended that USEPA designate limited areas of Illinois as non-attainment with the 2010 primary one-hour NAAQS. See letter of June 2, 2011 from Laurel Kroack, Chief, Bureau of Air, Agency, to Cheryl A. Newton, Director, Office of the Air and Radiation Division, USEPA Region 5 (available at http://www.epa.gov/so2designations/recletters/R5_IL_rec_wttechanalysis.pdf). The 1971 primary annual average and 24-hour NAAQS for sulfur oxides will no longer apply to those two designated areas effective October 4, 2014; although the NAAQS will~~

POLLUTION CONTROL BOARD

NOTICE OF PROPOSED AMENDMENTS

continue to apply to all other areas of Illinois after that date. When the conditions of this subsection (a)(5) have been fulfilled as to all areas of Illinois, or USEPA has removed 40 CFR 50.4, the Board will remove the standard of this subsection (a) as obsolete.

BOARD NOTE: This subsection (a) is derived from 40 CFR 50.4~~(2012)~~.

- b) 1971 Secondary Three-Hour NAAQS for Sulfur Oxides (as SO₂).
- 1) The level of the 1971 secondary three-hour NAAQS for sulfur oxides is 0.5 ppm, not to be exceeded more than once per calendar year. The three-hour averages must be determined from successive non-overlapping three-hour blocks starting at midnight each calendar day and must be rounded to one decimal place (fractional parts equal to or greater than 0.05 ppm must be rounded up).
 - 2) Sulfur oxides must be measured in the ambient air as SO₂ by the FRM described in appendix A-2 to 40 CFR 50, incorporated by reference in Section 243.108, or by an FEM designated by USEPA and listed in List of Designated Methods, incorporated by reference in Section 243.108.
 - 3) To demonstrate attainment, the second-highest three-hour average must be based upon hourly data that are at least 75 percent complete in each calendar quarter. A three-hour block average must be considered valid only if all three hourly averages for the three-hour period are available. If only one or two hourly averages are available, but the three-hour average would exceed the level of the standard when zeros are substituted for the missing values, subject to the rounding rule of subsection (b)(1) of this Section, this must be considered a valid three-hour average. In all cases, the three-hour block average must be computed as the sum of the hourly averages divided by three.

BOARD NOTE: This subsection (b) is derived from 40 CFR 50.5~~(2012)~~.

- c) 2010 Primary One-Hour NAAQS for Sulfur Oxides (as SO₂).
- 1) The level of the 2010 primary one-hour NAAQS for sulfur oxides is 75 ppb, measured in the ambient air as SO₂.

POLLUTION CONTROL BOARD

NOTICE OF PROPOSED AMENDMENTS

- 2) The 2010 one-hour primary NAAQS for sulfur oxides is met at an ambient air quality monitoring site when the three-year average of the annual (99th percentile) of the daily maximum one-hour average concentrations is less than or equal to 75 ppb, as determined in accordance with appendix T of 40 CFR 50, incorporated by reference in Section 243.108.
- 3) The level of the 2010 one-hour primary NAAQS for sulfur oxides must be measured by an FRM based on appendix A-1 or A-2 of 40 CFR 50, incorporated by reference in Section 243.108, or by an FEM designated by USEPA and listed in List of Designated Methods, incorporated by reference in Section 243.108.

BOARD NOTE: This subsection (c) is derived from 40 CFR 50.17-(2012). The 1971 primary NAAQS for SO₂ remains in effect until the federal conditions of 40 CFR 50.4(e) have been fulfilled, as outlined in subsection (a)(5) of this Section and the appended Board note.

(Source: Amended at 37 Ill. Reg. _____, effective _____)

POLLUTION CONTROL BOARD

NOTICE OF PROPOSED AMENDMENTS

**Section 243.TABLE A Schedule of Exceptional Event Flagging and Documentation
Submission for New or Revised NAAQS**

NAAQS (Level) Regulatory Citations	Air quality data collected for calendar year	Event flagging & initial description deadline	Detailed documentation submission deadline
2006 24-hour PM _{2.5} (35 µg/m ³) Section 243.120(c)(1) 40 CFR 50.13(a) 71 Fed. Reg. 61144 (Oct. 17, 2006)	2004-2006	October 1, 2007	April 15, 2008
2008 eight-hour ozone (0.075 ppm) Section 243.125(c)(1) 40 CFR 50.15(a) 73 Fed. Reg. 16436 (Mar. 27, 2008)	2005-2007 2008 2009	June 18, 2009 June 18, 2009 60 days after the end of the calendar quarter in which the event occurred or February 5, 2010, whichever date occurred first	June 18, 2009 June 18, 2009 60 days after the end of the calendar quarter in which the event occurred or February 5, 2010, whichever date occurred first
2010 one-hour nitrogen oxides (as NO ₂) (100 ppb) Section 243.124(b) 40 CFR 50.11(b) 75 Fed. Reg. 6474 (Feb. 9, 2010)	2008 2009 2010	July 1, 2010 July 1, 2010 April 1, 2011	January 22, 2011 January 22, 2011 July 1, 2010
2010 one-hour sulfur oxides (as SO ₂) (75 ppb) Section 243.122(c)(1) 40 CFR 17(a) 75 Fed. Reg. 35520 (June 22, 2010)	2008 2009 2010 2011	October 1, 2010 October 1, 2010 June 1, 2011 60 days after the end of the calendar quarter in which the event occurred or March 31, 2012, whichever date occurred first	June 1, 2011 June 1, 2011 June 1, 2011 60 days after the end of the calendar quarter in which the event occurred or March 31, 2012, whichever date occurred first
<u>2012 annual PM_{2.5}</u> <u>(12 µg/m³)</u>	<u>2010 and</u> <u>2011</u>	<u>July 1, 2013</u> <u>July 1, 2013</u>	<u>December 12, 2013</u> <u>December 12, 2013</u>

POLLUTION CONTROL BOARD

NOTICE OF PROPOSED AMENDMENTS

Section 243.120(d)(1) 40 CFR 50.18(a) 78 Fed. Reg. 3086 (Jan. 15, 2013)	2012 2013	July 1, 2014	August 1, 2014
---	--	------------------------------	--------------------------------

BOARD NOTE: Derived from table 1 to 40 CFR 50.14(c) ~~(2012)~~. USEPA noted that the information in this table of revised deadlines only applies to data that USEPA will use to establish the final initial area designations for new or revised NAAQS. USEPA stated that the general schedule in this table applies for all other purposes, most notably, for data that USEPA will use for redesignations to attainment. Corresponding table 1 to 40 CFR 50.14(c)(2) includes a footnote "a" that indicates that the tabulated deadlines for event flagging and initial description for 2012 and 2013 data under the 2012 primary annual average NAAQS for PM_{2.5} are the same as those prescribed by 40 CFR 50.14 (corresponding with Section 243.105). The Board omitted those footnotes as unnecessary in the Illinois rules. Corresponding federal table 1 states that the 2012 primary annual average NAAQS for PM_{2.5} was "Promulgated December 14, 2012". Although the Administrator of USEPA signed adopted rule on that date, publication did not occur until January 15, 2013. See 78 Fed. Reg. 3086, 3276 (Jan. 15, 2013). The Board has used the Federal Register citation and date ~~cites the 2010 one-hour NAAQS for nitrogen oxides as "80-100 PPB, final level TBD" and the 2010 one-hour NAAQS for sulfur oxides as "80-100 PPB, final level TBD". The adopted 2010 one-hour NAAQS for NO_x at 40 CFR 50.11(f) is 100 ppb and the adopted 2010 one-hour NAAQS for SO₂ is 75 ppb. The Board has used the actual NAAQS for these contaminants in this Table A. Further, corresponding table 1 to 40 CFR 50.14(c) includes endnotes "a" and "b" indicate whether dates for NO₂ and SO₂ are changed or unchanged, which the Board has omitted, since endnotes will serve no purpose in the Illinois regulations.~~

(Source: Amended at 37 Ill. Reg. _____, effective _____)

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF PROPOSED AMENDMENT

- 1) Heading of the Part: Illinois National Guard (ING) Grant Program
- 2) Code Citation 23 Ill. Adm. Code 2730
- 3) Section Number: 2730.30 Proposed Action: Amend
- 4) Statutory Authority: Implementing Section 45 and authorized by Section 20(f) of the Higher Education Student Assistance Act [110 ILCS 947/45 and 20(f)]
- 5) A Complete Description of the Subjects and Issues Involved: This rulemaking governs the administration of the Illinois National Guard Grant Program. Under the bill, a Guardsman who has served for over ten years would be eligible for an additional two years of tuition and fee benefits at an Illinois public university or community college.
- 6) Published studies or reports, and sources of underlying data, used to compose this rulemaking: None
- 7) Will this rulemaking replace any emergency rulemaking currently in effect? Yes
- 8) Does this rulemaking contain an automatic repeal date? No
- 9) Does this rulemaking contain incorporations by reference? No
- 10) Are there any other amendments pending on this Part? No
- 11) Statement of Statewide Policy Objectives: This rulemaking does not create or expand a State mandate as defined in Section 3(b) of the State Mandates Act [30 ILCS 805/3(b)] and does not necessitate a local government to establish, expand or modify its activities in such a way as to necessitate additional expenditures from local revenues.
- 12) Time, Place and Manner in which interested persons may comment on this proposed rulemaking: Persons who wish to comment on this proposed rulemaking may submit written comments no later than 45 days after the publication of this Notice to:

Lynn Hynes
Agency Rules Coordinator
Illinois Student Assistance Commission

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF PROPOSED AMENDMENT

1755 Lake Cook Road
Deerfield, IL 60015

Telephone: 847/948-8500, ext. 2305

Email: lynn.hynes@isac.illinois.gov

- 13) Initial Regulatory Flexibility Analysis:
- A) Types of small businesses, small municipalities and not-for-profit corporations affected: None
 - B) Reporting, bookkeeping or other procedures required for compliance: None
 - C) Types of professional skills necessary for compliance: None
- 14) Regulatory Agenda on which this rulemaking was summarized: July 2013

The full text of the Proposed Amendment is identical to that of the emergency rulemaking and begins on the next page 15439:

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF PROPOSED AMENDMENTS

- 1) Heading of the Part: Golden Apple Scholars of Illinois Program
- 2) Code Citation: 23 Ill. Adm. Code 2764
- 3)

<u>Section Numbers:</u>	<u>Proposed Action:</u>
2764.20	Amend
2764.30	Amend
2764.40	Amend
- 4) Statutory Authority: Implementing Section 52 of the Higher Education Student Assistance Act [110 ILCS 947/52] and authorized by Sections 20(f) and 52(h) of the Higher Education Student Assistance Act [110 ILCS 947/20(f) and 52(h)]
- 5) A Complete Description of the Subjects and Issues Involved: These proposed rules govern the administration of the Golden Apple Scholars of Illinois Program. As a result of PA 98-533, the program is being restructured to reflect a clarification of the agency's administrative responsibilities with respect to the program, as well as the managerial responsibilities of the not-for-profit Golden Apple Scholars for Excellence in Teaching with respect to the same.
- 6) Published studies or reports, and sources of underlying data, used to compose this rulemaking: None
- 7) Will this proposed rulemaking replace any emergency rulemaking currently in effect?
Yes
- 8) Does this rulemaking contain an automatic repeal date? No
- 9) Does this proposed rulemaking contain incorporations by reference? No
- 10) Are there any other proposed rulemakings pending on this Part? No
- 11) Statement of Statewide Policy Objective: This rulemaking does not create or expand a State mandate as defined in Section 3(b) of the State Mandates Act [30 ILCS 805/3(b)] and does not necessitate a local government to establish, expand or modify its activities in such a way as to necessitate additional expenditures from local revenues.

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF PROPOSED AMENDMENTS

- 12) Time, Place and Manner in which interested persons may comment on this proposed rulemaking: Persons who wish to comment on this proposed rulemaking may submit written comments no later than 45 days after the publication of this notice to:

Lynn Hynes
Agency Rules Coordinator
Illinois Student Assistance Commission
1755 Lake Cook Road
Deerfield, Illinois 60015

Telephone: 847/948-8500, ext. 2305
Email: Lynn.Hynes@isac.illinois.gov
Fax: 847/831-8299

- 13) Initial Regulatory Flexibility Analysis:
- A) Types of small businesses, small municipalities and not-for-profit corporations affected: None
 - B) Reporting, bookkeeping or other procedures required for compliance: None
 - C) Types of professional skills necessary for compliance: None
- 14) Regulatory Agenda on which this rulemaking was summarized: None

The full text of the Proposed Amendments is identical to that of the emergency rulemaking, and begins on the next page 15446:

ILLINOIS COMMERCE COMMISSION

NOTICE OF ADOPTED AMENDMENTS

- 1) Heading of the Part: Minimum Safety Standards for Transportation of Gas and for Gas Pipeline Facilities
- 2) Code Citation: 83 Ill. Adm. Code 590
- 3) Section Numbers: Adopted Action:
590.10 Amendment
590.20 New Section
- 4) Statutory Authority: Implementing and authorized by Section 3 of the Illinois Gas Pipeline Safety Act [220 ILCS 20/3]
- 5) Effective Date of Rulemaking: September 10, 2013
- 6) Does this rulemaking contain an automatic repeal date? No
- 7) Does this rulemaking contain incorporations by reference? Yes
- 8) A copy of the adopted rulemaking, including any material incorporated by reference, is on file in the Commission's Springfield office and is available for public inspection.
- 9) Notice of Proposal published in the *Illinois Register*: March 15, 2013; 37 Ill. Reg. 2753
- 10) Has JCAR issued a Statement of Objection to this rulemaking? No
- 11) Differences between Proposal and Final Version: The parenthetical "(Commission)" has been added to Section 590.10; it did not appear in the proposed amendments published on First Notice in the *Illinois Register*.
- 12) Have all the changes agreed upon by the Agency and JCAR been made as indicated in the agreement letter issued by JCAR? No changes were required.
- 13) Will this rulemaking replace any emergency rulemaking currently in effect? No
- 14) Are there any proposed rulemakings pending on this Part? No
- 15) Summary and Purpose of Rulemaking:

ILLINOIS COMMERCE COMMISSION

NOTICE OF ADOPTED AMENDMENTS

The Illinois Commerce Commission has adopted 83 Ill. Adm. Code 590, "Minimum Safety Standards for Transportation of Gas and for Gas Pipeline Facilities," to incorporate by reference certain federal safety standards. This complies with Section 3 of the Illinois Gas Pipeline Safety Act [220 ILCS 20/3], which requires the Commission's rules to be as inclusive and as stringent as the federal safety standards and compatible with the federal safety standards.

Since the last amendment of Part 590 in 2011, the United States Department of Transportation (USDOT) completed rulemakings that amended its safety standards that the Commission has incorporated by reference in Part 590. The draft amendments will increase the number of sections of the federal rules that are incorporated by reference, which is necessary in order to comply with Section 3 of the Illinois Gas Pipeline Safety Act. The draft amendments will update the Commission's rules to incorporate the federal rules as of January 1, 2013, to account for all USDOT rulemaking actions that became effective since the last Commission amendment of Part 590 in 2011. The draft amendments will also require regulated entities to submit copies of reports that the entities submit to the federal Pipeline and Hazardous Materials Safety Administration pursuant to 49 CFR 191.11, 191.12, 191.13 and 191.25.

- 16) Questions or requests for information about this adopted rulemaking shall be directed to:

Brian W. Allen
Office of General Counsel
Illinois Commerce Commission
527 East Capitol Avenue
Springfield, IL 62701

217/558-2387

The full text of the Adopted Amendments begins on the next page:

ILLINOIS COMMERCE COMMISSION

NOTICE OF ADOPTED AMENDMENTS

TITLE 83: PUBLIC UTILITIES
CHAPTER I: ILLINOIS COMMERCE COMMISSION
SUBCHAPTER d: GAS UTILITIESPART 590
MINIMUM SAFETY STANDARDS FOR TRANSPORTATION
OF GAS AND FOR GAS PIPELINE FACILITIES

Section

590.10

Standards

590.20Submission of Federal Reports to the Commission

AUTHORITY: Implementing and authorized by Section 3 of the Illinois Gas Pipeline Safety Act [220 ILCS 20/3].

SOURCE: Filed effective November 28, 1977; amended at 3 Ill. Reg. 5, p. 761, effective February 3, 1979; amended at 3 Ill. Reg. 11, p. 25, effective March 17, 1979; amended at 4 Ill. Reg. 1, p. 23, effective January 1, 1980; amended at 5 Ill. Reg. 6778, effective June 16, 1981; rules repealed, new rules adopted and codified at 7 Ill. Reg. 12858, effective September 16, 1983; amended at 8 Ill. Reg. 13195, effective July 16, 1984; amended at 10 Ill. Reg. 19405, effective November 15, 1986; amended at 11 Ill. Reg. 11733, effective July 1, 1987; amended at 12 Ill. Reg. 11707, effective July 15, 1988; recodified from 92 Ill. Adm. Code 1800 at 12 Ill. Reg. 12997; amended at 13 Ill. Reg. 16968, effective November 1, 1989; amended at 14 Ill. Reg. 10018, effective June 15, 1990; amended at 17 Ill. Reg. 12291, effective July 15, 1993; amended at 18 Ill. Reg. 11518, effective July 25, 1994; amended at 19 Ill. Reg. 13549, effective October 1, 1995; amended at 21 Ill. Reg. 8906, effective July 1, 1997; amended at 23 Ill. Reg. 11872, effective October 1, 1999; amended at 25 Ill. Reg. 11355, effective September 1, 2001; amended at 27 Ill. Reg. 12385, effective August 1, 2003; amended at 29 Ill. Reg. 11808, effective August 1, 2005; amended at 31 Ill. Reg. 11562, effective August 1, 2007; amended at 33 Ill. Reg. 12224, effective August 15, 2009; amended at 35 Ill. Reg. 14414, effective August 15, 2011; amended at 37 Ill. Reg. 15336, effective September 10, 2013.

Section 590.10 Standards

- a) The Illinois Commerce Commission (Commission) adopts the standards contained in 49 CFR 191.1, 191.3, 191.5, 191.7, 191.9, 191.11, 191.12, 191.13, 191.15, 191.17, 191.22, 191.23, 191.25, 192, 193 and 199 as of January 1, 2013~~2011~~, as its minimum safety standards for the transportation of gas and for gas pipeline facilities.

ILLINOIS COMMERCE COMMISSION

NOTICE OF ADOPTED AMENDMENTS

b) No later amendment or editions are incorporated by this Part.

(Source: Amended at 37 Ill. Reg. 15336, effective September 10, 2013)

Section 590.20 Submission of Federal Reports to the Commission

Each person who engages in the transportation of gas or who owns or operates pipeline facilities shall file with the Commission any report filed with the federal Pipeline and Hazardous Materials Safety Administration pursuant to 49 CFR 191.11, 191.12, 191.13 and 191.25.

(Source: Added at 37 Ill. Reg. 15336, effective September 10, 2013)

DEPARTMENT OF INSURANCE

NOTICE OF ADOPTED AMENDMENTS

- 1) Heading of the Part: Construction and Filing of Life Insurance and Annuity Forms
- 2) Code Citation: 50 Ill. Adm. Code 1405
- 3)

<u>Section Numbers</u> :	<u>Adopted Action</u> :
1405.20	Amendment
1405.40	Amendment
- 4) Statutory Authority: Implementing Section 143 and authorized by Section 401 of the Illinois Insurance Code [215 ILCS 5/143 and 401]
- 5) Effective Date of Rulemaking: September 4, 2013
- 6) Does this rulemaking contain an automatic repeal date? No
- 7) Does this rulemaking contain incorporations by reference? No
- 8) A copy of the adopted rulemaking, including any material incorporated by reference, is on file in the principal office of the Department of Insurance and is available for public inspection.
- 9) Notice of Proposal published in the *Illinois Register*: 36 Ill. Reg. 13797; September 7, 2012
- 10) Has JCAR issued a Statement of Objection to this rulemaking? No
- 11) Differences between Proposal and Final Version: None
- 12) Have all changes agreed upon by the Agency and JCAR been made as indicated in the agreements issued by JCAR? None were made.
- 13) Will this rulemaking replace any emergency rulemaking currently in effect? No
- 14) Are there any rulemakings pending on this Part? No
- 15) Summary and Purpose of Rulemaking: Changes to Part 1405 were required due to changes in 215 ILCS 5/224 regarding due proof of death. The rule was also amended to require insurance companies to include a consumer assistance telephone number on the policy form.

DEPARTMENT OF INSURANCE

NOTICE OF ADOPTED AMENDMENTS

- 16) Information and questions regarding this adopted rulemaking shall be directed to:

Cindy Colonius, Supervisor
Compliance Section - LAH
Department of Insurance
320 West Washington Street
Springfield, Illinois 62767-0001

217/782-4572

The full text of the Adopted Amendments begins on the next page:

DEPARTMENT OF INSURANCE

NOTICE OF ADOPTED AMENDMENTS

TITLE 50: INSURANCE

CHAPTER I: DEPARTMENT OF INSURANCE

SUBCHAPTER s: LEGAL RESERVE LIFE INSURANCE

PART 1405

CONSTRUCTION AND FILING OF LIFE INSURANCE AND ANNUITY FORMS

Section

1405.10	Authority
1405.15	Definitions
1405.20	Illinois Guidelines for Filing and Approval of Life and Annuity Forms
1405.30	Applications
1405.40	Policy Forms
1405.50	Group Insurance
1405.60	Franchise Life Insurance
1405.70	Annuities
1405.80	Alternate and/or Insert Pages
1405.90	Substitution Filings

AUTHORITY: Implementing Section 143 and authorized by Section 401 of the Illinois Insurance Code [215 ILCS 5/143 and 401].

SOURCE: Filed July 11, 1972, effective August 1, 1972; codified at 7 Ill. Reg. 3466; amended at 12 Ill. Reg. 22184, effective December 16, 1988; amended at 34 Ill. Reg. 5835, effective April 7, 2010; amended at 37 Ill. Reg. 15340, effective September 4, 2013.

Section 1405.20 Illinois Guidelines for Filing and Approval of Life and Annuity Forms

Following are some general requirements that should be helpful to industry personnel involved in drafting and filing policy forms.

- a) Policy Forms
 - 1) "Policy Form" Defined. The term "policy form" as used in this Part is defined in the Insurance Code. It means any policy, certificate, endorsement, rider, by-law or other matter incorporated by reference or an application blank. It does not include riders or endorsements issued or made at the request of the individual policyholder relating to the manner of distribution of benefits or to the reservation of rights and benefits under

DEPARTMENT OF INSURANCE

NOTICE OF ADOPTED AMENDMENTS

a life insurance policy.

- 2) Policy forms exempt from filing are as follows:
 - A) Notice Regarding Replacement (see 50 Ill. Adm. Code 917.70).
 - B) Policy Summaries.
 - C) Buyer's Guides (see 50 Ill. Adm. Code 930.40(a)).
 - 3) Policy forms prohibited pursuant to Sections 143(1) and 224(1)(c) of the Code are as follows:
 - A) Certificates issued in lieu of a duplicate insurance policy.
 - B) Forms containing provisions excluding scuba diving, hang-gliding, motorcycle racing, race car or stock car racing, or hazardous sports.
- b) Form Numbers
- 1) Each "policy form" must be designated by a suitable form number that may be made up of numerical digits or letters, or both, in the lower left-hand corner of the first page. The form number shall be sufficient to distinguish the basic form from all others used by the insurer. Edition date and/or designation of a state where a special edition is required is permitted in this space, and if printed as a continuation of the form number, will be considered a part of the form. The appearance of a company's stock number and/or printing date in proximity to the form number is permitted.
 - A) If a descriptive title is in close proximity to the form number, it will not be considered a part of that number for approval purposes unless inclusion is requested by the company.
 - B) Refer to Section 1405.80 for instructions relating to form numbers when filing a policy on an insert page basis.
 - 2) Since the form number must be sufficient to identify any form that has

DEPARTMENT OF INSURANCE

NOTICE OF ADOPTED AMENDMENTS

been issued by a company, each submission must bear a unique number. A recently approved but unissued form may be corrected or changed by filing a substitute page or form, which may retain the original form number.

- c) General Form Requirements pursuant to Section 149 of the Code
- 1) The name of the company shall appear on the form.
 - 2) Policy shall show location of the home office and principal office, if different.
 - 3) Policy shall include the company's consumer assistance telephone number.
 - 4)3) Policy shall indicate the issue or policy date and the effective date, if different.
 - 5)4) Rubber stamp deletions, mechanical overprints or paste-over "stickers" are permitted with the prior approval of the Department (for rubber stamp endorsements, see Section 1405.20(d)(7)).
 - 6)5) The name or title of any policy or class of policies may not misrepresent the nature of the policy. The title shall be specifically descriptive, such as: Universal, Term, Annuity, Endowment or Whole Life. Inclusion of words such as "special", "select", "preferred" or "inflation" are not allowed in the title as they imply receiving something not normally offered in a life policy, in violation of Sections 143(1) and 149 of the Code.
- d) Preparation of Forms
- 1) "Policy forms" must be submitted pursuant to 50 Ill. Adm. Code 916.
 - 2) "Policy forms" submitted for formal approval shall be submitted in the form intended for actual issue. Typewritten forms may be used only for single cases or when their use will be too infrequent to justify other preparation.
 - 3) All blank spaces of each policy form must be filled in (completed in John Doe manner). The purpose and use of the form shall be explained in the

DEPARTMENT OF INSURANCE

NOTICE OF ADOPTED AMENDMENTS

submission letter.

- 4) When submitting a "policy form" to which a previously approved application will be attached, reference must be made to approval date and form number of the previously approved application.
- 5) On applicable life policy forms, nonforfeiture values, if any, for the age and plan of insurance used in filling in the form must be included.
- 6) On group forms, variable material may be indicated for language that may vary from case to case. Variable material shall consist of benefit provisions and benefit levels.
- 7) All rubber stamp endorsements should be submitted for approval under the insurer's letterhead and filed in accordance with 50 Ill. Adm. Code 916.
- 8) Combination forms (for Life and Accident and Health) shall be submitted to both the Life Unit and the Accident and Health Unit of the Product Evaluation Section.

e) Letters of Submission

The letter of submission must be signed by a representative of the company authorized to submit forms for filing or approval and must contain the following information:

- 1) The letterhead of the company shall show the name of the company for whom the forms are being submitted.
- 2) The identifying form number of each form submitted.
- 3) If the form is a new one, not replacing an existing form, a statement to that effect.
- 4) If the form is intended to supersede another approved form, the form number and the approval date of the superseded form must be stated, together with a statement describing all material changes to the previously approved forms.
- 5) If a company submits a form that has been previously submitted but has

DEPARTMENT OF INSURANCE

NOTICE OF ADOPTED AMENDMENTS

not been approved, the company shall advise the Department of the date of submission or disapproval of the previously submitted form and any material changes.

- 6) If the form is other than a policy or contract, give the form number of the policy or contract form or forms with which it will be used, or, if for more general use, describe the type or group of such forms.
- 7) When a form is approved, in the case of a SERFF filing, a final disposition will be issued in the SERFF filing.
- 8) Reference to previously approved forms shall provide date of approval of those forms.

(Source: Amended at 37 Ill. Reg. 15340, effective September 4, 2013)

Section 1405.40 Policy Forms

- a) Payment of Premiums
 - 1) Receipt – Section 224(1)(a) of the Code requires that a policy of life insurance shall contain in substance the following: *A provision that all premiums after the first shall be payable in advance either at the home office of the company or to an agent of the company, upon delivery of a receipt signed by one or more of the officers who shall be designated in the policy, when such receipt is requested by the policyholder.*
 - 2) Premium Deposits – Contractual premiums under individual policy forms may be captioned as "Premium deposits" (50 Ill. Adm. Code 909).
 - 3) Prepayment of Premiums – Specific premiums may be paid in advance, subject to discount.
 - 4) Advance Premium Deposits – A fund or account for payment of unspecified premiums (whether by policy or by rider) must conform to the requirements of Section 240 of the Code.
 - 5) Grace Period – Policy must provide for continuance in force during the grace period and deduction (not necessarily payment) of any unpaid

DEPARTMENT OF INSURANCE

NOTICE OF ADOPTED AMENDMENTS

premium in settlement under the policy pursuant to Section 224(1)(b) of the Code.

- b) **Continuation of Premiums Beyond Maturity**
If a policy provides for continuation of premiums, on an optional basis, beyond an initial or normal maturity date, it must be made clear that coverage and all applicable policy provisions also continue while premiums are being paid. The policyholder must be made aware of applicable policy values while premiums are so continued: either by including those values in the policy or by specifying that notices of the current value will be sent to the policyholder upon request.
- c) **Automatic Premium Loan Provision**
- 1) Policy may provide benefit on a positive elective basis, but not as an automatic nonforfeiture benefit. For provisions regarding automatic premium loans in applications, see Section 1405.30(c).
 - 2) Provision must conform to the loan provision of the policy, subject to Sections 224(1)(f), 229.3 and 229.5 of the Code. The provision must permit revocation of election upon written request.
 - 3) *Notification of the policyholder with respect to the initial interest rate on an automatic premium loan must be made as soon as it is reasonably practicable after making the initial loan, but in no event more than 90 days after the initial loan is made. Notification need not be given to the policyholder when a further premium loan is added unless a loan rate increase occurs* (Section 229.5(b)(5)(ii) and (iii) of the Code). When a loan rate increase occurs, reasonable advance notice of any increase in rate must be made. In no event shall the notice be given less than 15 days prior to the increase in rate.
- d) **Loan Interest Rate**
- 1) Provision must conform to Sections 224(1)(f), 229.3 and 229.5 of the Code. Any variable rate must include a specified maximum rate of interest. The Department requires filing of a description of procedure for changing a variable rate and notifying those policyowners who have outstanding loans of the rate change, which must be made on a non-discriminatory basis.

DEPARTMENT OF INSURANCE

NOTICE OF ADOPTED AMENDMENTS

- 2) The interest rate charged on a policy loan or the interest rate charged upon reinstatement of any policy form that was made under a policy issued after January 1, 1982 will not exceed the rate prescribed in Section 229.5 of the Code, either as a maximum rate of not more than 8% or an adjustable maximum interest rate established from time to time by the life insurer as permitted by law, unless the policyholder agrees in writing to the applicability of those provisions.
- e) Contestability in Life Policies
- 1) The period of contestability is limited to a maximum of two years. Permissible exceptions are *provisions relative to benefits in the event of total and permanent disability, and provisions which grant additional insurance specifically against death by accident and except for violations of the conditions of the policy relating to naval or military service in time of war or for violation of an express condition, if any, relating to aviation (except riding as a fare-paying passenger of a commercial air line flying on regularly scheduled routes between definitely established airports)* (Section 224(1)(c) of the Code).
 - 2) The period of contestability shall be determinable from the policy, i.e., by reference to a specified issue date, policy date or effective date, as referred to in subsection (v).
- f) Limitation of Coverage
- Any limitation of coverage in event of death by suicide or other specified causes must be confined within the contestability period of the policy to comply with Section 225(1)(c) and (1)(f) of the Code. Exceptions to this restricted limitation are given in Section 224(1)(c) of the Code and subsection 1405.40(v)(2) of this Section.
- g) Proof of Death
- Section 224(1)(j) of the Code requires due proof of death. The Department requires that "proof" be singular (not proofs) and not further qualified, i.e., to require submission of "interest of the claimant". Insurers shall not require that a specific form be used when submitting a claim. The policy may require that due proof of death of the insured shall consist of a certified copy of the death certificate of the insured, or other lawful evidence providing equivalent

DEPARTMENT OF INSURANCE

NOTICE OF ADOPTED AMENDMENTS

information, and proof of the claimant's interest in the proceeds.

- h) Time Limit on Claims
 - 1) Filing of Death Claims – There is no time limit for filing death claims if the claim is not conditioned upon other contingencies, i.e., prior disability or accident. Section 224(1)(j) of the Code requires, when there is a claim on a policy due to the death of the insured, settlement shall be made upon receipt of due proof of death. For purposes of this subsection (h)(1), due proof shall consist of sufficient evidence to establish in a court a prima facie case for payment of the claim. Therefore, any limitation with respect to death claims arising during and contingent upon the insured's continued disability must be limited to a requirement that proof of disability be furnished within a stipulated period as a condition precedent to consideration of a death claim.
 - 2) Filing of Disability Claims – Reasonable limits are permitted. The form may require notification of disability during lifetime and continuance of disability and may eliminate accrual of benefits because of any disability that was in existence more than one year prior to furnishing proof of disability.
- i) Participating or Non-Participating
A policy must indicate whether the policy is participating or non-participating.
- j) Dividend Provisions
The following is applicable to individual policy forms:
 - 1) Required Options – The policy must provide the dividend options required under Section 224(1)(e) of the Code.
 - 2) Disposition of Dividends Left With the Company – The policy must indicate what disposition will be made of outstanding dividend credits in event of lapse, termination or maturity of the policy.
 - 3) Other Dividend Options – In addition to the dividend options required under Section 224(1)(e) of the Code, other options (such as a one-year term insurance dividend option) may also be provided by the policy. Provisions pertaining to the automatic withdrawal of any accumulated

DEPARTMENT OF INSURANCE

NOTICE OF ADOPTED AMENDMENTS

dividends, or current and unapplied dividends for the purpose of paying premiums unpaid at the end of a grace period, may be included if the policy provides for the notification of the policyholder of the application of dividends and the policyholder is given a minimum of 30 days after the date of the notice within which to direct the insurer to reverse the dividend transaction.

- 4) One-Year Term Insurance Dividend Option – Provision must be made for the disposition of the value of any one-year term insurance addition in the event of lapse of the policy. The policy may either provide for application of any cash value of the remaining one-year term insurance under nonforfeiture options, or a continuation of the term insurance.
 - 5) Prohibited Provisions – Prohibited provisions regarding individual life policy dividends are cited in 50 Ill. Adm. Code 914.
- k) Nonforfeiture Values
The nonforfeiture value table must illustrate loan values and options available for each of the first 20 years of the policy or its term, if less, and include a provision that, upon request, the company will furnish an extension of the table. Values and statements in the policy must fulfill the requirements of Section 229.2 of the Code.
- l) Standard Nonforfeiture Law – Paid-up Insurance Upon Death of Insured (Family Policy)
A spouse or children entitled to paid-up insurance upon the death of a covered person under a family or parent-child policy shall be given the right to obtain the net cash surrender value of the paid-up insurance, and the form shall so state. In lieu of a table of such values, a statement may be included that a notice of the current values will be furnished by the company on request, as provided for in Section 229.2(6) of the Code.
- m) Inapplicable Language
Inapplicable language is prohibited if the inclusion of that language results in inconsistencies or ambiguities or is misleading, as is required by Section 143 of the Code.
- n) Back Dating of Life Policy
While the Code prohibits a provision under which any policy purports to be

DEPARTMENT OF INSURANCE

NOTICE OF ADOPTED AMENDMENTS

issued or take effect more than six months before the original application was made, this limitation is not applicable in conversion from or exchanges of one form of policy or annuity to or for another form provided credit is given for the reserve accumulation of the converted or terminated policy, and the form clearly spells out acceptable provisions relating to indebtedness, tabular cash values, dividends, effective date, and dividend accumulations, if any, under the new policy, as is prohibited by Section 225(1)(b) of the Code. The conversion or exchange may not result in the policyholder being charged for insurance protection that was not received.

- o) Settlement at Maturity – Commuted Value of Unpaid Installments
The form shall:
 - 1) provide the basis for determining any commuted value, as is provided for by Section 224(1)(k) of the Code; and
 - 2) indicate whether benefits at death shall be payable to an estate or to a named beneficiary.

- p) Supplemental Benefits
 - 1) Supplemental Death and Dismemberment benefits may be added to a life policy when limited to accidental cause only.
 - 2) Language in such supplemental benefits that does not employ "result" language, and that establishes an accidental means test or uses words such as "external", "violent", or "visible wound" is prohibited. Additionally, contributory language (e.g., "or indirectly", "wholly or in part", or "contributed to by") is also prohibited. For purposes of this subsection (p)(2), "result" language includes, but is not limited to, death as a result of war, death as a result of suicide and death as a result of flying. For purposes of this subsection (p)(2), accidental means test requires that both the cause and result of the accident be an accident.
 - 3) Provisions for loss due to accident or accidental injury shall not contain language limiting, reducing or excluding liability for a loss resulting from purely accidental circumstances (e.g., involuntary or unintentional ingestion of poison or an infectious organism, or inhalation of poisonous gases or fumes) as provided for by Section 143 of the Code.

DEPARTMENT OF INSURANCE

NOTICE OF ADOPTED AMENDMENTS

- 4) Other supplemental benefits may be added to the policy for conditions that result in a total and permanent disability, as provided by Section 4 of the Code. For purposes of this subsection (p)(4), "total and permanent disability" means an inability to work and earn money because of an injury or illness from which recovery is unlikely at any time in the future and that is expected to continue indefinitely or result in death.
- q) **Combination Life and Accident and Health Coverages in Individual Policies**
Life and Accident and Health coverages may be combined in an individual policy, provided all statutory requirements are met and the form meets the other tests for approval in Section 143. All individual policies submitted must contain a premium breakdown as to coverages and contain a provision to allow for separation of either part.
- r) **Spendthrift and Creditor Clause**
The policy may include a Spendthrift and Creditor Clause providing in substance that, except as may be otherwise provided in the policy, a Beneficiary may not, at or after the maturity of the policy, assign, transfer or encumber any benefits payable under the policy and, to the extent permitted by law, any such benefits shall not be subject to the claims of any creditor of any Beneficiary. Because of the limitations in the statutory provisions relating to the exemption from execution, attachment, garnishment or other process for the debts or liabilities of the insured, no reference to these statutory exemptions is required as is provided for by Sections 238 and 241 of the Code.
- s) **Family Policy – Names of Spouse and Children**
- 1) It is necessary to name the spouse and/or children in either the application or policy only when a separate premium is charged for the individual insured in either of such categories.
- 2) For additional family policy guidelines, refer to 50 Ill. Adm. Code 1403.
- t) **Term Life Insurance – Conversion of Term Life Insurance**
A form providing term life insurance with conversion rights without evidence of insurability may not withhold such right of conversion because the covered person has established a waiver of premium disability claim. The form may, however, withhold waiver of premium benefits under any new policy resulting

DEPARTMENT OF INSURANCE

NOTICE OF ADOPTED AMENDMENTS

from the conversion, or, as an alternative, reduce the face amount in the new policy by not exceeding 25% if waiver of premium benefits is requested and provided in the new policy.

- u) War Clauses – Life Policies
War clauses in life policies shall comply with 50 Ill. Adm. Code 1402.
- v) Option to Purchase Additional Life Insurance – Incontestability and Suicide Clause
 - 1) Any new policy issued pursuant to a purchase option guaranteeing insurability shall provide that the period specified in the incontestability clause shall expire no later than two years from the latter of date of issue of the original policy, date of issue of the rider containing the purchase option, date of change of the original policy requiring proof of insurability or date of last reinstatement of original policy, as is provided for by Section 224(1)(c) of the Code.
 - 2) Any new policy issued pursuant to a purchase option may contain a limitation of coverage with respect to death by suicide during the period the policy would be contestable in the absence of issuance under the purchase option, as provided for by subsection (f).
 - 3) Company shall indicate to the Department how the incontestability provision of the new policy will be amended.
 - 4) The request form for the exercise of a purchase option shall be furnished to the Department. It may contain medical questions provided it is clearly stated that such questions are to be answered only if coverages additional to those permitted under the option are applied for.
- w) Insurable Interest at time of Exercising Option
In a guaranteed purchase option, a provision may not be included requiring the existence of an insurable interest when the person exercising the right to purchase is other than the insured.
- x) Riders and Endorsements
 - 1) Descriptive Title – Unless the nature of the rider or endorsement is

DEPARTMENT OF INSURANCE

NOTICE OF ADOPTED AMENDMENTS

obvious (e.g., Home Office Endorsement), the form shall contain a correct descriptive title. Use of words such as "preferred", "special", "select" or "inflation" is prohibited as provided for by Section 143 of the Code.

- 2) Effective Date – Rider or endorsement shall show its effective date, if other than effective date of policy, either within the text or by reference to a policy provision or in the schedule of benefits.
- 3) Format – Riders and endorsements that are forwarded to the policyowner for attachment to the policy shall contain the following information:
 - A) Name of company.
 - B) Identity of policy and insured, e.g., Attached to and made a part of Policy No. _____ Insured: _____.
 - C) Effective date of the rider or endorsement.
 - D) Signature of at least one company official.
- 4) Reduction of Benefits – If benefits are reduced, the reduction may be made only pursuant to a signed request or acceptance of the policy owner.
- 5) Riders or endorsements may not be used to amend another rider or endorsement.

(Source: Amended at 37 Ill. Reg. 15340, effective September 4, 2013)

DEPARTMENT OF INSURANCE

NOTICE OF ADOPTED AMENDMENTS

- 1) Heading of the Part: Summary Document and Disclaimer
- 2) Code Citation: 50 Ill. Adm. Code 3401
- 3)

<u>Section Numbers:</u>	<u>Adopted Action:</u>
3401.30	Amendment
3401.ILLUSTRATION A	Amendment
- 4) Statutory Authority: Implementing and authorized by Section 531.19 of the Illinois Insurance Code [215 ILCS 5/531.19]
- 5) Effective Date of Rulemaking: January 1, 2014
- 6) Does this rulemaking contain an automatic repeal date? No
- 7) Does this rulemaking contain incorporations by reference? No
- 8) A copy of the adopted rulemaking, including any material incorporated by reference, is on file in the principal office of the Department of Insurance and is available for public inspection.
- 9) Notice of Proposal published in the *Illinois Register*: 36 Ill. Reg. 14484; September 28, 2012
- 10) Has JCAR issued a Statement of Objection to this rulemaking? No
- 11) Differences between Proposal and Final Version: In the 3rd line of the 2nd paragraph of Section 3401.ILLUSTRATION A, changed “State” to lower case.
- 12) Have all changes agreed upon by the Agency and JCAR been made as indicated in the agreements issued by JCAR? Yes
- 13) Will this rulemaking replace an emergency rulemaking currently in effect? No
- 14) Are there any rulemakings pending on this Part? No
- 15) Summary and Purpose of Rulemaking: Public Act 096-1450, effective August 20, 2010, amended Section 531 of the Illinois Insurance Code [215 ILCS 5/531] to increase limits for Life/Accident and Health Guaranty Fund products. Due to these changes, the

DEPARTMENT OF INSURANCE

NOTICE OF ADOPTED AMENDMENTS

Summary Document and Disclaimer notice required under 50 Ill. Adm. Code 3401.40 to be delivered with a policy or contract needed to be revised.

- 16) Information and questions regarding this adopted rulemaking shall be directed to:

Cindy Colonius, Supervisor
Compliance Section – LAH
Department of Insurance
320 West Washington Street
Springfield, Illinois 62767-0001

217/782-4572

The full text of the Adopted Amendments begins on the next page:

DEPARTMENT OF INSURANCE

NOTICE OF ADOPTED AMENDMENTS

TITLE 50: INSURANCE

CHAPTER I: DEPARTMENT OF INSURANCE

SUBCHAPTER II: LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION

PART 3401

SUMMARY DOCUMENT AND DISCLAIMER

Section

3401.10 Applicability

3401.20 Purpose

3401.30 Definitions

3401.40 Delivery of Documents Required

3401.ILLUSTRATION A ~~Disclaimer and~~ Summary Document and Disclaimer

AUTHORITY: Implementing and authorized by Section 531.19 of the Illinois Insurance Code [215 ILCS 5/531.19].

SOURCE: Adopted at 19 Ill. Reg. 9134, effective July 1, 1995; expedited correction at 19 Ill. Reg. 13090, effective July 1, 1995; amended at 24 Ill. Reg. 16344, effective October 23, 2000; amended at 37 Ill. Reg. 15355, effective January 1, 2014.

Section 3401.30 Definitions

Disclaimer means the language required by Section 531.19(c) of the Illinois Insurance Code [215 ILCS 5/531.19(c)], which shall appear conspicuously on the face of the Summary Document. The ~~Disclaimer and~~ Summary Document and Disclaimer are established by Illustration A ~~of this Part~~.

Insurer, for purposes of this Part, means a "Member insurer" as defined in Section 531.05 of the Illinois Insurance Code [215 ILCS 5/531.05].

Summary Document means a document required by Section 531.19(b) of the Illinois Insurance Code [215 ILCS 5/531.19(b)] ~~that, which~~ describes the general purposes and current limitations of the Illinois Life and Health Insurance Guaranty Association Law. The Summary Document shall be prepared and revised, as necessary, by the Illinois Life and Health Insurance Guaranty Association. Subsequent revisions will require approval by the Director of Insurance. The Summary Document shall contain, on its face, the Disclaimer. The Summary Document and Disclaimer are established in Illustration A ~~of this~~

DEPARTMENT OF INSURANCE

NOTICE OF ADOPTED AMENDMENTS

| **Part.**

(Source: Amended at 37 Ill. Reg. 15355, effective January 1, 2014)

DEPARTMENT OF INSURANCE

NOTICE OF ADOPTED AMENDMENTS

Section 3401.ILLUSTRATION A ~~Disclaimer and~~ Summary Document and Disclaimer

NOTICE OF
PROTECTION PROVIDED BY
ILLINOIS LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION

This notice provides a **brief summary** description of the Illinois Life and Health Insurance Guaranty Association (the Association) and the protection it provides for policyholders. This safety net was created under Illinois law that determines who and what is covered and the amounts of coverage.

The Association was established to provide protection in the unlikely event that your member life, annuity or health insurance company becomes financially unable to meet its obligations and is placed into Receivership by the Insurance Department of the state in which the company is domiciled. If this should happen, the Association will typically arrange to continue coverage and pay claims, in accordance with Illinois law, with funding from assessments paid by other insurance companies.

The basic protections provided by the Association per insolvency are:

- Life Insurance
 - \$300,000 in death benefits
 - \$100,000 in cash surrender or withdrawal values
- Health Insurance
 - \$500,000 in hospital, medical and surgical insurance benefits*
 - \$300,000 in disability insurance benefits
 - \$300,000 in long-term care insurance benefits
 - \$100,000 in other types of health insurance benefits
- Annuities
 - \$250,000 in withdrawal and cash values

* The maximum amount of protection for each individual, regardless of the number of policies or contracts, is \$300,000, except special rules apply to hospital, medical and surgical insurance benefits for which the maximum amount of protection is \$500,000.

Note: Certain policies and contracts may not be covered or fully covered. For example, coverage does not extend to any portion of a policy or contract that the insurer does not guarantee, such as certain investment additions to the account value of a variable life insurance policy or a variable annuity contract. There are also residency requirements

DEPARTMENT OF INSURANCE

NOTICE OF ADOPTED AMENDMENTS

and other limitations under Illinois law.

To learn more about these protections, as well as protections relating to group contracts or retirement plans, please visit the Association's website at www.ilhiga.org or contact:

Illinois Life and Health Insurance Guaranty Association
8420 West Bryn Mawr Avenue, Suite 550
Chicago, Illinois 60631-3404
(773) 714-8050

Illinois Department of Insurance
4th Floor
320 West Washington Street
Springfield, Illinois 62767
(217) 782-4515

Insurance companies and agents are not allowed by Illinois law to use the existence of the Association or its coverage to encourage you to purchase any form of insurance. When selecting an insurance company, you should not rely on Association coverage. If there is any inconsistency between this notice and Illinois law, then Illinois law will control.

ILLINOIS
LIFE AND HEALTH INSURANCE
GUARANTY ASSOCIATION LAW

~~Residents of Illinois who purchase health insurance, life insurance, and annuities should know that the insurance companies licensed in Illinois to write these types of insurance are members of the Illinois Life and Health Insurance Guaranty Association. The purpose of this Guaranty Association is to assure that policyholders will be protected, within limits, in the unlikely event that a member insurer becomes financially unable to meet its policy obligations. If this should happen, the Guaranty Association will assess its other member insurance companies for the money to pay the covered claims of policyholders that live in Illinois (and their payees, beneficiaries, and assignees) and, in some cases, to keep coverage in force. The valuable extra protection provided by these insurers through the Guaranty Association is not unlimited, however, as noted below.~~

ILLINOIS LIFE AND HEALTH INSURANCE
GUARANTY ASSOCIATION

DEPARTMENT OF INSURANCE

NOTICE OF ADOPTED AMENDMENTS

~~DISCLAIMER~~

~~The Illinois Life and Health Insurance Guaranty Association provides coverage of claims under some types of policies if the insurer becomes impaired or insolvent. COVERAGE MAY NOT BE AVAILABLE FOR YOUR POLICY. Even if coverage is provided, there are substantial limitations and exclusions. Coverage is generally conditioned on continued residence in Illinois. Other conditions may also preclude coverage.~~

~~You should not rely on availability of coverage under the Life and Health Insurance Guaranty Association Law when selecting an insurer. Your insurer and agent are prohibited by law from using the existence of the Association or its coverage to sell you an insurance policy.~~

~~The Illinois Life and Health Insurance Guaranty Association or the Illinois Department of Insurance will respond to any questions you may have which are not answered by this document. Policyholders with additional questions may contact:~~

~~Illinois Life and Health Insurance Guaranty Association
8420 West Bryn Mawr Avenue
Chicago, Illinois 60631
(773) 714-8050~~

~~Illinois Department of Insurance
320 West Washington Street
4th Floor
Springfield, Illinois 62767
(217) 782-4515~~

~~Summary of General Purposes And
Current Limitations of Coverage~~

~~The Illinois law that provides for this safety-net coverage is called the Illinois Life and Health Insurance Guaranty Association Law ("Law") [215 ILCS 5/531.01, et seq.]. The following contains a brief summary of the Law's coverages, exclusions, and limits. This summary does not cover all provisions, nor does it in any way change anyone's rights or obligations under the Law or the rights or obligations of the Guaranty Association. If you have obtained this document from an agent in connection with the purchase of a policy, you should be aware that its delivery to you does not guarantee that your policy is covered by the Guaranty~~

DEPARTMENT OF INSURANCE

NOTICE OF ADOPTED AMENDMENTS

~~Association.~~

- a) ~~Coverage:~~
~~The Illinois Life and Health Insurance Guaranty Association provides coverage to policyholders that reside in Illinois for insurance issued by members of the Guaranty Association, including:~~
- ~~1) life insurance, health insurance, and annuity contracts;~~
 - ~~2) life, health or annuity certificates under direct group policies or contracts;~~
 - ~~3) unallocated annuity contracts; and~~
 - ~~4) contracts to furnish health care services and subscription certificates for medical or health care services issued by certain licensed entities. The beneficiaries, payees, or assignees of such persons are also protected, even if they live in another state.~~
- b) ~~Exclusions from Coverage:~~
- ~~1) The Guaranty Association does not provide coverage for:~~
 - ~~A) any policy or portion of a policy for which the individual has assumed the risk;~~
 - ~~B) any policy of reinsurance (unless an assumption certificate was issued);~~
 - ~~C) interest rate guarantees which exceed certain statutory limitations;~~
 - ~~D) certain unallocated annuity contracts issued to an employee benefit plan protected under the Pension Benefit Guaranty Corporation and any portion of a contract which is not issued to or in connection with a specific employee, union or association of natural persons benefit plan or a government lottery;~~
 - ~~E) any portion of a variable life insurance or variable annuity contract not guaranteed by an insurer; or~~

DEPARTMENT OF INSURANCE

NOTICE OF ADOPTED AMENDMENTS

- ~~F) any stop loss insurance.~~
- 2) ~~In addition, persons are not protected by the Guaranty Association if:~~
 - ~~A) the Illinois Director of Insurance determines that, in the case of an insurer which is not domiciled in Illinois, the insurer's home state provides substantially similar protection to Illinois residents which will be provided in a timely manner; or~~
 - ~~B) their policy was issued by an organization which is not a member insurer of the Association.~~
- e) ~~Limits on Amount of Coverage:~~
 - 1) ~~The Law also limits the amount the Illinois Life and Health Insurance Guaranty Association is obligated to pay. The Guaranty Association's liability is limited to the lesser of either:~~
 - ~~A) the contractual obligations for which the insurer is liable or for which the insurer would have been liable if it were not an impaired or insolvent insurer, or~~
 - ~~B) with respect to any one life, regardless of the number of policies, contracts, or certificates:~~
 - ~~i) in the case of life insurance, \$300,000 in death benefits but not more than \$100,000 in net cash surrender or withdrawal values;~~
 - ~~ii) in the case of health insurance, \$300,000 in health insurance benefits, including net cash surrender or withdrawal values; and~~
 - ~~iii) with respect to annuities, \$100,000 in the present value of annuity benefits, including net cash surrender or withdrawal values, and \$100,000 in the present value of annuity benefits for individuals participating in certain government retirement plans covered by an unallocated annuity contract. The limit for coverage of unallocated~~

DEPARTMENT OF INSURANCE

NOTICE OF ADOPTED AMENDMENTS

~~annuity contracts other than those issued to certain governmental retirement plans is \$5,000,000 in benefits per contract holder, regardless of the number of contracts.~~

- 2) ~~However, in no event is the Guaranty Association liable for more than \$300,000 with respect to any one individual.~~

(Source: Amended at 37 Ill. Reg. 15355, effective January 1, 2014)

OFFICE OF THE COMPTROLLER

NOTICE OF ADOPTED AMENDMENT

- 1) Heading of the Part: Illinois Funeral or Burial Funds Act
- 2) Code Citation: 38 Ill. Adm. Code 610
- 3) Section Number: 610.EXHIBIT A Proposed Action: Amend
- 4) Statutory Authority: Implementing Section 1a-1 of the Illinois Funeral or Burial Funds Act [225 ILCS 45/1a-1]. Authorized by Section 1a-1 of the Illinois Funeral or Burial Funds Act [225 ILCS 45/1a-1] and Section 21 of the State Comptroller Act [15 ILCS 405/21]
- 5) Effective Date of Rulemaking: September 9, 2013
- 6) Does this rulemaking contain an automatic repeal date? No
- 7) Does this rulemaking contain incorporations by reference? No
- 8) A copy of the adopted rulemaking, including any materials incorporated by reference, is on file in the Agency's principal office and is available for public inspection.
- 9) Notice of Proposal published in the *Illinois Register*: February 22, 2013; 37 Ill. Reg. 2382
- 10) Has JCAR issued a Statement of Objection to this rulemaking? No
- 11) Differences between the Proposal and the Final Version: Minor changes were made between the proposed and final versions. The changes were not substantive and included only minor corrections.
- 12) Have all the changes agreed upon by the Agency and JCAR been made as indicated in the agreements issued by JCAR? Yes, all changes that were made were agreed to by JCAR.
- 13) Will this rulemaking replace any emergency rulemaking currently in effect? No
- 14) Are there any proposed rulemakings pending on this Part? No
- 15) Summary and Purpose of the Rulemaking: The rulemaking updates the consumer protection guide to include new statutory protections created by PA 96-879 (eff. 2-2-10). Specifically, this rulemaking explains to consumers the function of a corporate fiduciary

OFFICE OF THE COMPTROLLER

NOTICE OF ADOPTED AMENDMENT

trustee and informs consumers of a new consumer protection fund that now exists for pre-need funeral or burial purchases.

- 16) Information and questions regarding this adopted rulemaking shall be directed to:

Alissa J. Camp
General Counsel
Office of the Comptroller
Room 201 Statehouse
Springfield, IL 62706

217/782-6000
CampAJ@mail.ioc.state.il.us

The text of the Adopted Amendment begins on the next page:

OFFICE OF THE COMPTROLLER

NOTICE OF ADOPTED AMENDMENT

TITLE 38: FINANCIAL INSTITUTIONS
CHAPTER V: COMPTROLLERPART 610
ILLINOIS FUNERAL OR BURIAL FUNDS ACT

Section

610.10	Statutory Authority
610.20	Application
610.30	Definitions
610.40	Classification of Pre-Need Contract by Funding Methods
610.50	Requirements for all Pre-Need Contracts
610.60	Trust Investment in Life Insurance or Annuities
610.70	Requirements for Pre-Need Booklet
610.80	Licensing of Sellers of Pre-Need Contracts Funded by Life Insurance or Tax-Deferred Annuity
610.90	Schedule of Charges for Examinations for Licensee of Pre-Need Contracts Funded by Life Insurance or Tax-Deferred Annuity
610.EXHIBIT A	Illinois Consumer Consumers' Guide to Pre-Need Funeral and Burial <u>Purchases</u> <u>Planning</u>

AUTHORITY: Implementing Sections 1a-1, 2a, 3, 3f and 4a and authorized by Sections 1a-1, 2 and 3 of the Illinois Funeral or Burial Funds Act [225 ILCS 45/1a-1, 2, 2a, 3, 3f and 4a].

SOURCE: Adopted at 20 Ill. Reg. 9530, effective July 3, 1996; amended at 21 Ill. Reg. 17104, effective December 5, 1997; amended at 26 Ill. Reg. 5772, effective April 10, 2002; amended at 37 Ill. Reg. 15365, effective September 9, 2013.

OFFICE OF THE COMPTROLLER

NOTICE OF ADOPTED AMENDMENT

Section 610.EXHIBIT A Illinois ~~Consumer~~Consumers' Guide to Pre-Need Funeral and Burial Purchases**ILLINOIS ~~CONSUMER~~CONSUMERS' GUIDE TO PRE-NEED FUNERAL AND BURIAL PURCHASES****What Is the Funeral or Burial Funds Act?**

The Illinois Funeral or Burial Funds Act, [225 ILCS 45] (the law), gives consumers certain rights and protections when they sets forth rights protecting consumers who purchase funeral or burial services and/or merchandise in advance of need (pre-need). The State Comptroller has the duty to administer and enforce jurisdiction over the administration and enforcement of this law.

~~This guide is intended to assist you in making decisions in connection with the purchase of funeral services and merchandise — pre-need — and to advise you of your rights and protections under Illinois law.~~

What is "Pre-Need" Funeral or Burial Purchasing?

~~The purchase of pre-need funeral or burial merchandise and services occurs when you enter into an agreement to acquire and pay for funeral or burial merchandise and services before you need them. A pre-need funeral or burial purchase is purchasing, in advance, funeral services and merchandise that you select for yourself or loved ones. In connection with the purchase of pre-need services and merchandise, you enter into a pre-need contract with the seller, funeral home or cemetery.~~

What Is a Pre-Need Sales Contract?

A pre-need funeral or burial sales contract is a legal agreement between a consumer and a funeral home, or a cemetery (seller) for funeral or burial merchandise and services. The merchandise and services will be supplied at a future date by a funeral home or a cemetery (provider).

Sellers of Pre-Need Services and Merchandise Must Be Licensed. What are Some of the Protections Provided to you by Illinois Law?

Sellers of pre-need services and/or merchandise must be licensed by the State of Illinois through the Office of the Comptroller. You should verify that the person with whom you are doing business is licensed to sell pre-need services and merchandise before you make your purchase. You may contact the Comptroller's Office to verify whether a seller is licensed.

OFFICE OF THE COMPTROLLER

NOTICE OF ADOPTED AMENDMENT

What Services and Merchandise are Covered by the Funeral or Burial Funds Act?

The law covers the purchase of funeral services, clothing, caskets, grave boxes, grave liners, burial containers commonly referred to as burial vaults and urns. Sales of cemetery services, such as the preparation of a plot or the placement of a headstone, or-and cemetery merchandise, such as grave markers and mausoleums, are not covered by the law. The purchase of cemetery services and merchandise may be covered by the Illinois Pre-Need Cemetery Sales Act [815 ILCS 390] and Cemetery Care Act [760 ILCS 100]. ~~Those laws are also administered by the Comptroller.~~ If you have any questions about which law applies to your purchase, you may-concerning those laws, you should contact the Comptroller's Office for assistance.

Be Sure to Read Your Contract.

~~All pre-need contracts sold in Illinois must contain disclosures to assist consumers in their purchase of pre-need services and merchandise. Required disclosures include: a clear identification of the seller's name and address; the provider's name and address; if the provider has branch locations, an opportunity for the purchaser to identify on the contract the branch at which the funeral is to be performed; the purchaser and the beneficiary; a complete description of the goods and/or services purchased; clear notice as to whether the contract is for a guaranteed or non-guaranteed price; how you will pay for the services and/or merchandise (i.e., trust account, life insurance policy or annuity); and the cancellation and penalty policy of the seller.~~

What Must the Seller Tell You in a Pre-Need Contract?

All pre-need contracts sold in Illinois must contain certain disclosures to help you the consumer understand your rights. Always check your contract for the following information:

- The seller's name and address;
- The provider's name and address;
- When a provider has branch locations, a place in the contract where the consumer may select the branch where the funeral or burial will be performed;
- The buyer and the beneficiary;
- A complete description of the merchandise and/or services purchased;

OFFICE OF THE COMPTROLLER

NOTICE OF ADOPTED AMENDMENT

- Whether the contract is for a guaranteed or non-guaranteed price;
- How the merchandise and/or services will be funded (i.e., through a trust account, life insurance policy or annuity);
- The name of the trustee or the insurance provider;
- The governmental body that regulates the trustee or the insurance provider; and
- The seller's policy and penalties if the buyer cancels the contract or defaults on payment.

What are Guaranteed and Non-Guaranteed Contracts?

A "guaranteed contract"~~"Guaranteed" Contract~~ means that you are guaranteed the ~~cemetery or funeral home guarantees to provide you with the~~ services and/or merchandise you selected for the amount of money stated in the contract. ~~You~~This means that you or your estate will not be required to pay any additional costs for the items guaranteed ~~unless, except for~~ unexpected charges are incurred ~~(which may include, for example, the need for shipment of remains from a distance).~~

A "non-guaranteed" contract means that the price of the services or merchandise you select will be determined at the time they are needed. Any payments you make under the contract act like a deposit to reduce the out-of-pocket expense at the time of need. If the "deposit" does not cover the entire cost of the merchandise or services, you or your estate pay the difference at the time of need. If your contract does not guarantee a price, it must clearly state "non-guaranteed contract". Be sure to read your contract carefully.

Some non-guaranteed price contracts are set up to later become guaranteed price contracts. In these cases, the contract must clearly state the time or event when the price becomes guaranteed and the nature of the guarantee. If the contract does not guarantee the prices charged it must be clearly identified as a "Non-Guaranteed Contract." The amount you pay will be determined at the time the services and/or the merchandise are needed. Any amount you pay pre-need will be consider a deposit to be used toward the purchase price, which will earn interest.

If a non-guaranteed contract may subsequently become guaranteed, the contract shall clearly disclose the nature of the guarantee and the time, occurrence, or event upon which the contract shall become a guaranteed price contract.

OFFICE OF THE COMPTROLLER

NOTICE OF ADOPTED AMENDMENT

Pre-Need Contracts Funded by Life Insurance Policies and Annuities vs. Pre-Need Contracts Funded by Trusts.

Under Illinois law, all pre-need contracts must be funded through an insurance policy, a tax deferred annuity, or a trust. Your contract must clearly state which of these three funding mechanisms applies to it.

a. Life Insurance Policies and Annuities

Pre-need contracts funded by life insurance policies or tax-deferred annuities are planning tools offered by insurance companies. The contracts may be purchased directly from an insurance company or through a licensed insurance agent working on behalf of the funeral home or cemetery. If you buy through a licensed insurance agent working on behalf of the funeral home or cemetery, any payments you make to the funeral home or cemetery must be mailed to the insurance company within 30 days after receipt of the contract.

Your insurance policy will provide the details of the coverage, including the cost, payout provisions and cancellation fees. Be sure to read both the contract and the insurance policy carefully.

b. Trust Accounts

When funeral homes or cemeteries sell pre-need contracts funded by a trust, the seller must send a certain percentage of your payments to a trustee for deposit in a trust account. The trustee is an independent company that must hold this money until the merchandise or services are actually needed (or until you cancel your contract and seek a refund). Review your contract for the name of the trustee and the trustee's contact information.

Sellers must send 85% of the purchase price of outer burial containers (burial vaults) and 95% of the purchase price of all other merchandise and services to the trustee within 30 days after receipt of the contract. Each year you will receive a trust account statement (much like a bank account statement) from the trustee. This is an important consumer protection, so be sure to watch for your annual statement. If you do not receive an annual statement, contact the trustee named on your contract. If the trustee cannot be located or cannot assist you, contact the Comptroller.

OFFICE OF THE COMPTROLLER

NOTICE OF ADOPTED AMENDMENT

~~Consumer Payments on Pre-need Services and Merchandise Must Be Placed in a Trust Account.~~

~~When you purchase pre-need services and merchandise, the seller must place a certain percentage of the costs of the purchase price in a trust account to ensure delivery at the time of need; 95% of the purchase price of all services and merchandise and 85% of the purchase price of outer burial containers (burial vaults) must be placed into trust. Funds must be deposited in the trust account within 30 days.~~

~~May I Fund a Pre-need Arrangement with a Life Insurance Policy or Annuity?~~

~~Yes, under Illinois law a pre-need contract may be funded through an insurance policy or tax deferred annuity. Your pre-need contract will identify the provider of funeral or cemetery services and merchandise. It will also state whether the contract is "Guaranteed" or "Non-Guaranteed". Your insurance policy will provide the details of the coverage, including the cost, payout provisions and cancellation fees. Funds must be mailed to the insurance company within 30 days. Be sure to read your contract and insurance policy carefully.~~

Can I Get My Money Back If I Change My Mind?

Yes, unless a pre-need contract is made irrevocable, you may cancel at any time depending on the circumstances. The penalties for cancelling a pre-need contract will be different depending upon when the contract is cancelled and the funding method used. ~~If a pre-need contract is subject to the Federal Trade Commission (FTC) three-day cancellation rule (which applies to door-to-door sales or other sales made at a place other than the seller's place of business) you may cancel the contract within three business days after it is signed without any penalty.~~

a. Contracts Sold Outside the Seller's Place of Business

If you did not purchase your contract at the seller's place of business, including but not limited to door-to-door sales, then the contract is subject to the Federal Trade Commission's "Cooling-Off Period for Door-to-Door Sales" rule. Under this rule, you have the right to cancel the contract within three business days after signing it without any penalty.

b. Paid in Full Contracts Cancelled Before the Time of Need

If you cancel a contract for services or merchandise funded by a trust after it is paid in full but before the time of need, the seller must refund 95% of the

OFFICE OF THE COMPTROLLER

NOTICE OF ADOPTED AMENDMENT

purchase price plus net earnings. For contracts for outer burial containers funded by a trust, the seller must refund 85% of the purchase price plus net earnings.

If you cancel a contract funded by an insurance policy or annuity, you are entitled to the cash surrender value of the insurance policy or annuity. (Cancellation of an insurance policy does not necessarily cancel the pre-need contract.)

c. Paid in Full Contracts Cancelled After the Time of Need

If a contract is paid in full but it is decided at the time of need that the funeral or burial will be held elsewhere or that the merchandise or services will not be used, the seller may keep 10% of the payments made under the contract or \$300, whichever is less. The remainder of the trust funds or insurance or annuity proceeds will be provided to the legal heirs or according to a probate action.

d. Partially Paid Contracts

If you cancel before your contract is paid in full or if you default on payments, the seller may keep 25% of the payments made under the contract or \$300, whichever is less.

~~If a pre-need contract is funded by an insurance policy, Illinois law allows you to cancel the insurance policy within 30 days without penalty. Cancellation of an insurance policy does not necessarily serve to cancel the pre-need contract. After 30 days you are entitled to the accrued "cash surrender value" of the policy upon cancellation.~~

~~Unless made irrevocable, you may cancel a pre-need contract at any time. If cancellation occurs as a result of your default on payments, the seller is permitted to retain the lesser of 25% of the sales proceeds or \$300.~~

~~If the purchaser cancels the contract after it is paid in full, upon receipt of written cancellation notice from the purchaser, the seller must refund to the purchaser the entire amount held in trust attributable to undelivered merchandise and unperformed services, including undistributed interest earned thereon or the insurance company must return the cash surrender value of the cancelled insurance policy or annuity.~~

~~If no funeral merchandise or services are provided or if the funeral is conducted by another person, the seller may keep no more than 10% of the payments made under the contract or \$300, whichever sum is less. The remainder of the trust funds shall be returned by the seller or~~

OFFICE OF THE COMPTROLLER

NOTICE OF ADOPTED AMENDMENT

~~insurance or annuity proceeds shall be forwarded by the insurance company to the legal heirs of the deceased or as determined by probate action.~~

The Illinois Pre-Need Funeral Consumer Protection Fund

~~If you are not provided the funeral or burial merchandise promised in the contract and are not provided a refund, you or your estate may be able to recover your losses from the State's Pre-need Funeral Consumer Protection Fund. Contact the Comptroller's Office to apply for consumer protection funds.~~

What Can You Do If You Believe You Were ~~Am~~ Treated Unfairly?

If you think that you have been a victim of unfair or illegal practices in the handling of pre-need funds, you may file a written complaint with the Office of the Comptroller, Pre-Need Licensing and Certification Enforcement (PLACE) Division~~Department of Cemetery and Burial Trust~~, James R. Thompson Center, Suite 15-500, 100 West Randolph Street, Chicago, Illinois 60601. In addition, the State Attorney General can seek a court order for restitution and issuance of fines. If you believe that improprieties exist in connection with the sale of insurance or annuities used to fund a pre-need contract, you can file a complaint with the Illinois Department of Insurance, 320 West Washington, Floor 4, Springfield, Illinois 62767.

~~For more information on preplanning or prepaying, see your local cemetery or funeral director or the:~~

~~Illinois Funeral Director's Association
215 South Grand Avenue West
Springfield, Illinois 62704~~

~~or~~

~~Funeral Directors Services Association
499 Northgate Parkway
Wheeling, Illinois 60090-2646~~

~~or~~

~~Illinois Cemetery and Funeral Home Association
808 Osage Street
Normal, Illinois 61761~~

OFFICE OF THE COMPTROLLER
NOTICE OF ADOPTED AMENDMENT

or

~~Cook County Association of Funeral Home Owners, Inc.
4114 South Michigan Avenue
Chicago, Illinois 60653~~

or

~~Alliance of Illinois Cemeterians
1441 Monument Avenue
Springfield, Illinois 62702~~

Questions or Concerns?

If you have questions or concerns about your pre-need contract, please call the Comptroller's toll-free consumer hotline at (877)203-3401; mail your inquiry to the Illinois Office of the Comptroller, PLACE Division, 100 West Randolph Street, Suite 15-500, Chicago, Illinois 60601; or visit our PLACE webpage at <http://www.ioc.state.il.us/office/place/>.

(Source: Amended at 37 Ill. Reg. 15365, effective September 9, 2013)

OFFICE OF THE COMPTROLLER

NOTICE OF ADOPTED AMENDMENTS

- 1) Heading of the Part: Claim Eligible to be Offset
- 2) Code Citation: 74 Ill. Adm. Code 285
- 3)

<u>Section Numbers</u> :	<u>Proposed Action</u> :
285.1101	Amend
285.1102	Amend
285.1103	Amend
285.1104	Amend
285.1105	Amend
285.1106	Amend
285.1107	Amend
285.1108	Amend
- 4) Statutory Authority: Authorized by Section 21 of the State Comptroller Act [15 ILCS 405/21]. Implementing Section 10.05 of the State Comptroller Act [15 ILCS 405/10.05] and Sections 5 and 10(i-1) of the Illinois State Collection Act [30 ILCS 210/5 and 10(i-1)]
- 5) Effective Date of Rulemaking: September 9, 2013
- 6) Does this rulemaking contain an automatic repeal date? No
- 7) Does this rulemaking contain incorporations by reference? No
- 8) A copy of the adopted rulemaking, including any materials incorporated by reference, is on file in the Agency's principal office and is available for public inspection.
- 9) Notice of Proposal published in the *Illinois Register*: February 22, 2013; 37 Ill. Reg. 2393
- 10) Has JCAR issued a Statement of Objection to this rulemaking? No
- 11) Differences between the Proposal and the Final Version: There were no changes made between the proposed and the final version of the rulemaking.
- 12) Have all the changes agreed upon by the Agency and JCAR been made as indicated in the agreements issued by JCAR? None were made.
- 13) Will this rulemaking replace any emergency rulemaking currently in effect? No

OFFICE OF THE COMPTROLLER

NOTICE OF ADOPTED AMENDMENTS

- 14) Are there any rulemakings pending on this Part? No
- 15) Summary and Purpose of the Rulemaking: The rulemaking update the rules to conform to current statutory provisions. Specifically, the threshold for automatic reporting of debts to the offset system has been lowered from \$1,000 to \$250. The amendment also extends the protest period for persons offset from 30 to 60 days.
- 16) Information and questions regarding this adopted rulemaking shall be directed to:

Alissa J. Camp
General Counsel
Office of the Comptroller
Room 201 Statehouse
Springfield, IL 62706

217/782-6000
CampAJ@mail.ioc.state.il.us

The text of the Adopted Amendments begins on the next page:

OFFICE OF THE COMPTROLLER

NOTICE OF ADOPTED AMENDMENTS

TITLE 74: PUBLIC FINANCE
CHAPTER II: COMPTROLLERPART 285
CLAIM ELIGIBLE TO BE OFFSET

Section	
285.1100	Foreword
285.1101	Definitions
285.1102	Request for Processing a Claim Under Section 10.05 of the Act
285.1103	Warrants Subject to Deduction
285.1104	Processing a Claim Under Section 10.05
285.1105	Wage Deductions
285.1106	Ascertaining the Amount Due and Payable to the State
285.1107	Notification of the Comptroller's Exercise of Section 10.05
285.1108	Record Retention
285.1109	Accounting for Recovery
285.1110	Transition Period

AUTHORITY: Implementing Section 10.05 of the State Comptroller Act [15 ILCS 405/10.05] and Sections 5 and 10(i-1) of the Illinois State Collection Act [30 ILCS 210/5 and 10(i-1)]. Authorized by Section 21 of the State Comptroller Act [15 ILCS 405/21].

SOURCE: Adopted at 5 Ill. Reg. 423, effective December 30, 1980; codified at 5 Ill. Reg. 10598; amended at 8 Ill. Reg. 2451, effective February 9, 1984; amended at 10 Ill. Reg. 10538, effective June 3, 1986; amended at 11 Ill. Reg. 11996, effective July 7, 1987; amended at 11 Ill. Reg. 18630, effective October 29, 1987; amended at 15 Ill. Reg. 5070, effective March 21, 1991; amended at 19 Ill. Reg. 227, effective December 30, 1994; emergency amendment at 24 Ill. Reg. 17371, effective November 1, 2000, for a maximum of 150 days; emergency expired March 30, 2001; amended at 37 Ill. Reg. 15376, effective September 9, 2013.

Section 285.1101 Definitions

As used in this Part unless the context indicates otherwise, the following terms shall have the meanings specified:

"Account or claim eligible to be offset"; means an amount owed to the State or to any of its agencies or instrumentalities or other amount authorized by statute to be collected through offset ~~that~~^{which} represents:

OFFICE OF THE COMPTROLLER

NOTICE OF ADOPTED AMENDMENTS

an outstanding liability of a person to a fund in the State Treasury or other fund held by the State Treasurer;~~;~~

an outstanding liability of a person to a fund not held by the State Treasurer, ~~when that~~~~where such~~ amount exceeds \$~~10~~~~50~~;

past due child support owed by a person as a result of support action being taken by the Department of ~~Healthcare and Family Services~~~~Public Aid~~ under Article X of the Illinois Public Aid Code [305 ILCS 5/Art. X], whether or not ~~that~~~~such~~ support is owed to the State;~~;~~

delinquent or defaulted amounts due and owing from a borrower, whether or not due and owing to the State, on any loan guaranteed by the Illinois State Scholarship Commission under the Higher Education Student Assistance Act [110 ILCS 947] or on any "eligible loan" as that term is defined under the Education Loan Purchase Program Law [110 ILCS 947/125 to 170];~~;~~ or

any amounts recoverable under Section 120 of the Higher Education Student Assistance Act [110 ILCS 947/120], whether or not any amounts so recoverable are due and owing to the State, in a civil action from a person who received a scholarship, grant, monetary award or guaranteed loan.

"Act"~~;~~ means the "State Comptroller Act" [15 ILCS 405].

"Comptroller"~~;~~ means the Comptroller of the State of Illinois or any employee of the Office of the Comptroller authorized by the Comptroller,~~directly or indirectly by one or more redeligitations of authority~~, to perform the functions and duties required by the Act or this Part.

"Disposable earnings"~~;~~ means that part of the earnings of an individual remaining after deduction of any amounts required by law to be withheld (~~e. g. Federal and State income tax withholding; Social Security (F.I.C.A.) withholding; pension/retirement withholding~~).

"Net amount of the warrant"~~;~~ means ~~the~~~~that~~ amount of money,~~which~~ a State agency has authorized the Comptroller to order the payment of, remaining after

OFFICE OF THE COMPTROLLER

NOTICE OF ADOPTED AMENDMENTS

all involuntary and voluntary deductions are made and deferred compensation is deducted.

"Offset"; means a contrary claim or demand by which a given person's claim to a warrant of the State Comptroller may be lessened or cancelled.

"Person"; means any individual, corporation, company, association, firm, partnership, society, joint stock company, unit of local government or any other organization.

"Person subject to the offset"; means the payee of any warrant from which the Comptroller has offset an account or claim eligible to be offset.

"Received a voucher"; means that point in time when the Comptroller has physically received the voucher in-house and has date-stamped the voucher.

"Section 10.05 of the Act"; means Section 10.05 of the State Comptroller Act [15 ILCS 405/10.05].

(Source: Amended at 37 Ill. Reg. 15376, effective September 9, 2013)

Section 285.1102 Request for Processing a Claim Under Section 10.05 of the Act

- a) All debts that exceed \$~~2501,000~~ and are more than one ~~(1)~~-year past due shall be placed in the Comptroller's Offset System unless ~~except~~:
- 1) ~~if~~ the State agency to which the debt is owed has entered into a deferred payment plan or other settlement agreement with the debtor; or
 - 2) ~~if~~ the State agency to which the debt is owed demonstrates to the Comptroller's satisfaction that use of the Comptroller's Offset System is not cost effective. ~~The~~ Such demonstration shall be based on efficiency to the State and maximizing the portion of the debt that will be recovered by the State.
- b) The Comptroller will not process a claim under Section 10.05 of the Act until the Comptroller has received a statement of notification from the State agency that the debt has been established through notice and opportunity to be heard.

OFFICE OF THE COMPTROLLER

NOTICE OF ADOPTED AMENDMENTS

- c) For purposes of Section 10.05 of the Act and this Part ~~promulgated pursuant thereto~~, "statement of notification" of an account or claim eligible to be offset shall be deemed to occur when the State agency in favor of which the account or claim has arisen has submitted to the Comptroller; the following information:
- 1) the name and Social Security Number or Federal Employer's Identification Number of the person against whom the claim exists;
 - 2) the amount of the claim then due and payable to the ~~State~~ state;
 - 3) the reason why there is an amount due to the State (i.e., income tax liability, overpayment, etc.);
 - 4) the time period to which the claim is attributable;
 - 5) the fund to which the debt is owed;
 - 6) a description of the type of notification given to the person against whom the claim exists and the type of opportunity to be heard afforded ~~that such~~ person;
 - 7) a statement as to the outcome of any hearings or other proceedings held to establish the debt, or a statement that no hearing was requested; and
 - 8) the date of final determination of the debt.
- d) ~~The~~ Such statement required by subsections (b) and (c) shall be executed by the person or persons who are authorized to issue, certify and approve vouchers for the agency under Sections 10 and 11 of the State Finance Act [30 ILCS 105/10 and 11]. The authority to execute the statement of the claim required by this Section may be delegated ~~above specified vouchering authority may delegate~~ to a responsible person or persons ~~the authority to execute the statement of the claim required by this Section~~. This delegation of authority shall be made on forms provided by the Comptroller and shall contain a signature sample of the person(s) to whom the delegation is made.
- e) A State agency ~~that~~ which has submitted a claim for offset must notify the Comptroller as soon as ~~is~~ possible, but in no case later than 30 days, after receiving notice of a change in the status of an offset claim. A change in status

OFFICE OF THE COMPTROLLER

NOTICE OF ADOPTED AMENDMENTS

may occur due to circumstances such as payments received other than through a successful offset, the filing of a bankruptcy petition, or the death of the debtor.

(Source: Amended at 37 Ill. Reg. 15376, effective September 9, 2013)

Section 285.1103 Warrants Subject to Deduction

- a) Except ~~as where~~ prohibited by federal statute, federal regulation or State statute, the Comptroller shall deduct the amount the Comptroller ascertains is due from any warrant payable to any person against whom there exists an account or claim eligible to be offset.
- b) This amount due may be deducted from any warrant, whether or not the warrant originates from the same agency under which the account or claim eligible to be offset arose, ~~except that the Comptroller shall not deduct from funds held by the State Treasurer under the Senior Citizens and Disabled Persons Property Tax Relief and Pharmaceutical Assistance Act [320 ILCS 25].~~
- c) If, however, the account or claim eligible to be offset arises from a payroll transaction or other regular payment ~~that, which~~ is likely to be followed regularly by similar transactions, the Comptroller may deduct the account or claim eligible to be offset from the next regular transaction involving the agency under which the account or claim arose.
- d) A settlement payment by the State or any of its agencies to release any pending or potential claim against the State is eligible to be offset.
- e) The following are not eligible to be offset:
 - 1) A warrant, payment or transfer in favor of the State of Illinois, or to any officer, board, commission ~~or and~~ agency created by the Constitution, whether in the executive, legislative or judicial branch, but other than the circuit court;
 - 2) ~~Any~~ Any officer, department, board, commission ~~or,~~ or, agency, of the State government ~~which is~~ created by or pursuant to statute, other than any unit of local government and ~~its~~ their officers, school districts and boards of election commissioners;

OFFICE OF THE COMPTROLLER

NOTICE OF ADOPTED AMENDMENTS

3) ~~Any~~ administrative unit ~~or~~ corporate outgrowth of any of the entities listed in subsections (e)(1) and (2) ~~the above and as may be~~ created by executive order of the Governor ~~is not eligible to be offset~~.

f) The Comptroller shall not deduct from funds held by the State Treasurer under the Senior Citizens and Disabled Persons Property Tax Relief and Pharmaceutical Assistance Act [320 ILCS 25] or for payments to institutions from the Illinois Prepaid Tuition Trust Fund (unless the Trust Fund moneys are used for child support). [15 ILCS 405/10.05]

(Source: Amended at 37 Ill. Reg. 15376, effective September 9, 2013)

Section 285.1104 Processing a Claim Under Section 10.05

The following provisions shall govern the processing of a claim under Section 10.05 of the Act:

- a) Before making an offset, the Comptroller shall review the information provided by the State agency notifying the Comptroller of a claim and shall ascertain from that information ~~therefrom~~ the amount due and payable.
- b) The Comptroller shall charge the State agency ~~that~~ which submits a voucher, against which ~~voucher~~ an offset claim is applied, for the full amount of the voucher submitted. The Comptroller shall draw a warrant on the treasury or on other funds held by the State Treasurer in the amount of the claim eligible to be offset and deposit that warrant into the State Offset Claims Fund. The State Offset Claims Fund shall be a trust fund established and administered by the Comptroller for the deposit of monies deducted from a person's warrant pursuant to an offset and the subsequent payment of monies back to either the State agency requesting the offset or the original payee. If, after 60 ~~thirty~~ days have elapsed from the date the Comptroller gives notice of the offset as prescribed in Section 285.1106(a), no protest is made by the person subject to the offset, the Comptroller shall issue a warrant on the State Offset Claims Fund for the amount of that deposit to the agency entitled to the offset ~~thereto~~. If a protest conforming which conforms to the requirements of Section 285.1106(b) is made, the Comptroller shall not issue the ~~such~~ warrant to the State agency ~~on the State Offset Claims Fund~~ until the Comptroller ascertains the amount due and payable as provided in Section 285.1106(c).
- c) If the Comptroller receives a proper request for a claim after he or she has drawn

OFFICE OF THE COMPTROLLER

NOTICE OF ADOPTED AMENDMENTS

a ~~warrant or warrants~~warrant(s), the Comptroller shall, ~~when~~where feasible, reprocess the warrant in order that the offset may be taken, as provided for in this Section.

- d) If the amount of the claim eligible to be offset is less than the amount to which the person is entitled, the Comptroller shall draw a warrant for the balance of the amount of the voucher against which the Comptroller has made the offset and shall issue that warrant to the person subject to the offset.
- e) In cases ~~in which~~where offsets are to be made against an employee's wages, no more than 25% of the employee's disposable earnings may be subject to offset. Final compensation payments paid to a person, when the person leaves the employ of a State agency, for accrued vacation ~~or~~; sick leave or overtime are exempt from the 25% limitation. State agencies may submit claims for offset for the entire amount owed to the State agency and the Comptroller's Offset System will compute the required 25% available for offset. In the event that the calculation of 25% of the employee's disposable earnings exceeds the net amount of the warrant (i.e., the employee's take-home pay), that employee's payroll voucher will be returned to the submitting ~~State~~ agency. A payroll reversal will be processed and the employee's voluntary deductions must be cancelled or reduced so that the employee's take-home pay will be sufficient to satisfy the amount calculated as available for offset. ~~State agencies~~Agencies should contact their employees to determine which of the voluntary deductions are to be cancelled or reduced.
- f) The limitations set forth in subsection (e) ~~above~~ apply to:
- 1) wage or salary payments; and
 - 2) regular and continuing contractual payments made to an individual for personal services paid on a contractual payroll.

(Source: Amended at 37 Ill. Reg. 15376, effective September 9, 2013)

Section 285.1105 Wage Deductions

Section 10.05 claims ~~arising under this Part~~ have priority over all wage deduction summonses. If the amount of money represented by the voucher against which the Comptroller is making an offset ~~under Rule 1104 (74 Ill. Adm. Code 285.1104)~~ is subject to a wage deduction and is

OFFICE OF THE COMPTROLLER

NOTICE OF ADOPTED AMENDMENTS

insufficient to satisfy the amount required to be offset, the Comptroller shall make an offset against any amounts that were deducted from that warrant and placed in the Garnishment Trust Fund.

(Source: Amended at 37 Ill. Reg. 15376, effective September 9, 2013)

Section 285.1106 Ascertaining the Amount Due and Payable to the State

- a) Upon processing a ~~Section 10.05~~ claim under Section 10.05 of the Act, the Comptroller shall, as soon as is practicable, give notice in writing to the person subject to the offset. ~~The which~~ notice shall:
- 1) ~~shall~~ state that a request has been made pursuant to Section 10.05 of the State Comptroller Act to make an offset against any warrant on funds held by the State Treasurer ~~that which~~ is now or ~~that which~~ may become payable to that person;
 - 2) ~~shall~~ identify the State agency submitting the offset request and the reason for ~~thesueh~~ request; and
 - 3) ~~shall~~ inform the person that, if he or she does not owe any or all of the amount claimed to be due and payable to the State, the person may, within ~~6030~~ days after the Comptroller gives of the Comptroller's giving notice, make a written protest as prescribed in subsection (b) ~~of this section~~. The notice to the person subject to the offset required by this subsection (a) shall be deemed to have been given if ~~thesueh~~ notice is enclosed in an envelope plainly addressed to ~~thesueh~~ person, United States postage fully prepaid, and deposited in the United States mail. For purposes of this Section, the date "the Comptroller gives notice" shall mean the date of withholding, as indicated by the date on the written notice sent to the person subject to offset.
- b) Persons wishing to make a protest to the Section 10.05 offset shall, within ~~6030~~ days after the Comptroller gives of the Comptroller's giving notice as prescribed in subsection (a) ~~above~~, notify the Comptroller in writing of:
- 1) the reasons for contesting the claim of the State;
 - 2) the amount, if any, that the person acknowledges to be due and payable to

OFFICE OF THE COMPTROLLER

NOTICE OF ADOPTED AMENDMENTS

the State; and

- 3) any other information that will enable the Comptroller to determine the amount, if any, that is due and payable to the State.
- c) Upon receipt of a timely protest, the Comptroller shall determine the amount due and payable to the State. This determination shall be made in light of all information relating to the transaction in the possession of the Comptroller and any other information the Comptroller may reasonably request and obtain from the State agency and the person subject to the offset.
- d) If the Comptroller requests information from the State agency relating to the offset, the State agency shall respond within 90 days ~~after~~ of the Comptroller's request. The Comptroller may grant a State agency an additional 90 day extension of time to respond for the following reasons:
 - 1) the State agency is actively pursuing further investigation;
 - 2) the matter is in active settlement negotiations; or
 - 3) other good cause shown by the State agency.
- e) From the deposit into the State Offset Claim Fund made pursuant to Section 285.1104(c) ~~(74 Ill. Adm. Code Section 285.1104(e))~~, the Comptroller shall issue a warrant to the appropriate fund to the credit of the entitled State agency ~~entitled thereto~~, for the amount found due and payable to the State. Any balance of that deposit shall be returned to the person subject to the offset.

(Source: Amended at 37 Ill. Reg. 15376, effective September 9, 2013)

Section 285.1107 Notification of the Comptroller's Exercise of Section 10.05

Whenever the Comptroller exercises his or her offset authority granted under the Act and this Part, Section 10.05, the person subject to the offset and the agency that originated the voucher shall be sent a copy of the voucher against which the deduction was made, or a written statement containing all relevant information from the voucher. The written statement shall include the reason for the deduction and shall indicate the amount of money deducted. The person subject to the offset and the agency originating the voucher shall receive a copy of the written statement; however, the agency may waive its right to receive the written statement and the voucher. At the

OFFICE OF THE COMPTROLLER

NOTICE OF ADOPTED AMENDMENTS

request of the State agency submitting the claim for offset, the Comptroller shall notify ~~thesaid~~ State agency, by letter or other means, of the offset, including the amount of money deducted.

(Source: Amended at 37 Ill. Reg. 15376, effective September 9, 2013)

Section 285.1108 Record Retention

The Comptroller shall retain a copy ~~of the written statement~~ of the reason for the deduction in accordance with the State Records Act [5 ILCS 160] and the State Comptroller Act [15 ILCS 405].

(Source: Amended at 37 Ill. Reg. 15376, effective September 9, 2013)

DEPARTMENT OF HUMAN SERVICES

NOTICE OF EMERGENCY AMENDMENTS

- 1) Heading of the Part: Temporary Assistance for Needy Families
- 2) Code Citation: 89 Ill. Adm. Code 112
- 3)

<u>Section Number:</u>	<u>Emergency Action:</u>
112.9	Amendment
112.65	Amendment
112.69	Amendment
112.127	Amendment
112.150	Amendment
112.151	Repeal
112.152	Repeal
112.153	Repeal
112.305	Amendment
112.307	Amendment
- 4) Statutory Authority: Implementing Article IV and authorized by Section 12-13 of the Illinois Public Aid Code [305 ILCS 5/Art. IV and 12-13] and Public Act 98-0114.
- 5) Effective date of amendments: September 9, 2013
- 6) If these emergency amendments are to expire before the end of the 150-day period, please specify the date on which they are to expire: These emergency amendments will expire at the end of the 150-day period, or upon adoption of permanent rules, whichever comes first.
- 7) Date filed with the Index Department: September 9, 2013
- 8) A copy of the adopted amendments, including any material incorporated by reference, is on file in the agency's principal office and is available for public inspection.
- 9) Reason for Emergency: Public Act 98-0114 was signed into law by the Governor on July 29, 2013. This emergency rulemaking is necessary to comply with provisions of P. A. 98-0114. The adoption of this emergency rule is deemed to be necessary for the public interest, safety, and welfare.
- 10) A complete description of the subject and issues: Public Act 98-0114 amends the Temporary Assistance for Needy Families (TANF) Article of the Illinois Public Aid

DEPARTMENT OF HUMAN SERVICES

NOTICE OF EMERGENCY AMENDMENTS

Code. In a provision concerning eligibility for benefits under the TANF program, this Act provides that the Department of Human Services shall disregard the value of all assets held by the family, effective immediately. As a result of this rulemaking, the value of assets shall not be considered in determining eligibility for an assistance payment. By eliminating the asset test, families can be encouraged to build a savings fund that will assist them in maintaining self-sufficiency when they experience an employment setback or other hardship.

- 11) Are there any other proposed rulemakings pending on this Part? No
- 12) Statement of statewide policy objectives: This rulemaking does not create or expand a State mandate.
- 13) Information and questions regarding these emergency amendments shall be directed to:

Tracie Drew, Bureau Chief
Bureau of Administrative Rules and Procedures
Department of Human Services
100 South Grand Avenue East
Harris Bldg., 3rd Floor
Springfield, Illinois 62762

217/785-9772

The full text of the Emergency Amendments begins on the next page:

DEPARTMENT OF HUMAN SERVICES

NOTICE OF EMERGENCY AMENDMENTS

TITLE 89: SOCIAL SERVICES
CHAPTER IV: DEPARTMENT OF HUMAN SERVICES
SUBCHAPTER b: ASSISTANCE PROGRAMSPART 112
TEMPORARY ASSISTANCE FOR NEEDY FAMILIES

SUBPART A: GENERAL PROVISIONS

Section

- 112.1 Description of the Assistance Program and Time Limit
- 112.2 Time Limit on Receipt of Benefits for Clients Enrolled in Post-Secondary Education
- 112.3 Receipt of Cash Benefits Beyond the 60 Month Lifetime Limit
- 112.5 Incorporation by Reference
- 112.6 The Family Violence Option

SUBPART B: NON-FINANCIAL FACTORS OF ELIGIBILITY

Section

- 112.8 Caretaker Relative
- 112.9 Client Cooperation
- EMERGENCY
- 112.10 Citizenship
- 112.20 Residence
- 112.30 Age
- 112.40 Relationship
- 112.50 Living Arrangement
- 112.52 Social Security Numbers
- 112.54 Assignment of Medical Support Rights
- 112.60 Basis of Eligibility
- 112.61 Death of a Parent (Repealed)
- 112.62 Incapacity of a Parent (Repealed)
- 112.63 Continued Absence of a Parent (Repealed)
- 112.64 Unemployment of the Parent (Repealed)
- 112.65 Responsibility and Services Plan
- EMERGENCY
- 112.66 Alcohol and Substance Abuse Treatment
- 112.67 Restriction in Payment to Households Headed by a Minor Parent

DEPARTMENT OF HUMAN SERVICES

NOTICE OF EMERGENCY AMENDMENTS

- 112.68 School Attendance Initiative
112.69 Felons and Violators of Parole or Probation

EMERGENCY

SUBPART C: TANF EMPLOYMENT AND WORK ACTIVITY REQUIREMENTS

Section

- 112.70 Employment and Work Activity Requirements
112.71 Individuals Exempt from TANF Employment and Work Activity Requirements
112.72 Participation/Cooperation Requirements
112.73 Adolescent Parent Program (Repealed)
112.74 Responsibility and Services Plan
112.75 Teen Parent Personal Responsibility Plan (Repealed)
112.76 TANF Orientation
112.77 Reconciliation and Fair Hearings
112.78 TANF Employment and Work Activities
112.79 Sanctions
112.80 Good Cause for Failure to Comply with TANF Participation Requirements
112.81 Responsible Relative Eligibility for JOBS (Repealed)
112.82 Supportive Services
112.83 Teen Parent Services
112.84 Employment Retention and Advancement Project
112.85 Four Year College/Vocational Training Demonstration Project (Repealed)

SUBPART E: PROJECT ADVANCE

Section

- 112.86 Project Advance (Repealed)
112.87 Project Advance Experimental and Control Groups (Repealed)
112.88 Project Advance Participation Requirements of Experimental Group Members and Adjudicated Fathers (Repealed)
112.89 Project Advance Cooperation Requirements of Experimental Group Members and Adjudicated Fathers (Repealed)
112.90 Project Advance Sanctions (Repealed)
112.91 Good Cause for Failure to Comply with Project Advance (Repealed)
112.93 Individuals Exempt From Project Advance (Repealed)
112.95 Project Advance Supportive Services (Repealed)

SUBPART F: EXCHANGE PROGRAM

DEPARTMENT OF HUMAN SERVICES

NOTICE OF EMERGENCY AMENDMENTS

Section

112.98 Exchange Program (Repealed)

SUBPART G: FINANCIAL FACTORS OF ELIGIBILITY

Section

112.100 Unearned Income

112.101 Unearned Income of Parent

112.105 Budgeting Unearned Income

112.106 Budgeting Unearned Income of Applicants

112.107 Initial Receipt of Unearned Income

112.108 Termination of Unearned Income

112.110 Exempt Unearned Income

112.115 Education Benefits

112.120 Incentive Allowances

112.125 Unearned Income In-Kind

112.126 Earmarked Income

112.127 Lump-Sum Payments

EMERGENCY

112.128 Protected Income (Repealed)

112.130 Earned Income

112.131 Earned Income Tax Credit

112.132 Budgeting Earned Income

112.133 Budgeting Earned Income of Employed Applicants

112.134 Initial Employment

112.135 Budgeting Earned Income For Contractual Employees

112.136 Budgeting Earned Income For Non-contractual School Employees

112.137 Termination of Employment

112.138 Transitional Payments (Repealed)

112.140 Exempt Earned Income

112.141 Earned Income Exemption

112.142 Exclusion from Earned Income Exemption

112.143 Recognized Employment Expenses

112.144 Income from Work-Study and Training Programs

112.145 Earned Income From Self-Employment

112.146 Earned Income From Roomer and Boarder

112.147 Income From Rental Property

112.148 Payments from the Illinois Department of Children and Family Services

DEPARTMENT OF HUMAN SERVICES

NOTICE OF EMERGENCY AMENDMENTS

- 112.149 Earned Income In-Kind
112.150 Assets
EMERGENCY
112.151 Exempt Assets (Repealed)
EMERGENCY
112.152 Asset Disregards (Repealed)
EMERGENCY
112.153 Deferral of Consideration of Assets (Repealed)
EMERGENCY
112.154 Property Transfers (Repealed)
112.155 Income Limit
112.156 Assets for Independence Program

SUBPART H: PAYMENT AMOUNTS

- Section
112.250 Grant Levels
112.251 Payment Levels
112.252 Payment Levels in Group I Counties
112.253 Payment Levels in Group II Counties
112.254 Payment Levels in Group III Counties
112.255 Limitation on Amount of TANF Assistance to Recipients from Other States
(Repealed)

SUBPART I: OTHER PROVISIONS

- Section
112.300 Persons Who May Be Included in the Assistance Unit
112.301 Presumptive Eligibility
112.302 Reporting Requirements for Clients with Earnings
112.303 Budgeting
112.304 Budgeting Schedule
112.305 Strikers
EMERGENCY
112.306 Foster Care Program
112.307 Responsibility of Sponsors of Non-Citizens Entering the Country Prior to 8/22/96
EMERGENCY
112.308 Responsibility of Sponsors of Non-Citizens Entering the Country On or After
8/22/96

DEPARTMENT OF HUMAN SERVICES

NOTICE OF EMERGENCY AMENDMENTS

- 112.309 Institutional Status
- 112.310 Child Care for Representative Payees
- 112.315 Young Parents Program (Renumbered)
- 112.320 Redetermination of Eligibility
- 112.330 Extension of Medical Assistance Due to Increased Income from Employment
- 112.331 Four Month Extension of Medical Assistance Due to Child Support Collections
- 112.332 Extension of Medical Assistance Due to Loss of Earned Income Disregard (Repealed)
- 112.340 New Start Payments to Individuals Released from Department of Corrections Facilities (Repealed)

SUBPART J: CHILD CARE

- Section
- 112.350 Child Care (Repealed)
- 112.352 Child Care Eligibility (Repealed)
- 112.354 Qualified Provider (Repealed)
- 112.356 Notification of Available Services (Repealed)
- 112.358 Participant Rights and Responsibilities (Repealed)
- 112.362 Additional Service to Secure or Maintain Child Care Arrangements (Repealed)
- 112.364 Rates of Payment for Child Care (Repealed)
- 112.366 Method of Providing Child Care (Repealed)
- 112.370 Non-JOBS Education and Training Program (Repealed)

SUBPART K: TRANSITIONAL CHILD CARE

- Section
- 112.400 Transitional Child Care Eligibility (Repealed)
- 112.404 Duration of Eligibility for Transitional Child Care (Repealed)
- 112.406 Loss of Eligibility for Transitional Child Care (Repealed)
- 112.408 Qualified Child Care Providers (Repealed)
- 112.410 Notification of Available Services (Repealed)
- 112.412 Participant Rights and Responsibilities (Repealed)
- 112.414 Child Care Overpayments and Recoveries (Repealed)
- 112.416 Fees for Service for Transitional Child Care (Repealed)
- 112.418 Rates of Payment for Transitional Child Care (Repealed)

AUTHORITY: Implementing Article IV and authorized by Section 12-13 of the Illinois Public Aid Code [305 ILCS 5/Art. IV and 12-13].

DEPARTMENT OF HUMAN SERVICES

NOTICE OF EMERGENCY AMENDMENTS

SOURCE: Filed effective December 30, 1977; preemptory amendment at 2 Ill. Reg. 17, p. 117, effective February 1, 1978; amended at 2 Ill. Reg. 31, p. 134, effective August 5, 1978; emergency amendment at 2 Ill. Reg. 37, p. 4, effective August 30, 1978, for a maximum of 150 days; preemptory amendment at 2 Ill. Reg. 46, p. 44, effective November 1, 1978; preemptory amendment at 2 Ill. Reg. 46, p. 56, effective November 1, 1978; emergency amendment at 3 Ill. Reg. 16, p. 41, effective April 9, 1979, for a maximum of 150 days; emergency amendment at 3 Ill. Reg. 28, p. 182, effective July 1, 1979, for a maximum of 150 days; amended at 3 Ill. Reg. 33, p. 399, effective August 18, 1979; amendment at 3 Ill. Reg. 33, p. 415, effective August 18, 1979; amended at 3 Ill. Reg. 38, p. 243, effective September 21, 1979; preemptory amendment at 3 Ill. Reg. 38, p. 321, effective September 7, 1979; amended at 3 Ill. Reg. 40, p. 140, effective October 6, 1979; amended at 3 Ill. Reg. 46, p. 36, effective November 2, 1979; amended at 3 Ill. Reg. 47, p. 96, effective November 13, 1979; amended at 3 Ill. Reg. 48, p. 1, effective November 15, 1979; preemptory amendment at 4 Ill. Reg. 9, p. 259, effective February 22, 1980; amended at 4 Ill. Reg. 10, p. 258, effective February 25, 1980; amended at 4 Ill. Reg. 12, p. 551, effective March 10, 1980; amended at 4 Ill. Reg. 27, p. 387, effective June 24, 1980; emergency amendment at 4 Ill. Reg. 29, p. 294, effective July 8, 1980, for a maximum of 150 days; amended at 4 Ill. Reg. 37, p. 797, effective September 2, 1980; amended at 4 Ill. Reg. 37, p. 800, effective September 2, 1980; amended at 4 Ill. Reg. 45, p. 134, effective October 27, 1980; amended at 5 Ill. Reg. 766, effective January 2, 1981; amended at 5 Ill. Reg. 1134, effective January 26, 1981; preemptory amendment at 5 Ill. Reg. 5722, effective June 1, 1981; amended at 5 Ill. Reg. 7071, effective June 23, 1981; amended at 5 Ill. Reg. 7104, effective June 23, 1981; amended at 5 Ill. Reg. 8041, effective July 27, 1981; amended at 5 Ill. Reg. 8052, effective July 24, 1981; preemptory amendment at 5 Ill. Reg. 8106, effective August 1, 1981; preemptory amendment at 5 Ill. Reg. 10062, effective October 1, 1981; preemptory amendment at 5 Ill. Reg. 10079, effective October 1, 1981; preemptory amendment at 5 Ill. Reg. 10095, effective October 1, 1981; preemptory amendment at 5 Ill. Reg. 10113, effective October 1, 1981; preemptory amendment at 5 Ill. Reg. 10124, effective October 1, 1981; preemptory amendment at 5 Ill. Reg. 10131, effective October 1, 1981; amended at 5 Ill. Reg. 10730, effective October 1, 1981; amended at 5 Ill. Reg. 10733, effective October 1, 1981; amended at 5 Ill. Reg. 10760, effective October 1, 1981; amended at 5 Ill. Reg. 10767, effective October 1, 1981; preemptory amendment at 5 Ill. Reg. 11647, effective October 16, 1981; preemptory amendment at 6 Ill. Reg. 611, effective January 1, 1982; amended at 6 Ill. Reg. 1216, effective January 14, 1982; emergency amendment at 6 Ill. Reg. 2447, effective March 1, 1982, for a maximum of 150 days; preemptory amendment at 6 Ill. Reg. 2452, effective February 11, 1982; preemptory amendment at 6 Ill. Reg. 6475, effective May 18, 1982; preemptory amendment at 6 Ill. Reg. 6912, effective May 20, 1982; emergency amendment at 6 Ill. Reg. 7299, effective June 2, 1982, for a maximum of 150 days; amended at 6 Ill. Reg. 8115, effective July 1, 1982; amended at 6 Ill. Reg. 8142, effective July 1, 1982; amended at 6 Ill. Reg. 8159, effective July 1, 1982; amended at 6 Ill. Reg.

DEPARTMENT OF HUMAN SERVICES

NOTICE OF EMERGENCY AMENDMENTS

10970, effective August 26, 1982; amended at 6 Ill. Reg. 11921, effective September 21, 1982; amended at 6 Ill. Reg. 12293, effective October 1, 1982; amended at 6 Ill. Reg. 12318, effective October 1, 1982; amended at 6 Ill. Reg. 13754, effective November 1, 1982; rules repealed, new rules adopted and codified at 7 Ill. Reg. 907, effective January 11, 1983; rules repealed and new rules adopted and codified at 7 Ill. Reg. 2720, effective February 28, 1983; amended (by adding Sections being codified with no substantive change) at 7 Ill. Reg. 5195; amended at 7 Ill. Reg. 11284, effective August 26, 1983; amended at 7 Ill. Reg. 13920, effective October 7, 1983; amended at 7 Ill. Reg. 15690, effective November 9, 1983; amended (by adding Sections being codified with no substantive change) at 7 Ill. Reg. 16105; amended at 7 Ill. Reg. 17344, effective December 21, 1983; amended at 8 Ill. Reg. 213, effective December 27, 1983; emergency amendment at 8 Ill. Reg. 569, effective January 1, 1984, for a maximum of 150 days; amended at 8 Ill. Reg. 4176, effective March 19, 1984; amended at 8 Ill. Reg. 5207, effective April 9, 1984; amended at 8 Ill. Reg. 7226, effective May 16, 1984; amended at 8 Ill. Reg. 11391, effective June 27, 1984; amended at 8 Ill. Reg. 12333, effective June 29, 1984; amended (by adding Sections being codified with no substantive change) at 8 Ill. Reg. 17894; peremptory amendment at 8 Ill. Reg. 18127, effective October 1, 1984; peremptory amendment at 8 Ill. Reg. 19889, effective October 1, 1984; amended at 8 Ill. Reg. 19983, effective October 3, 1984; emergency amendment at 8 Ill. Reg. 21666, effective October 19, 1984, for a maximum of 150 days; amended at 8 Ill. Reg. 21621, effective October 23, 1984; amended at 8 Ill. Reg. 25023, effective December 19, 1984; amended at 9 Ill. Reg. 282, effective January 1, 1985; amended at 9 Ill. Reg. 4062, effective March 15, 1985; amended at 9 Ill. Reg. 8155, effective May 17, 1985; emergency amendment at 9 Ill. Reg. 10094, effective June 19, 1985, for a maximum of 150 days; amended at 9 Ill. Reg. 11317, effective July 5, 1985; amended at 9 Ill. Reg. 12795, effective August 9, 1985; amended at 9 Ill. Reg. 15887, effective October 4, 1985; amended at 9 Ill. Reg. 16277, effective October 11, 1985; amended at 9 Ill. Reg. 17827, effective November 18, 1985; emergency amendment at 10 Ill. Reg. 354, effective January 1, 1986, for a maximum of 150 days; amended at 10 Ill. Reg. 1172, effective January 10, 1986; amended at 10 Ill. Reg. 3641, effective January 30, 1986; amended at 10 Ill. Reg. 4885, effective March 7, 1986; amended at 10 Ill. Reg. 8118, effective May 1, 1986; amended at 10 Ill. Reg. 10628, effective June 1, 1986; amended at 10 Ill. Reg. 11017, effective June 6, 1986; Sections 112.78 through 112.86 and 112.88 recodified to 89 Ill. Adm. Code 160 at 10 Ill. Reg. 11928; emergency amendment at 10 Ill. Reg. 12107, effective July 1, 1986, for a maximum of 150 days; amended at 10 Ill. Reg. 12650, effective July 14, 1986; amended at 10 Ill. Reg. 14681, effective August 29, 1986; amended at 10 Ill. Reg. 15101, effective September 5, 1986; amended at 10 Ill. Reg. 15621, effective September 19, 1986; amended at 10 Ill. Reg. 21860, effective December 12, 1986; amended at 11 Ill. Reg. 2280, effective January 16, 1987; amended at 11 Ill. Reg. 3140, effective January 30, 1987; amended at 11 Ill. Reg. 4682, effective March 6, 1987; amended at 11 Ill. Reg. 5223, effective March 11, 1987; amended at 11 Ill. Reg. 6228, effective March 20, 1987; amended at 11 Ill. Reg. 9927, effective May 15, 1987; amended at 11 Ill. Reg. 12003, effective

DEPARTMENT OF HUMAN SERVICES

NOTICE OF EMERGENCY AMENDMENTS

November 1, 1987; emergency amendment at 11 Ill. Reg. 12432, effective July 10, 1987, for a maximum of 150 days; amended at 11 Ill. Reg. 12908, effective July 30, 1987; emergency amendment at 11 Ill. Reg. 12935, effective August 1, 1987, for a maximum of 150 days; amended at 11 Ill. Reg. 13625, effective August 1, 1987; amended at 11 Ill. Reg. 14755, effective August 26, 1987; amended at 11 Ill. Reg. 18679, effective November 1, 1987; emergency amendment at 11 Ill. Reg. 18781, effective November 1, 1987, for a maximum of 150 days; amended at 11 Ill. Reg. 20114, effective December 4, 1987; Sections 112.90 and 112.95 recodified to Sections 112.52 and 112.54 at 11 Ill. Reg. 20610; amended at 11 Ill. Reg. 20889, effective December 14, 1987; amended at 12 Ill. Reg. 844, effective January 1, 1988; emergency amendment at 12 Ill. Reg. 1929, effective January 1, 1988, for a maximum of 150 days; amended at 12 Ill. Reg. 2126, effective January 12, 1988; SUBPARTS C, D and E recodified to SUBPARTS G, H and I at 12 Ill. Reg. 2136; amended at 12 Ill. Reg. 3487, effective January 22, 1988; amended at 12 Ill. Reg. 6159, effective March 18, 1988; amended at 12 Ill. Reg. 6694, effective March 22, 1988; amended at 12 Ill. Reg. 7336, effective May 1, 1988; amended at 12 Ill. Reg. 7673, effective April 20, 1988; amended at 12 Ill. Reg. 9032, effective May 20, 1988; amended at 12 Ill. Reg. 10481, effective June 13, 1988; amended at 12 Ill. Reg. 14172, effective August 30, 1988; amended at 12 Ill. Reg. 14669, effective September 16, 1988; amended at 13 Ill. Reg. 70, effective January 1, 1989; amended at 13 Ill. Reg. 6017, effective April 14, 1989; amended at 13 Ill. Reg. 8567, effective May 22, 1989; amended at 13 Ill. Reg. 16006, effective October 6, 1989; emergency amendment at 13 Ill. Reg. 16142, effective October 2, 1989, for a maximum of 150 days; emergency expired March 1, 1990; amended at 14 Ill. Reg. 705, effective January 1, 1990; amended at 14 Ill. Reg. 3170, effective February 13, 1990; amended at 14 Ill. Reg. 3575, effective February 23, 1990; amended at 14 Ill. Reg. 6306, effective April 16, 1990; amended at 14 Ill. Reg. 10379, effective June 20, 1990; amended at 14 Ill. Reg. 13652, effective August 10, 1990; amended at 14 Ill. Reg. 14140, effective August 17, 1990; amended at 14 Ill. Reg. 16937, effective September 30, 1990; emergency amendment at 15 Ill. Reg. 338, effective January 1, 1991, for a maximum of 150 days; emergency amendment at 15 Ill. Reg. 2862, effective February 4, 1991, for a maximum of 150 days; emergency expired July 4, 1991; amended at 15 Ill. Reg. 5275, effective April 1, 1991; amended at 15 Ill. Reg. 5684, effective April 10, 1991; amended at 15 Ill. Reg. 11127, effective July 19, 1991; amended at 15 Ill. Reg. 11447, effective July 25, 1991; amended at 15 Ill. Reg. 14227, effective September 30, 1991; amended at 15 Ill. Reg. 17308, effective November 18, 1991; amended at 16 Ill. Reg. 9972, effective June 15, 1992; amended at 16 Ill. Reg. 11550, effective July 15, 1992; emergency amendment at 16 Ill. Reg. 11652, effective July 1, 1992, for a maximum of 150 days; emergency amendment at 16 Ill. Reg. 13629, effective September 1, 1992, for a maximum of 150 days; amended at 16 Ill. Reg. 17724, effective November 9, 1992; amended at 16 Ill. Reg. 20147, effective December 14, 1992; amended at 17 Ill. Reg. 357, effective December 24, 1992; amended at 17 Ill. Reg. 813, effective January 15, 1993; amended at 17 Ill. Reg. 2253, effective February 15, 1993; amended at 17 Ill. Reg. 4312, effective March 25, 1993; emergency

DEPARTMENT OF HUMAN SERVICES

NOTICE OF EMERGENCY AMENDMENTS

amendment at 17 Ill. Reg. 6325, effective April 9, 1993, for a maximum of 150 days; amended at 17 Ill. Reg. 6792, effective April 21, 1993; amended at 17 Ill. Reg. 15017, effective September 3, 1993; amended at 17 Ill. Reg. 19156, effective October 25, 1993; emergency amendment at 17 Ill. Reg. 19696, effective November 1, 1993, for a maximum of 150 days; amended at 18 Ill. Reg. 5909, effective March 31, 1994; amended at 18 Ill. Reg. 6994, effective April 27, 1994; amended at 18 Ill. Reg. 8703, effective June 1, 1994; amended at 18 Ill. Reg. 10774, effective June 27, 1994; amended at 18 Ill. Reg. 12805, effective August 5, 1994; amended at 18 Ill. Reg. 15774, effective October 17, 1994; expedited correction at 19 Ill. Reg. 998, effective October 17, 1994; amended at 19 Ill. Reg. 2845, effective February 24, 1995; amended at 19 Ill. Reg. 5609, effective March 31, 1995; amended at 19 Ill. Reg. 7883, effective June 5, 1995; emergency amendment at 19 Ill. Reg. 10206, effective July 1, 1995, for a maximum of 150 days; emergency amendment at 19 Ill. Reg. 12011, effective August 7, 1995, for a maximum of 150 days; amended at 19 Ill. Reg. 12664, effective September 1, 1995; emergency amendment at 19 Ill. Reg. 15244, effective November 1, 1995, for a maximum of 150 days; amended at 19 Ill. Reg. 15661, effective November 3, 1995; emergency amendment at 19 Ill. Reg. 15839, effective November 15, 1995, for a maximum of 150 days; emergency amendment at 19 Ill. Reg. 16295, effective December 1, 1995, for a maximum of 150 days; amended at 20 Ill. Reg. 845, effective January 1, 1996; amended at 20 Ill. Reg. 3538, effective February 15, 1996; amended at 20 Ill. Reg. 5648, effective March 30, 1996; amended at 20 Ill. Reg. 6018, effective April 12, 1996; amended at 20 Ill. Reg. 6498, effective April 29, 1996; amended at 20 Ill. Reg. 7892, effective June 1, 1996; emergency amendment at 20 Ill. Reg. 12499, effective September 1, 1996, for a maximum of 150 days; amended at 20 Ill. Reg. 14820, effective November 1, 1996; amendment at 20 Ill. Reg. 15983, effective December 9, 1996; emergency amendment at 21 Ill. Reg. 662, effective January 1, 1997, for a maximum of 150 days; amended at 21 Ill. Reg. 940, effective January 7, 1997; amended at 21 Ill. Reg. 1366, effective January 15, 1997; amended at 21 Ill. Reg. 2655, effective February 7, 1997; amended at 21 Ill. Reg. 7391, effective May 31, 1997; emergency amendment at 21 Ill. Reg. 8426, effective July 1, 1997, for a maximum of 150 days; recodified from the Department of Public Aid to the Department of Human Services at 21 Ill. Reg. 9322; amended at 21 Ill. Reg. 15597, effective November 26, 1997; emergency amendment at 22 Ill. Reg. 4466, effective February 24, 1998, for a maximum of 150 days; emergency amendment at 22 Ill. Reg. 12197, effective July 1, 1998, for a maximum of 150 days; amended at 22 Ill. Reg. 14420, effective July 24, 1998; amended at 22 Ill. Reg. 14744, effective August 1, 1998; amended at 22 Ill. Reg. 16256, effective September 1, 1998; emergency amendment at 22 Ill. Reg. 16365, effective September 1, 1998, for a maximum of 150 days; emergency amendment at 22 Ill. Reg. 18082, effective October 1, 1998, for a maximum of 150 days; amended at 22 Ill. Reg. 19840, effective November 1, 1998; emergency amendment at 23 Ill. Reg. 598, effective January 1, 1999, for a maximum of 150 days; amended at 23 Ill. Reg. 942, effective January 6, 1999; emergency amendment at 23 Ill. Reg. 1133, effective January 7, 1999, for a maximum of 150 days; amended at 23 Ill. Reg. 1682, effective January 20, 1999;

DEPARTMENT OF HUMAN SERVICES

NOTICE OF EMERGENCY AMENDMENTS

emergency amendment at 23 Ill. Reg. 5881, effective May 1, 1999, for a maximum of 150 days; amended at 23 Ill. Reg. 6958, effective May 30, 1999; amended at 23 Ill. Reg. 7091, effective June 4, 1999; amended at 23 Ill. Reg. 7896, effective July 1, 1999; emergency amendment at 23 Ill. Reg. 8672, effective July 13, 1999, for a maximum of 150 days; emergency amendment at 23 Ill. Reg. 10530, effective August 1, 1999, for a maximum of 150 days; amended at 23 Ill. Reg. 12648, effective September 27, 1999; amended at 23 Ill. Reg. 13898, effective November 19, 1999; amended at 24 Ill. Reg. 289, effective December 28, 1999; amended at 24 Ill. Reg. 2348, effective February 1, 2000; amended at 25 Ill. Reg. 10336, effective August 3, 2001; emergency amendment at 25 Ill. Reg. 11584, effective September 1, 2001, for a maximum of 150 days; amended at 25 Ill. Reg. 14865, effective November 1, 2001; amended at 26 Ill. Reg. 138, effective January 1, 2002; amended at 26 Ill. Reg. 924, effective January 15, 2002; emergency amendment at 26 Ill. Reg. 3329, effective February 19, 2002, for a maximum of 150 days; amended at 26 Ill. Reg. 9803, effective June 24, 2002; amended at 26 Ill. Reg. 10492, effective July 1, 2002; emergency amendment at 26 Ill. Reg. 10994, effective July 1, 2002, for a maximum of 150 days; amended at 26 Ill. Reg. 17182, effective November 15, 2002; amended at 27 Ill. Reg. 4545, effective February 28, 2003; amended at 27 Ill. Reg. 7240, effective April 7, 2003; amended at 27 Ill. Reg. 18417, effective November 20, 2003; amended at 28 Ill. Reg. 1090, effective December 31, 2003; amended at 28 Ill. Reg. 5655, effective March 22, 2004; amended at 29 Ill. Reg. 5473, effective April 1, 2005; amended at 29 Ill. Reg. 8161, effective May 18, 2005; emergency amendment at 29 Ill. Reg. 16008, effective October 4, 2005, for a maximum of 150 days; emergency expired March 2, 2006; amended at 30 Ill. Reg. 9331, effective May 8, 2006; amended at 30 Ill. Reg. 11202, effective June 12, 2006; amended at 31 Ill. Reg. 6968, effective April 30, 2007; amended at 31 Ill. Reg. 10462, effective July 6, 2007; amended at 31 Ill. Reg. 15080, effective October 24, 2007; amended at 32 Ill. Reg. 2767, effective February 7, 2008; emergency amendment at 32 Ill. Reg. 10607, effective July 1, 2008, for a maximum of 150 days; emergency expired November 27, 2008; amended at 32 Ill. Reg. 17167, effective October 20, 2008; preemptory amendment at 32 Ill. Reg. 18051, effective November 15, 2008; emergency amendment at 33 Ill. Reg. 4977, effective March 19, 2009, for a maximum of 150 days; emergency expired August 15, 2009; emergency amendment at 33 Ill. Reg. 7320, effective May 21, 2009, for a maximum of 150 days; emergency expired October 17, 2009; amended at 33 Ill. Reg. 12763, effective September 8, 2009; amended at 33 Ill. Reg. 13831, effective September 17, 2009; amended at 33 Ill. Reg. 16828, effective November 30, 2009; emergency amendment at 34 Ill. Reg. 6930, effective May 1, 2010, for a maximum of 150 days; emergency expired September 27, 2010; amended at 34 Ill. Reg. 10085, effective July 1, 2010; amended at 35 Ill. Reg. 998, effective December 28, 2010; emergency amendment at 35 Ill. Reg. 6933, effective April 6, 2011, for a maximum of 150 days; emergency expired September 2, 2011; amended at 35 Ill. Reg. 17082, effective October 5, 2011; amended at 35 Ill. Reg. 18739, effective October 28, 2011; amended at 36 Ill. Reg. 15120, effective September 28,

DEPARTMENT OF HUMAN SERVICES

NOTICE OF EMERGENCY AMENDMENTS

2012; emergency amendment at 37 Ill. Reg. 15388, effective September 9, 2013, for a maximum of 150 days.

SUBPART B: NON-FINANCIAL FACTORS OF ELIGIBILITY

Section 112.9 Client Cooperation**EMERGENCY**

- a) As a condition of eligibility, clients must cooperate:
 - 1) in the determination of eligibility;
 - 2) with Department programs conducted for the purposes of acquisition or verification of information upon which eligibility may depend;
 - 3) in applying for all financial benefits for which they may qualify and to avail themselves of such benefits at the earliest possible date;
 - 4) by designing a Responsibility and Services Plan (RSP) appropriate for his or her situation, signing the RSP and following through on the activities agreed to in the RSP. Such activities may not begin until at least 30 days after the date of application. An applicant who refuses to cooperate in designing or signing an RSP is not eligible for TANF cash assistance. An applicant who refuses to follow through or fails, without good cause, to follow through with the activities agreed upon in the RSP is also ineligible for TANF cash assistance.
- b) TANF applicants who quit working without good cause during the application process are not eligible for cash assistance.
- c) Clients are required to avail themselves of all potential income sourcesresources.
- d) When eligibility cannot be conclusively determined because the individual is unwilling or fails to provide essential information or to consent to verification, the client is ineligible.
- e) At screening, applicants shall be informed, in writing, of any information they are to provide at the eligibility interview.

DEPARTMENT OF HUMAN SERVICES

NOTICE OF EMERGENCY AMENDMENTS

- f) At the eligibility interview or at any time during the application process, when the applicant is requested to provide information in his or her possession, the Department will allow a reasonable period for the return of the requested information. The first day of the period is the calendar day following the date the information request form is sent or given to the applicant. The last day of the period shall be a work day and is to be indicated on the information request form. If the applicant does not provide the information by the date on the information request form, the application shall be denied on the following work day.
- g) At the eligibility interview or at any time during the application process, when the applicant is requested to provide third party information, the Department shall allow a reasonable period for the return of the requested information or for verification that the third party information has been requested. The first day of the period is the calendar day following the date the information request form is sent or given to the applicant. The last day of the period shall be a work day and is to be indicated on the information request form. It is to be indicated on the information request form that the applicant shall provide written verification of the request for the third party information. If the applicant does not provide the information or the verification that the information was requested by the date on the information request form, the application shall be denied on the following work day.
- 1) Third party information is defined as information which must be provided by someone other than the applicant. An authorized representative or person applying on another's behalf is not a third party but is treated as if he were the applicant.
 - 2) The Department shall advise clients of the need to provide written verification of third party information requests and the consequences of failing to provide such verification.
 - 3) If the applicant requests an extension, either verbally or in writing, in order to obtain third party information and provides written verification of the request for the third party information such as a copy of the request that was sent to the third party, an extension of 90 days from the date of application shall be granted. The first day of the 90-day period is the calendar day following the date of application. The 90th day must be a work day.

DEPARTMENT OF HUMAN SERVICES

NOTICE OF EMERGENCY AMENDMENTS

- 4) If an applicant's attempt to obtain third party information is unsuccessful, upon the applicant's request the Department will assist in securing evidence to support the client's eligibility for assistance.

(Source: Amended by emergency rulemaking at 37 Ill. Reg. 15388, effective September 9, 2013, for a maximum of 150 days.

Section 112.65 Responsibility and Services Plan**EMERGENCY**

- a) The Department shall advise every applicant and recipient of:
 - 1) the requirement that all recipients move toward self-sufficiency; and
 - 2) the value and benefits of employment.
- b) Clients who are adults or minor parents must prepare, sign and submit a personal Responsibility and Services Plan. Active recipients who are adults or minor parents who have previously prepared, signed and submitted a personal Responsibility and Services Plan must comply with the plan. Department staff shall assist each client in completing the plan.
- c) The Responsibility and Services Plan includes the following:
 - 1) job history;
 - 2) job preferences;
 - 3) job search plans;
 - 4) child immunization;
 - 5) school attendance;
 - 6) family well-being, including domestic or sexual violence, substance abuse, homelessness and mental and physical health issues;
 - 7) family information;

DEPARTMENT OF HUMAN SERVICES

NOTICE OF EMERGENCY AMENDMENTS

- 8) ~~income and assets~~;
 - 9) child support;
 - 10) education/training;
 - 11) child care;
 - 12) transportation;
 - 13) legal; and
 - 14) referral.
- d) This Section does not apply to Representative Payees.
- e) A parent who refuses to complete the Responsibility and Services Plan, when appropriate for his or her family, renders the entire assistance unit ineligible. Supervisory approval is required to confirm refusal.
- f) A client who fails to follow up in taking the necessary steps that will lead to self-sufficiency, as decided upon in the Responsibility and Services Plan, is subject to sanction (see Section 112.79). Failure to comply with provisions relating to domestic or sexual violence will not result in sanction.

(Source: Amended by emergency rulemaking at 37 Ill. Reg. 15388, effective September 9, 2013, for a maximum of 150 days)

Section 112.69 Felons and Violators of Parole or Probation**EMERGENCY**

- a) Persons convicted, for acts that occur after August 21, 1996, of a Class X or Class 1 felony involving the possession, use or distribution of a controlled substance under Illinois or comparable federal law will not receive payment.
- b) Persons convicted, for acts that occur after August 21, 1996, of any drug-related felony not listed in subsection (a) of this Section under Illinois or federal law are ineligible for two years following the date of the conviction, unless they are in drug treatment or aftercare as defined in the Illinois Alcoholism and Other Drug

DEPARTMENT OF HUMAN SERVICES

NOTICE OF EMERGENCY AMENDMENTS

Abuse and Dependency Act [20 ILCS 301/1-10] or have successfully participated in and completed drug treatment and/or aftercare subsequent to their conviction.

- c) Persons convicted in state or federal court of misrepresenting an address to receive assistance from programs funded by a federal TANF grant, Title XIX, the Food Stamp Act of 1977, or the Supplemental Security Income program in two or more states is ineligible to participate in the Illinois TANF program for a ten-year period beginning with the date of the conviction.
- d) Probation and parole violators are not eligible.
- e) Fugitive felons are not eligible.
- f) Family members of the persons ineligible under subsections (a) through (e) of this Section may be eligible, unless the ineligible person is the only child in the family. In considering eligibility and the amount of assistance for such family members, the income ~~and resources~~ of the ineligible person ~~is~~are considered available to them.

(Source: Amended by emergency rulemaking at 37 Ill. Reg. 15388, effective September 9, 2013, for a maximum of 150 days)

SUBPART G: FINANCIAL FACTORS OF ELIGIBILITY

Section 112.127 Lump-Sum Payments**EMERGENCY**

- a) Income received either in the form of a one-time only payment that does not continue on a regular basis or in the form of a retroactive payment for income that continues on a regular basis is considered non-recurring lump-sum income (a lump-sum payment). Examples of non-recurring lump-sum income are retroactive social security payments, retroactive unemployment insurance benefits, personal injury settlements, workers compensation injury settlements, lottery winnings, inheritances and insurance settlements.
- b) Any portion of the lump-sum payment used to pay for expenses incurred as a result of the lump-sum payment shall be exempt from consideration as non-recurring lump-sum income as follows:

DEPARTMENT OF HUMAN SERVICES

NOTICE OF EMERGENCY AMENDMENTS

- 1) Personal Injury Settlement – That portion of a personal injury payment is exempt which is used to pay for:
 - A) necessary costs of litigation or settlement, including attorney's fees;
 - B) the Department's charge (see 89 Ill. Adm. Code Section 102.260);
 - C) medical costs resulting from the injury and paid by the client;
 - D) expenses to repair or replace personal property which was damaged as a result of the injury.

- 2) Workers' Compensation Payment – That portion of a Workers' Compensation payment is exempt which is used to pay for:
 - A) necessary costs of litigation or settlement, including attorney's fees;
 - B) medical costs resulting from the injury and paid by the client.

- 3) Insurance Payments
 - A) Insurance Payments – That portion of an insurance payment received due to loss is exempt when used to:
 - i) Repair or replace a lost or damaged resource including but not limited to repair or replacement of home, furniture, or clothing lost or damaged in a fire or flood and repair or replacement of a car as a result of an accident or fire;
 - ii) Pay the funeral, burial or medical expenses of an insured where the client is the beneficiary of the insured's life insurance policy.

 - B) Any insurance proceeds not spent or contracted to be spent as specified in subsection (b)(3)(A) of this Section within 60 days after receipt shall be budgeted ([see 112.105\(a\)](#)) as non-recurring lump-sum income. A payment receipt shall be required as

DEPARTMENT OF HUMAN SERVICES

NOTICE OF EMERGENCY AMENDMENTS

verification of any insurance-related expenses claimed as exempt under subsection (b)(3)(A) of this Section.

- c) Lump-sum payments are considered nonexempt unearned income for the month of receipt. Any amount remaining is not considered ~~an asset~~ for the following month.

(Source: Amended by emergency rulemaking at 37 Ill. Reg. 15388, effective September 9, 2013, for a maximum of 150 days)

Section 112.150 Assets**EMERGENCY**

a) The value of ~~nonexempt~~ assets shall not be considered in determining eligibility for an assistance payment.

- b) ~~The entire equity value of a jointly held liquid asset or the client's proportional share of a jointly held non-liquid asset shall be considered in determining eligibility for an assistance payment, unless:~~
- 1) ~~the asset is a joint income tax refund;~~
 - 2) ~~the client can document the amount of his or her legal interest in the asset, and that such amount is less than the entire value of the asset, the documented amount shall be considered. Appropriate documentation, may include, but is not limited to, bank documents, trust documents, signature cards, divorce papers, or court orders;~~
 - 3) ~~the asset is held jointly with a client or clients of any Department assistance program other than food stamps;~~
 - 4) ~~the client documents that he or she does not have access to the asset. Appropriate documentation may include but is not limited to, bank documents, trust documents, signature cards, divorce papers, or court orders;~~
 - 5) ~~the client documents that the asset or a portion of the asset is not owned by the client and the client's accessibility to the asset is changed (see subsections (b)(2) and (4) of this Section for examples of documentation);~~

DEPARTMENT OF HUMAN SERVICES

NOTICE OF EMERGENCY AMENDMENTS

- ~~6) the co-owner refuses to make the asset available; or~~
- ~~7) the co-owner has engaged in violent activity against a family member in the past.~~
- e) ~~A federal income tax refund received after December 31, 2009 and before January 1, 2013 is considered an exempt asset. All income tax refunds received on or after January 1, 2013 shall be considered available assets and are to be considered against the appropriate non-exempt asset limitation of the assistance unit. One-half of joint tax refunds shall be considered available for each payee. A client who declares that less than one-half of the joint income tax was received may claim an exception. Only the amount claimed to be received shall be considered.~~
- d) ~~An applicant or recipient can appeal the Department's decision relating to consideration of assets in accordance with 89 Ill. Adm. Code 14.~~
- e) ~~Pension plans are exempt from consideration as an asset, including accounts owned solely by an individual, such as an Individual Retirement Account (IRA), 401 K or Keogh Plan.~~

(Source: Amended by emergency rulemaking at 37 Ill. Reg. 15388, effective September 9, 2013, for a maximum of 150 days)

Section 112.151 Exempt Assets (Repealed)
EMERGENCY

- a) ~~The following assets are exempt from consideration in determining eligibility for assistance and the amount of the assistance payment:~~
 - ~~1) A home that is the usual residence of the assistance unit.~~
 - ~~2) Clothing, personal effects and household furnishings.~~
 - ~~3) One automobile per assistance unit.~~
 - ~~4) The value of the coupon allotment under the Food Stamp Act of 1977 (7 USC 2011 et seq.).~~

DEPARTMENT OF HUMAN SERVICES

NOTICE OF EMERGENCY AMENDMENTS

- 5) ~~The value of the U.S. Department of Agriculture donated foods (surplus commodities).~~
- 6) ~~The value of supplemental food assistance received under the Child Nutrition Act of 1966 (42 USC 1771 et seq.) and the special food service program for children under the National School Lunch Act (42 USC 1751 et seq.).~~
- 7) ~~The principal and interest of a trust fund which the court refuses to release and one-time only payments released for a specific purpose other than income maintenance needs of the child.~~
- 8) ~~Burial spaces and additions or improvements to a burial space.~~
- 9) ~~Prepaid Funeral Agreements worth \$1500 or less per person.~~
- 10) ~~Donations or benefits from fund raisers held for a seriously ill client provided the client or a responsible relative of the client does not have control (that is, not available to the client or the responsible relative) over the donations or benefits or the disbursement of the donations or benefits.~~
- 11) ~~A nonrecurring lump-sum SSI payment and a nonrecurring lump-sum SSA payment based on the individual's disability and made to that individual in a TANF assistance unit is exempt as an asset for the month of receipt and the following month. For the third month, any remainder must be counted as a nonexempt asset.~~
- 12) ~~The value of any savings in which the money is accumulated from the earning of a child. The interest is also exempt as well as gifts to the child not exceeding \$50 per quarter.~~
- 13) ~~The value of micro-equipment and inventory needed for a functioning self-employment enterprise or being held in accordance with a Responsibility and Services Plan for the establishment of a self-employment enterprise.~~
- 14) ~~Funds held in Individual Development Accounts meeting the requirements of Section 404(h) of the Social Security Act or in a program approved by the Department.~~

DEPARTMENT OF HUMAN SERVICES

NOTICE OF EMERGENCY AMENDMENTS

- 15) ~~A federal income tax refund received after December 31, 2009 and before January 1, 2013.~~
- b) ~~In addition to the above, the following assets are exempt. The assets listed in this subsection (b) remain exempt only as long as they can be separately identified if they are added to an existing account. If the amount of combined assets at any time, from the time of the receipt of the exempt asset or assets until the date of the eligibility determination or redetermination, fall below the amount of the exempted assets, only the lowest balance remains exempt.~~
 - 1) ~~The assets of a stepparent for purposes of determining the stepchild's eligibility.~~
 - 2) ~~Any benefits received under Title VII, Nutrition Program for the Elderly of the Older Americans Act of 1965 (42 USC 3045 et seq.), as amended.~~
 - 3) ~~Any payment received under Title II of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC 4601 et seq.).~~
 - 4) ~~Any payments distributed per capita or held in trust for members of any Indian Tribe under P.L. 92-254, P.L. 93-134 or P.L. 94-540.~~
 - 5) ~~Tax exempt portions of payments made pursuant to the Alaska Native Claims Settlement Act (43 USC 1601 et seq.).~~
 - 6) ~~Federally subsidized housing payments under Section 8 of the Housing and Community Development Act of 1974 (42 USC 1437f) of the U.S. Housing Act of 1937.~~
 - 7) ~~Effective October 17, 1975, receipts distributed to certain Indian Tribunal members of marginal land held by the United States government.~~
 - 8) ~~Payments for supporting services or reimbursement for out-of-pocket expenses made to volunteers serving as senior health aides, senior companions, foster grandparents, and persons serving in the Service Corps of Retired Executives (SCORE) and Active Corps of Executives (ACE) and any other programs under Titles II and III, pursuant to Section 418 of~~

DEPARTMENT OF HUMAN SERVICES

NOTICE OF EMERGENCY AMENDMENTS

~~P.L. 93-113.~~

- ~~9) Any grant or loan to an undergraduate student for educational purposes made or insured under any programs administered by the Commissioner of Education.~~
- ~~10) For those individuals who have approved self-employment plans under Section 112.78, business assets must be separate from personal assets. Business assets are those assets that are directly related to producing goods and services that have been purchased after the business begins or as part of an approved self-employment plan (see Section 112.78). Business assets are considered exempt unless it is determined that the equity value (the value for which the asset can be sold less any amount owned on the asset) exceeds \$1,000. If the assets are determined to exceed \$1,000 but are less than \$5,000, the case will be reviewed in the DHS central office to ensure that the assets in excess of \$1,000 are appropriate as business assets. A determination of business assets will be completed two years after the plan is approved.~~
- ~~11) Any payments received under Title I of P.L. 100-383 of the Civil Liberties Act of 1988 (50 USC 1989b through 1989b-8).~~
- ~~12) Any payment received under Title II of P.L. 100-383 of the Aleutian and Pribilof Islands Restitution Act (50 USC 1989c through 1989c-8).~~
- ~~13) Payments made to veterans who receive an annual disability payment or to the survivors of deceased veterans who receive a one-time lump-sum payment from the Agent Orange Settlement Fund or any other fund referencing Agent Orange product liability under P.L. 101-201.~~
- ~~14) Payments made by the Illinois Department of Mental Health and Developmental Disabilities under the Family Assistance Program for Mentally Disabled Children under P.A. 86-921.~~
- ~~15) Assets accumulated from income earned through employment under the federal "Health Start" Project.~~
- ~~16) Disaster relief payments provided by federal, State or local government or a disaster assistance organization.~~

DEPARTMENT OF HUMAN SERVICES

NOTICE OF EMERGENCY AMENDMENTS

- 17) ~~Earmarked child support payments received by a client for the support of a child not included in the assistance unit.~~
- 18) ~~Payments received under the federal Radiation Exposure Compensation Act (42 USC 2210 nt).~~
- 19) ~~Payments made to individuals because of their status as victims of Nazi persecution pursuant to P.L. 103-286.~~

(Source: Repealed by emergency rulemaking at 37 Ill. Reg. 15388, effective September 9, 2013, for a maximum of 150 days)

Section 112.152 Asset Disregards (Repealed)
EMERGENCY

~~In addition to the exempt assets listed in Section 112.151, the Department disregards up to \$2000 of equity value of other resources for a one-person family and up to \$3000 of equity value of other resources for a two-person family. The asset disregard increases \$50 for each additional person (for example, \$3050 for a three-person family and \$3100 for a four-person family).~~

(Source: Repealed by emergency rulemaking at 37 Ill. Reg. 15388, effective September 9, 2013, for a maximum of 150 days)

Section 112.153 Deferral of Consideration of Assets (Repealed)
EMERGENCY

~~Non-exempt real property is to be deferred for six consecutive months provided the family makes a good faith effort to sell the property and agrees to use the proceeds to repay the amount of assistance received during such period that would not have been paid had the property been sold at the beginning of the period.~~

(Source: Repealed by emergency rulemaking at 37 Ill. Reg. 15388, effective September 9, 2013, for a maximum of 150 days)

SUBPART I: OTHER PROVISIONS

Section 112.305 Strikers
EMERGENCY

DEPARTMENT OF HUMAN SERVICES

NOTICE OF EMERGENCY AMENDMENTS

- a) Definition
- 1) A striker is anyone directly involved in:
 - A) a strike;
 - B) a work stoppage planned by employees, including a work stoppage because a contract expired;
 - C) a slowdown planned by employees;
 - D) other interruption of operations planned by employees.
 - 2) A person who is a sympathy striker is considered to be a striker.
 - 3) An individual who has been or is on strike at any time during a fiscal month is considered a striker for the fiscal month.
- b) An employee affected by a lockout is not a striker.
- c) A family with a parent on strike, or a caretaker relative on strike who is not a parent, or a child on strike shall be ineligible unless the family was receiving TANF or was eligible to receive TANF on the day before the strike began.
- d) Eligibility and level of benefits for a striker's family are determined using the family's income ~~and assets~~ as ~~it was they were~~ on the day before the strike began. If eligible on the day before the strike, eligibility and level of benefits are determined by using the greater of the striker's pre-strike income or current income plus the non-striking household member's current income.

(Source: Amended by emergency rulemaking at 37 Ill. Reg. 15388, effective September 9, 2013, for a maximum of 150 days)

Section 112.307 Responsibility of Sponsors of Non-Citizens Entering the Country Prior to 8/22/96

EMERGENCY

- a) This Section 112.307, except as specified in subsection (b), applies to all non-

DEPARTMENT OF HUMAN SERVICES

NOTICE OF EMERGENCY AMENDMENTS

citizens who entered the country prior to August 22, 1996, or who entered the country on or after that date, but whose sponsor did not sign an Affidavit of Support under Section 213A of the Immigration and Nationality Act (INA).

- b) This Section applies to all non-citizens except the following:
- 1) persons paroled under Section 212(d)(5) of the INA for at least one year and who entered the United States before August 22, 1996;
 - 2) persons granted asylum by the U.S. Attorney General under Section 208 of the INA;
 - 3) persons admitted as Cuban or Haitian Entrants;
 - 4) persons admitted by application before April 1, 1980 under Section 203(a)(7) of the INA;
 - 5) persons admitted as refugees by application after March 31, 1980 under Section 207(c) of the INA; and
 - 6) persons whose deportation is being withheld under Section 243(h) of the INA.
- c) Certain amounts of the income ~~and assets~~ of a sponsor of a non-citizen and the sponsor's spouse, if they live together, are deemed to be available unearned income of the individual non-citizen applying for or receiving assistance if:
- 1) the sponsor signed an affidavit of support or a similar agreement assuring the non-citizen will not become a public charge;
 - 2) the sponsor is not a recipient of TANF or SSI;
 - 3) the non-citizen has been a resident of the U.S. for less than three years;
 - 4) the non-citizen is not a child or spouse of the sponsor.
- d) A sponsor is an individual, private organization or agency or public organization or agency.

DEPARTMENT OF HUMAN SERVICES

NOTICE OF EMERGENCY AMENDMENTS

- e) The spouse's income ~~and assets~~ will be counted even if the sponsor and spouse married after the agreement was signed.
- f) The sponsor, if found able to support the non-citizen, wholly or partially, is liable for the needs of the individual only. The sponsor is not responsible for the needs of the spouse or child or children of the non-citizen if he or she did not sponsor them.
- g) If two or more non-citizens applying for assistance are sponsored by the same sponsor, the income of the sponsor deemed available is divided equally among the non-citizens.
- h) The sponsor's income ~~and assets~~ available to meet the needs of the non-citizen are determined in the following manner:
 - 1) Determination of Available Income
 - A) Disregard 20 percent, not to exceed \$175, of the earned income of the sponsor or of the sponsor and sponsor's spouse, if they live together. This includes net earnings from self-employment, allowing business expenses incurred in the production of self-employment income.
 - B) Add the unearned income of the sponsor and spouse, if they live together.
 - C) Deduct 3 times the TANF payment level for the size of the sponsor's family unit. This includes the sponsor and other individuals living with the sponsor who are claimed as federal tax dependents.
 - D) Deduct any amount paid to individuals outside the home whom the sponsor claims as federal tax dependents.
 - E) Subtract any alimony or child support paid to individuals not living with the sponsor.
 - 2) Income remaining is applied to the needs of the immigrant.

DEPARTMENT OF HUMAN SERVICES

NOTICE OF EMERGENCY AMENDMENTS

~~3) Determination of Sponsor's Assets~~~~The asset disregard for a sponsor of a non-citizen is \$1500. The same assets are exempt for a TANF case as provided in Section 112.151.~~

- ~~i) If nonexempt assets are more than the \$1500 disregard, the amount over the disregard shall be considered as available to the non-citizen.~~

(Source: Amended by emergency rulemaking at 37 Ill. Reg. 15388, effective September 9, 2013, for a maximum of 150 days)

DEPARTMENT OF HUMAN SERVICES

NOTICE OF EMERGENCY AMENDMENT

- 1) Heading of the Part: Refugee/Repatriate Program
- 2) Code Citation: 89 Ill. Adm. Code 115
- 3) Section Number: 115.10 Emergency Action:
Amendment
- 4) Statutory Authority: Implementing and authorized by Sections 12-4.5, 12-4.6 and 12-13 of the Illinois Public Aid Code [305 ILCS 5/12-4.5, 12-4.6 and 12-13]
- 5) Effective Date of Rulemaking: September 9, 2013
- 6) If this emergency rulemaking is to expire before the end of the 150-day period, please specify the date on which it is to expire: This emergency amendment will expire at the end of the 150-day period, or upon adoption of permanent rules, whichever comes first.
- 7) Date filed with the Index Department: September 9, 2013
- 8) A copy of the emergency rulemaking, including any material incorporated by reference, is on file in the Agency's principal office and is available for public inspection.
- 9) Reason for Emergency: This emergency rulemaking is necessary to align provisions of PA 98-114 with 45 CFR 400.66 which requires that TANF rules and policy related to financial eligibility be applied to the Department's refugee cash assistance program. The adoption of this emergency rule is deemed to be necessary for the public interest, safety and welfare.
- 10) A Complete Description of the Subject and Issues Involved: 45 CFR 400.66 requires that in administering a publicly-administered refugee cash assistance program, the State agency must operate its refugee cash assistance program consistent with the provisions of its TANF program in regard to the treatment of resources. PA 98-114 provides that the Department of Human Services' TANF program shall disregard the value of all assets held by the family, effective immediately. In accordance, resources will no longer be considered in determining eligibility for the Refugee Resettlement Program.
- 11) Are there any other proposed rulemakings pending on this Part? No

DEPARTMENT OF HUMAN SERVICES

NOTICE OF EMERGENCY AMENDMENT

- 12) Statement of Statewide Policy Objective: This rulemaking does not create or expand a State mandate.
- 13) Information and questions regarding this emergency rulemaking shall be directed to:

Tracie Drew, Bureau Chief
Bureau of Administrative Rules and Procedures
Department of Human Services
100 South Grand Avenue East
Harris Bldg., 3rd Floor
Springfield, Illinois 62762

217/785-9772

The full text of the Emergency Amendment begins on the next page:

DEPARTMENT OF HUMAN SERVICES

NOTICE OF EMERGENCY AMENDMENT

TITLE 89: SOCIAL SERVICES
CHAPTER IV: DEPARTMENT OF HUMAN SERVICES
SUBCHAPTER b: ASSISTANCE PROGRAMSPART 115
REFUGEE/REPATRIATE PROGRAM

Section

115.1 Incorporation By Reference

115.10 General Provisions

EMERGENCY

115.20 The Cuban Phasedown Program (Repealed)

115.30 The Refugee Resettlement Program

115.32 Refugee Resettlement Program: Application for Assistance

115.33 Refugee Resettlement Program: Furnishing of Social Security Numbers

115.34 Refugee Resettlement Program: Work Registration/Participation Requirements

115.36 Refugee Resettlement Program: Individuals Exempt From Mandatory Work
Registration/Participation Requirements

115.37 Refugee Resettlement Program: Counseling (Repealed)

115.38 Refugee Resettlement Program: Sanctions For Failure to Cooperate With Work
Requirements

115.39 Refugee Resettlement Program: Good Cause For Failure to Cooperate

115.40 The Cuban/Haitian/Entrant (Status Pending) Program

115.50 The Repatriate Program

115.60 Special Provisions Relating to Parolees

AUTHORITY: Implementing and authorized by Sections 12-4.5, 12-4.6 and 12-13 of the Illinois Public Aid Code [305 ILCS 5/12-4.5, 12-4.6 and 12-13].

SOURCE: Filed and effective December 30, 1977; emergency amendment at 2 Ill. Reg. 28, p. 2, effective June 1, 1978, for a maximum of 150 days; amended at 2 Ill. Reg. 48, p. 60, effective November 25, 1978; amended at 5 Ill. Reg. 2786, effective March 3, 1981; amended at 5 Ill. Reg. 7071, effective June 23, 1981; amended at 6 Ill. Reg. 11921, effective September 21, 1982; codified at 7 Ill. Reg. 5195; amended at 7 Ill. Reg. 16109, effective November 22, 1983; amended at 8 Ill. Reg. 6804, effective May 3, 1984; amended at 9 Ill. Reg. 2296, effective February 5, 1985; amended at 13 Ill. Reg. 3932, effective March 10, 1989; amended at 13 Ill. Reg. 13631, effective August 14, 1989; amended at 14 Ill. Reg. 773, effective January 1, 1990; amended at 14 Ill. Reg. 10438, effective June 20, 1990; amended at 16 Ill. Reg. 10291, effective June 19, 1992; amended at 18 Ill. Reg. 17671, effective November 30, 1994; amended at 20 Ill.

DEPARTMENT OF HUMAN SERVICES

NOTICE OF EMERGENCY AMENDMENT

Reg. 11484, effective August 9, 1996; recodified from the Department of Public Aid to the Department of Human Services at 21 Ill. Reg. 9322; emergency amendment at 25 Ill. Reg. 3046, effective February 8, 2001, for a maximum of 150 days; amended at 25 Ill. Reg. 8763, effective July 2, 2001; preemptory amendment at 32 Ill. Reg. 18088, effective November 15, 2008; emergency amendment at 33 Ill. Reg. 5018, effective March 19, 2009, for a maximum of 150 days; emergency expired August 15, 2009; amended at 33 Ill. Reg. 12795, effective September 4, 2009; emergency amendment at 37 Ill. Reg. 15416, effective September 9, 2013, for a maximum of 150 days.

Section 115.10 General Provisions**EMERGENCY**

- a) The Department administers the Refugee Resettlement Program (RRP) and the Repatriate Program in Illinois. These programs are fully funded by grants provided by the federal government. The administration and authorization of assistance under any of these programs is limited to a period of time established by the federal government based on available federally appropriated funds for the year. The administration and authorization of assistance under any of these programs ceases if the Department is not authorized to request and receive federal funds for the purpose of providing assistance under these programs.
- b) For the Refugee Resettlement Program assistance shall be authorized on the basis of the Temporary Assistance for Needy Families (TANF) Payment Level (see 89 Ill. Adm. Code 112). The following case compositions define the level of issuance:
 - 1) Adult. A single adult is a person who is ineligible as a child, or married and living with his/her spouse, or a minor parent (or caretaker) of a child. Full-time college students, age 18 or over, do not qualify for cash benefits.
 - 2) Family cases, which must include at least one eligible child. The child must be under age 18 or age 18 and a full-time student in high school. Only the following adults may be included:
 - A) A specified relative of the child and the spouse of the specified relative; or
 - B) The legal guardian of child and the spouse of the legal guardian; or

DEPARTMENT OF HUMAN SERVICES

NOTICE OF EMERGENCY AMENDMENT

C) The unrelated caretaker of a child and the spouse of the unrelated caretaker.

- c) ~~For cash, resources to be considered in all situations are those immediately available for use at the time financial assistance is needed. Available resources are to be considered when they are in existence, the value is ascertainable, they are under the control of the recipient, and can be drawn upon for maintenance.~~ Resources are not considered for either cash or medical only cases.
- d) For the Refugee Resettlement Program, assistance may not ordinarily be furnished for more than the established period of time after the date of entry. For persons granted asylum, the established period of time starts with the date asylum was granted.
- e) The following provisions are applicable to the RRP:
- 1) To be eligible for RRP, a family or individual(s) must be ineligible for categorical assistance (TANF, Aid to the Aged, Blind or Disabled (AABD), and related Medical Assistance No Grant (MANG) programs);
 - 2) The individuals must avail themselves of all potential income sources~~resources~~ including application for and acceptance of Supplemental Security Income (SSI) and categorical assistance;
 - 3) The following provisions of the TANF program (see 89 Ill. Adm. Code 112) are applicable to the RRP:
 - A) Client and Department rights and responsibilities. Refugees or parolees who are potentially eligible for SSI must apply for SSI.
 - B) Application for assistance (not eligible for \$100 compensatory payment or Presumptive Eligibility (PE) authorization). All adults must sign the application. Cash benefits start with the date of application.
 - C) Residence.
 - D) Client Cooperation.

DEPARTMENT OF HUMAN SERVICES

NOTICE OF EMERGENCY AMENDMENT

- E) Furnishing of Social Security Numbers.
- ~~F)~~ ~~Assets (cash benefits only).~~
- FG) Income. For RRP medical, initial eligibility is based on income on the date of application. Earnings from employment that start after the date of application do not count for RRP medical.
- GH) Support from responsible relatives (Non-Title IV-D provisions) (42 USC 651 et seq.).
- HI) Personal Injury.
- IJ) Other financial benefits (i.e., the child care for work and training and other benefits described in 89 Ill. Adm. Code 112.308).
- JK) Standards:
For a single adult case, the following payment levels apply:
- i) Group I Counties
\$243 monthly
 - ii) Group II Counties
\$233 monthly
 - iii) Group III Counties
\$198 monthly.
- ~~KL~~) Special authorizations.
- LM) Medical Assistance standard (use the MANG(C) standard if Medical Assistance only is authorized; for a household of one, the Medical-Only Standard is \$283/month).
- MN) Case Records.

DEPARTMENT OF HUMAN SERVICES

NOTICE OF EMERGENCY AMENDMENT

~~NQ~~) Medical Services.

~~OP~~) Funeral and Burials.

~~PQ~~) Incorrect Payments.

~~QR~~) Special Projects.

~~RS~~) Crisis Assistance Programs (family cases only).

~~ST~~) Replacement of lost or stolen warrants; and

4) In family cases, the parent (or other responsible person making application) is to be designated as the payee. In adult cases, the recipient is to be the payee.

f) Individuals receiving assistance under these programs are eligible to participate in the food stamp program if they meet the eligibility requirements of the food stamp Program.

(Source: Amended by emergency rulemaking at 37 Ill. Reg. 15416, effective September 9, 2013, for a maximum of 150 days)

DEPARTMENT OF HUMAN SERVICES

NOTICE OF EMERGENCY AMENDMENTS

- 1) Heading of the Part: Supplemental Nutrition Assistance Program (SNAP)
- 2) Code Citation: 89 Ill. Adm. Code 121
- 3)

<u>Section Numbers:</u>	<u>Emergency Action:</u>
121.57	Amend
121.58	Amend
- 4) Statutory Authority: Implementing Sections 12-4.4-12-4.6 and authorized by Section 12-13 of the Illinois Public Aid Code [305 ILCS 5/12-4.4 through 12-4.6 and 12-13]
- 5) Effective Date of Rulemakings: September 9, 2013
- 6) These emergency rulemakings will expire at the end of the 150-day period, or upon adoption of permanent rules, whichever comes first.
- 7) Date filed with the Index Department: September 9, 2013
- 8) A copy of the adopted rulemakings, including any material incorporated by reference, is on file in the agency's principal office and is available for public inspection.
- 9) Reason for Emergency: This emergency rulemaking is necessary to align provisions of PA 98-114 with 7 CFR 273.8(f)(4), which allows the use of vehicle asset policy adopted for TANF to be applied to SNAP. The adoption of this emergency rule is deemed to be necessary for the public interest, safety, and welfare.
- 10) A Complete Description of the Subject and Issues Involved: 7 CFR 273.8(f)(4) allows the use of vehicle asset policy adopted for TANF to be applied to SNAP. PA 98-114 provides that the Department of Human Services' TANF program shall disregard the value of all assets (including vehicles) held by the family, effective immediately. In accordance, vehicles will no longer be considered in determining eligibility for SNAP.
- 11) Are there any other proposed rulemakings pending on this Part? No
- 12) Statement of Statewide Policy Objective: This rulemaking does not create or expand a State mandate.
- 13) Information and questions regarding this emergency rulemaking shall be directed to:

DEPARTMENT OF HUMAN SERVICES

NOTICE OF EMERGENCY AMENDMENTS

Tracie Drew, Bureau Chief
Bureau of Administrative Rules and Procedures
Department of Human Services
100 South Grand Avenue East
Harris Bldg., 3rd Floor
Springfield, Illinois 62762

217/785-9772

The full text of the Emergency Amendments begins on the next page:

DEPARTMENT OF HUMAN SERVICES

NOTICE OF EMERGENCY AMENDMENTS

TITLE 89: SOCIAL SERVICES
CHAPTER IV: DEPARTMENT OF HUMAN SERVICES
SUBCHAPTER b: ASSISTANCE PROGRAMSPART 121
SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM (SNAP)

SUBPART A: APPLICATION PROCEDURES

Section

- 121.1 Application for Assistance
- 121.2 Time Limitations on the Disposition of an Application
- 121.3 Approval of an Application and Initial Authorization of Assistance
- 121.4 Denial of an Application
- 121.5 Client Cooperation
- 121.6 Emergency Assistance
- 121.7 Expedited Service
- 121.8 Express Stamps Application Project
- 121.10 Interviews

SUBPART B: NON-FINANCIAL FACTORS OF ELIGIBILITY

Section

- 121.18 Work Requirement
- 121.19 Ending a Voluntary Quit Disqualification (Repealed)
- 121.20 Citizenship
- 121.21 Residence
- 121.22 Social Security Numbers
- 121.23 Work Registration/Participation Requirements
- 121.24 Individuals Exempt from Work Registration Requirements
- 121.25 Failure to Comply with Work Provisions
- 121.26 Periods of Sanction
- 121.27 Voluntary Job Quit/Reduction in Work Hours
- 121.28 Good Cause for Voluntary Job Quit/Reduction in Work Hours
- 121.29 Exemptions from Voluntary Quit/Reduction in Work Hours Rules

SUBPART C: FINANCIAL FACTORS OF ELIGIBILITY

Section

DEPARTMENT OF HUMAN SERVICES

NOTICE OF EMERGENCY AMENDMENTS

121.30	Unearned Income
121.31	Exempt Unearned Income
121.32	Education Benefits (Repealed)
121.33	Unearned Income In-Kind
121.34	Lump Sum Payments and Income Tax Refunds
121.40	Earned Income
121.41	Budgeting Earned Income
121.50	Exempt Earned Income
121.51	Income from Work/Study/Training Programs
121.52	Earned Income from Roomers or Boarders
121.53	Income From Rental Property
121.54	Earned Income In-Kind
121.55	Sponsors of Aliens
121.57	Assets
| <u>EMERGENCY</u>	
121.58	Exempt Assets
| <u>EMERGENCY</u>	
121.59	Asset Disregards

SUBPART D: ELIGIBILITY STANDARDS

Section	
121.60	Net Monthly Income Eligibility Standards
121.61	Gross Monthly Income Eligibility Standards
121.62	Income Which Must Be Annualized
121.63	Deductions from Monthly Income
121.64	Food Stamp Benefit Amount

SUBPART E: HOUSEHOLD CONCEPT

Section	
121.70	Composition of the Assistance Unit
121.71	Living Arrangement
121.72	Nonhousehold Members
121.73	Ineligible Household Members
121.74	Strikers
121.75	Students
121.76	Categorically Eligible Households

DEPARTMENT OF HUMAN SERVICES

NOTICE OF EMERGENCY AMENDMENTS

SUBPART F: MISCELLANEOUS PROGRAM PROVISIONS

Section

- 121.80 Fraud Disqualification (Renumbered)
- 121.81 Initiation of Administrative Fraud Hearing (Repealed)
- 121.82 Definition of Fraud (Renumbered)
- 121.83 Notification To Applicant Households (Renumbered)
- 121.84 Disqualification Upon Finding of Fraud (Renumbered)
- 121.85 Court Imposed Disqualification (Renumbered)
- 121.90 Monthly Reporting and Retrospective Budgeting (Repealed)
- 121.91 Monthly Reporting (Repealed)
- 121.92 Budgeting
- 121.93 Issuance of Food Stamp Benefits
- 121.94 Replacement of the EBT Card or SNAP Benefits
- 121.95 Restoration of Lost Benefits
- 121.96 Uses for SNAP Benefits
- 121.97 Supplemental Payments
- 121.98 Client Training Brochure for the Electronic Benefits Transfer (EBT) System
- 121.105 State Food Program (Repealed)
- 121.107 New State Food Program
- 121.108 Transitional Food Stamp (TFS) Benefits
- 121.117 Farmers' Market Technology Improvement Program
- 121.120 Redetermination of Eligibility
- 121.125 Simplified Reporting Redeterminations
- 121.130 Residents of Shelters for Battered Women and their Children
- 121.131 Fleeing Felons and Probation/Parole Violators
- 121.135 Incorporation By Reference
- 121.136 Food and Nutrition Act of 2008
- 121.140 Small Group Living Arrangement Facilities and Drug/Alcoholic Treatment Centers
- 121.145 Quarterly Reporting (Repealed)

SUBPART G: INTENTIONAL VIOLATIONS OF THE PROGRAM

Section

- 121.150 Definition of Intentional Violations of the Program
- 121.151 Penalties for Intentional Violations of the Program
- 121.152 Notification To Applicant Households
- 121.153 Disqualification Upon Finding of Intentional Violation of the Program

DEPARTMENT OF HUMAN SERVICES

NOTICE OF EMERGENCY AMENDMENTS

121.154 Court Imposed Disqualification

SUBPART H: FOOD STAMP EMPLOYMENT AND TRAINING PROGRAM

Section

121.160	Persons Required to Participate
121.162	Program Requirements
121.163	Vocational Training
121.164	Orientation (Repealed)
121.165	Community Work
121.166	Assessment and Employability Plan (Repealed)
121.167	Counseling/Prevention Services
121.170	Job Search Activity
121.172	Basic Education Activity
121.174	Job Readiness Activity
121.176	Work Experience Activity
121.177	Illinois Works Component (Repealed)
121.178	Job Training Component (Repealed)
121.179	JTPA Employability Services Component (Repealed)
121.180	Grant Diversion Component (Repealed)
121.182	Earnfare Activity
121.184	Sanctions for Non-cooperation with Food Stamp Employment and Training
121.186	Good Cause for Failure to Cooperate
121.188	Supportive Services
121.190	Conciliation
121.200	Types of Claims (Recodified)
121.201	Establishing a Claim for Intentional Violation of the Program (Recodified)
121.202	Establishing a Claim for Unintentional Household Errors and Administrative Errors (Recodified)
121.203	Collecting Claim Against Households (Recodified)
121.204	Failure to Respond to Initial Demand Letter (Recodified)
121.205	Methods of Repayment of Food Stamp Claims (Recodified)
121.206	Determination of Monthly Allotment Reductions (Recodified)
121.207	Failure to Make Payment in Accordance with Repayment Schedule (Recodified)
121.208	Suspension and Termination of Claims (Recodified)

SUBPART I: WORK REQUIREMENT FOR FOOD STAMPS

Section

DEPARTMENT OF HUMAN SERVICES

NOTICE OF EMERGENCY AMENDMENTS

- 121.220 Work Requirement Components (Repealed)
- 121.221 Meeting the Work Requirement with the Earnfare Component (Repealed)
- 121.222 Volunteer Community Work Component (Repealed)
- 121.223 Work Experience Component (Repealed)
- 121.224 Supportive Service Payments to Meet the Work Requirement (Repealed)
- 121.225 Meeting the Work Requirement with the Illinois Works Component (Repealed)
- 121.226 Meeting the Work Requirement with the JTPA Employability Services Component (Repealed)

AUTHORITY: Implementing Sections 12-4.4 through 12-4.6 and authorized by Section 12-13 of the Illinois Public Aid Code [305 ILCS 5/12-4.4 through 12-4.6 and 12-13].

SOURCE: Adopted December 30, 1977; amended at 3 Ill. Reg. 5, p. 875, effective February 2, 1979; amended at 3 Ill. Reg. 31, p. 109, effective August 3, 1979; amended at 3 Ill. Reg. 33, p. 399, effective August 18, 1979; amended at 3 Ill. Reg. 41, p. 165, effective October 11, 1979; amended at 3 Ill. Reg. 42, p. 230, effective October 9, 1979; amended at 3 Ill. Reg. 44, p. 173, effective October 19, 1979; amended at 3 Ill. Reg. 46, p. 36, effective November 2, 1979; amended at 3 Ill. Reg. 47, p. 96, effective November 13, 1979; amended at 3 Ill. Reg. 48, p. 1, effective November 15, 1979; preemptory amendment at 4 Ill. Reg. 3, p. 49, effective January 9, 1980; preemptory amendment at 4 Ill. Reg. 9, p. 259, effective February 23, 1980; amended at 4 Ill. Reg. 10, p. 253, effective February 27, 1980; amended at 4 Ill. Reg. 12, p. 551, effective March 10, 1980; emergency amendment at 4 Ill. Reg. 29, p. 294, effective July 8, 1980, for a maximum of 150 days; amended at 4 Ill. Reg. 37, p. 797, effective September 2, 1980; amended at 4 Ill. Reg. 45, p. 134, effective October 17, 1980; amended at 5 Ill. Reg. 766, effective January 2, 1981; amended at 5 Ill. Reg. 1131, effective January 16, 1981; amended at 5 Ill. Reg. 4586, effective April 15, 1981; preemptory amendment at 5 Ill. Reg. 5722, effective June 1, 1981; amended at 5 Ill. Reg. 7071, effective June 23, 1981; preemptory amendment at 5 Ill. Reg. 10062, effective October 1, 1981; amended at 5 Ill. Reg. 10733, effective October 1, 1981; amended at 5 Ill. Reg. 12736, effective October 29, 1981; amended at 6 Ill. Reg. 1653, effective January 17, 1982; amended at 6 Ill. Reg. 2707, effective March 2, 1982; amended at 6 Ill. Reg. 8159, effective July 1, 1982; amended at 6 Ill. Reg. 10208, effective August 9, 1982; amended at 6 Ill. Reg. 11921, effective September 21, 1982; amended at 6 Ill. Reg. 12318, effective October 1, 1982; amended at 6 Ill. Reg. 13754, effective November 1, 1982; amended at 7 Ill. Reg. 394, effective January 1, 1983; codified at 7 Ill. Reg. 5195; amended at 7 Ill. Reg. 5715, effective May 1, 1983; amended at 7 Ill. Reg. 8118, effective June 24, 1983; preemptory amendment at 7 Ill. Reg. 12899, effective October 1, 1983; amended at 7 Ill. Reg. 13655, effective October 4, 1983; preemptory amendment at 7 Ill. Reg. 16067, effective November 18, 1983; amended at 7 Ill. Reg. 16169, effective November 22, 1983; amended at 8 Ill. Reg. 5673, effective April 18, 1984; amended at 8 Ill. Reg. 7249, effective May 16, 1984; preemptory amendment at 8 Ill. Reg.

DEPARTMENT OF HUMAN SERVICES

NOTICE OF EMERGENCY AMENDMENTS

10086, effective July 1, 1984; amended at 8 Ill. Reg. 13284, effective July 16, 1984; amended at 8 Ill. Reg. 17900, effective September 14, 1984; amended (by adding Section being codified with no substantive change) at 8 Ill. Reg. 17898; peremptory amendment at 8 Ill. Reg. 19690, effective October 1, 1984; peremptory amendment at 8 Ill. Reg. 22145, effective November 1, 1984; amended at 9 Ill. Reg. 302, effective January 1, 1985; amended at 9 Ill. Reg. 6804, effective May 1, 1985; amended at 9 Ill. Reg. 8665, effective May 29, 1985; peremptory amendment at 9 Ill. Reg. 8898, effective July 1, 1985; amended at 9 Ill. Reg. 11334, effective July 8, 1985; amended at 9 Ill. Reg. 14334, effective September 6, 1985; peremptory amendment at 9 Ill. Reg. 15582, effective October 1, 1985; amended at 9 Ill. Reg. 16889, effective October 16, 1985; amended at 9 Ill. Reg. 19726, effective December 9, 1985; amended at 10 Ill. Reg. 229, effective December 20, 1985; peremptory amendment at 10 Ill. Reg. 7387, effective April 21, 1986; peremptory amendment at 10 Ill. Reg. 7941, effective May 1, 1986; amended at 10 Ill. Reg. 14692, effective August 29, 1986; peremptory amendment at 10 Ill. Reg. 15714, effective October 1, 1986; Sections 121.200 thru 121.208 recodified to 89 Ill. Adm. Code 165 at 10 Ill. Reg. 21094; peremptory amendment at 11 Ill. Reg. 3761, effective February 11, 1987; emergency amendment at 11 Ill. Reg. 3754, effective February 13, 1987, for a maximum of 150 days; emergency amendment at 11 Ill. Reg. 9968, effective May 15, 1987, for a maximum of 150 days; amended at 11 Ill. Reg. 10269, effective May 22, 1987; amended at 11 Ill. Reg. 10621, effective May 25, 1987; peremptory amendment at 11 Ill. Reg. 11391, effective July 1, 1987; peremptory amendment at 11 Ill. Reg. 11855, effective June 30, 1987; emergency amendment at 11 Ill. Reg. 12043, effective July 6, 1987, for a maximum of 150 days; amended at 11 Ill. Reg. 13635, effective August 1, 1987; amended at 11 Ill. Reg. 14022, effective August 10, 1987; emergency amendment at 11 Ill. Reg. 15261, effective September 1, 1987, for a maximum of 150 days; amended at 11 Ill. Reg. 15480, effective September 4, 1987; amended at 11 Ill. Reg. 15634, effective September 11, 1987; amended at 11 Ill. Reg. 18218, effective October 30, 1987; peremptory amendment at 11 Ill. Reg. 18374, effective October 30, 1987; amended at 12 Ill. Reg. 877, effective December 30, 1987; emergency amendment at 12 Ill. Reg. 1941, effective December 31, 1987, for a maximum of 150 days; amended at 12 Ill. Reg. 4204, effective February 5, 1988; amended at 12 Ill. Reg. 9678, effective May 23, 1988; amended at 12 Ill. Reg. 9922, effective June 1, 1988; amended at 12 Ill. Reg. 11463, effective June 30, 1988; amended at 12 Ill. Reg. 12824, effective July 22, 1988; emergency amendment at 12 Ill. Reg. 14045, effective August 19, 1988, for a maximum of 150 days; peremptory amendment at 12 Ill. Reg. 15704, effective October 1, 1988; peremptory amendment at 12 Ill. Reg. 16271, effective October 1, 1988; amended at 12 Ill. Reg. 20161, effective November 30, 1988; amended at 13 Ill. Reg. 3890, effective March 10, 1989; amended at 13 Ill. Reg. 13619, effective August 14, 1989; peremptory amendment at 13 Ill. Reg. 15859, effective October 1, 1989; amended at 14 Ill. Reg. 729, effective January 1, 1990; amended at 14 Ill. Reg. 6349, effective April 13, 1990; amended at 14 Ill. Reg. 13202, effective August 6, 1990; peremptory amendment at 14 Ill. Reg. 15158, effective October 1, 1990; amended at 14 Ill. Reg. 16983, effective September 30, 1990;

DEPARTMENT OF HUMAN SERVICES

NOTICE OF EMERGENCY AMENDMENTS

amended at 15 Ill. Reg. 11150, effective July 22, 1991; amended at 15 Ill. Reg. 11957, effective August 12, 1991; peremptory amendment at 15 Ill. Reg. 14134, effective October 1, 1991; emergency amendment at 16 Ill. Reg. 757, effective January 1, 1992, for a maximum of 150 days; amended at 16 Ill. Reg. 10011, effective June 15, 1992; amended at 16 Ill. Reg. 13900, effective August 31, 1992; emergency amendment at 16 Ill. Reg. 16221, effective October 1, 1992, for a maximum of 150 days; peremptory amendment at 16 Ill. Reg. 16345, effective October 1, 1992; amended at 16 Ill. Reg. 16624, effective October 23, 1992; amended at 17 Ill. Reg. 644, effective December 31, 1992; amended at 17 Ill. Reg. 4333, effective March 19, 1993; amended at 17 Ill. Reg. 14625, effective August 26, 1993; emergency amendment at 17 Ill. Reg. 15149, effective September 7, 1993, for a maximum of 150 days; peremptory amendment at 17 Ill. Reg. 17477, effective October 1, 1993; expedited correction at 17 Ill. Reg. 21216, effective October 1, 1993; amended at 18 Ill. Reg. 2033, effective January 21, 1994; emergency amendment at 18 Ill. Reg. 2509, effective January 27, 1994, for a maximum of 150 days; amended at 18 Ill. Reg. 3427, effective February 28, 1994; amended at 18 Ill. Reg. 8921, effective June 3, 1994; amended at 18 Ill. Reg. 12829, effective August 5, 1994; amended at 18 Ill. Reg. 14103, effective August 26, 1994; amended at 19 Ill. Reg. 5626, effective March 31, 1995; amended at 19 Ill. Reg. 6648, effective May 5, 1995; emergency amendment at 19 Ill. Reg. 12705, effective September 1, 1995, for a maximum of 150 days; peremptory amendment at 19 Ill. Reg. 13595, effective October 1, 1995; amended at 20 Ill. Reg. 1593, effective January 11, 1996; peremptory amendment at 20 Ill. Reg. 2229, effective January 17, 1996; amended at 20 Ill. Reg. 7902, effective June 1, 1996; amended at 20 Ill. Reg. 11935, effective August 14, 1996; emergency amendment at 20 Ill. Reg. 13381, effective October 1, 1996, for a maximum of 150 days; emergency amendment at 20 Ill. Reg. 13668, effective October 8, 1996, for a maximum of 150 days; amended at 21 Ill. Reg. 3156, effective February 28, 1997; amended at 21 Ill. Reg. 7733, effective June 4, 1997; recodified from the Department of Public Aid to the Department of Human Services at 21 Ill. Reg. 9322; emergency amendment at 22 Ill. Reg. 1954, effective January 1, 1998, for a maximum of 150 days; amended at 22 Ill. Reg. 5502, effective March 4, 1998; amended at 22 Ill. Reg. 7969, effective May 15, 1998; emergency amendment at 22 Ill. Reg. 10660, effective June 1, 1998, for a maximum of 150 days; emergency amendment at 22 Ill. Reg. 12167, effective July 1, 1998, for a maximum of 150 days; amended at 22 Ill. Reg. 16230, effective September 1, 1998; amended at 22 Ill. Reg. 19787, effective October 28, 1998; emergency amendment at 22 Ill. Reg. 19934, effective November 1, 1998, for a maximum of 150 days; amended at 22 Ill. Reg. 20099, effective November 1, 1998; emergency amendment at 23 Ill. Reg. 2601, effective February 1, 1999, for a maximum of 150 days; amended at 23 Ill. Reg. 3374, effective March 1, 1999; amended at 23 Ill. Reg. 7285, effective June 18, 1999; emergency amendment at 23 Ill. Reg. 13253, effective October 13, 1999, for a maximum of 150 days; emergency amendment at 24 Ill. Reg. 3871, effective February 24, 2000, for a maximum of 150 days; amended at 24 Ill. Reg. 4180, effective March 2, 2000; amended at 24 Ill. Reg. 10198, effective June 27, 2000; amended at 24 Ill. Reg. 15428, effective October 10, 2000; emergency

DEPARTMENT OF HUMAN SERVICES

NOTICE OF EMERGENCY AMENDMENTS

amendment at 24 Ill. Reg. 15468, effective October 1, 2000, for a maximum of 150 days; amended at 25 Ill. Reg. 845, effective January 5, 2001; amended at 25 Ill. Reg. 2423, effective January 25, 2001; emergency amendment at 25 Ill. Reg. 2439, effective January 29, 2001, for a maximum of 150 days; emergency amendment at 25 Ill. Reg. 3707, effective March 1, 2001, for a maximum of 150 days; emergency expired July 28, 2001; amended at 25 Ill. Reg. 7720, effective June 7, 2001; amended at 25 Ill. Reg. 10823, effective August 12, 2001; amended at 25 Ill. Reg. 11856, effective August 31, 2001; emergency amendment at 25 Ill. Reg. 13309, effective October 1, 2001, for a maximum of 150 days; amended at 26 Ill. Reg. 151, effective January 1, 2002; amended at 26 Ill. Reg. 2025, effective February 1, 2002; amended at 26 Ill. Reg. 13530, effective September 3, 2002; preemptory amendment at 26 Ill. Reg. 15099, effective October 1, 2002; amended at 26 Ill. Reg. 16484, effective October 25, 2002; amended at 27 Ill. Reg. 2889, effective February 7, 2003; expedited correction at 27 Ill. Reg. 14262, effective February 7, 2003; amended at 27 Ill. Reg. 4583, effective February 28, 2003; amended at 27 Ill. Reg. 7273, effective April 7, 2003; amended at 27 Ill. Reg. 12569, effective July 21, 2003; preemptory amendment at 27 Ill. Reg. 15604, effective October 1, 2003; amended at 27 Ill. Reg. 16108, effective October 6, 2003; amended at 27 Ill. Reg. 18445, effective November 20, 2003; amended at 28 Ill. Reg. 1104, effective December 31, 2003; amended at 28 Ill. Reg. 3857, effective February 13, 2004; amended at 28 Ill. Reg. 10393, effective July 6, 2004; preemptory amendment at 28 Ill. Reg. 13834, effective October 1, 2004; emergency amendment at 28 Ill. Reg. 15323, effective November 10, 2004, for a maximum of 150 days; emergency expired April 8, 2005; amended at 29 Ill. Reg. 2701, effective February 4, 2005; amended at 29 Ill. Reg. 5499, effective April 1, 2005; preemptory amendment at 29 Ill. Reg. 12132, effective July 14, 2005; emergency amendment at 29 Ill. Reg. 16042, effective October 4, 2005, for a maximum of 150 days; emergency expired March 2, 2006; preemptory amendment at 29 Ill. Reg. 16538, effective October 4, 2005; emergency amendment at 30 Ill. Reg. 7804, effective April 6, 2006, for a maximum of 150 days; emergency expired September 2, 2006; amended at 30 Ill. Reg. 11236, effective June 12, 2006; amended at 30 Ill. Reg. 13863, effective August 1, 2006; amended at 30 Ill. Reg. 15681, effective September 12, 2006; preemptory amendment at 30 Ill. Reg. 16470, effective October 1, 2006; amended at 31 Ill. Reg. 6991, effective April 30, 2007; amended at 31 Ill. Reg. 10482, effective July 9, 2007; amended at 31 Ill. Reg. 11318, effective July 23, 2007; preemptory amendment at 31 Ill. Reg. 14372, effective October 1, 2007; amended at 32 Ill. Reg. 2813, effective February 7, 2008; amended at 32 Ill. Reg. 4380, effective March 12, 2008; amended at 32 Ill. Reg. 4813, effective March 18, 2008; amended at 32 Ill. Reg. 9621, effective June 23, 2008; preemptory amendment at 32 Ill. Reg. 16905, effective October 1, 2008; preemptory amendment to Sections 121.94(c), 121.96(d)(2) and 121.150(b) suspended at 32 Ill. Reg. 18908, effective November 19, 2008; suspension withdrawn by the Joint Committee on Administrative Rules at 33 Ill. Reg. 200, effective February 5, 2009; preemptory amendment repealed by emergency rulemaking at 33 Ill. Reg. 3514, effective February 5, 2009, for a maximum of 150 days; preemptory amendment at 32 Ill. Reg. 18092, effective November 15,

DEPARTMENT OF HUMAN SERVICES

NOTICE OF EMERGENCY AMENDMENTS

2008; emergency amendment at 33 Ill. Reg. 4187, effective February 24, 2009, for a maximum of 150 days; emergency expired July 23, 2009; preemptory amendment at 33 Ill. Reg. 5537, effective April 1, 2009; emergency amendment at 33 Ill. Reg. 11322, effective July 20, 2009, for a maximum of 150 days; emergency expired December 16, 2009; amended at 33 Ill. Reg. 12802, effective September 3, 2009; amended at 33 Ill. Reg. 14121, effective September 22, 2009; emergency amendment at 33 Ill. Reg. 14627, effective October 13, 2009, for a maximum of 150 days; emergency expired March 11, 2010; amended at 33 Ill. Reg. 16875, effective November 30, 2009; amended at 33 Ill. Reg. 17350, effective December 14, 2009; amended at 34 Ill. Reg. 4777, effective March 17, 2010; amended at 34 Ill. Reg. 5295, effective April 12, 2010; amended at 34 Ill. Reg. 5823, effective April 19, 2010; emergency amendment at 34 Ill. Reg. 6967, effective May 1, 2010, for a maximum of 150 days; emergency expired September 27, 2010; amended at 34 Ill. Reg. 7265, effective May 10, 2010; amended at 34 Ill. Reg. 7685, effective May 18, 2010; amended at 34 Ill. Reg. 12547, effective August 11, 2010; preemptory amendment at 34 Ill. Reg. 15543, effective October 1, 2010; amended at 35 Ill. Reg. 1042, effective December 28, 2010; amended at 35 Ill. Reg. 7688, effective April 29, 2011; amended at 35 Ill. Reg. 10119, effective June 7, 2011; preemptory amendment at 35 Ill. Reg. 16118, effective October 1, 2011; preemptory amendment at 35 Ill. Reg. 16904, effective October 1, 2011; amended at 35 Ill. Reg. 17120, effective October 5, 2011; amended at 35 Ill. Reg. 18780, effective October 28, 2011; amended at 35 Ill. Reg. 19278, effective November 8, 2011; amended at 35 Ill. Reg. 19778, effective December 5, 2011; preemptory amendment at 36 Ill. Reg. 15148, effective October 1, 2012; emergency amendment at 37 Ill. Reg. 15423, effective September 9, 2013, for a maximum of 150 days.

SUBPART C: FINANCIAL FACTORS OF ELIGIBILITY

Section 121.57 Assets**EMERGENCY**

- a) The value of nonexempt assets shall be considered in determining eligibility only if a household is not categorically eligible (see Section 121.76).
- b) Value of Nonexempt Assets
 - 1) The value of nonexempt assets is the equity value (fair market value less the amount owed), except for prepaid funeral agreements valued over \$1500.
 - 2) The Department considers the following assets in determining eligibility:

DEPARTMENT OF HUMAN SERVICES

NOTICE OF EMERGENCY AMENDMENTS

A) Liquid Assets

- i) Liquid assets are those properties in the form of cash or other financial instruments which are convertible to cash, such as, but not limited to, cash on hand, money, in checking or savings accounts, credit union accounts, savings certificates, stocks or bonds, lump-sum payments, and prepaid funeral agreements.
- ii) Exempt any retirement funds in a plan, contract, or account, described in sections 401(a), 403(a), 403(b), 408, 408A, 457(b), and 501(c)(18) of the Internal Revenue Code of 1986 and the value of funds in a Federal Thrift Savings Plan account as provided in section 8439 of title 5, United States Code. Exempt any funds in a qualified tuition program described in section 529 of the Internal Revenue Code of 1986 or in a Coverdell education savings account under section 530 of that Code.

B) Nonliquid Assets

Nonliquid assets are those properties which are not in the form of cash or other financial instruments, such as personal property, licensed vehicles, unlicensed vehicles, buildings, land, recreational properties, and any other property not specifically exempted in Section 121.58.

C) Assets of Sponsors of Aliens

Consider the assets of the sponsor and the sponsor's spouse who sponsored an alien on or after February 1, 1983 (7 CFR 272.1(g)(54) (~~20122004~~)) in accordance with Section 121.55.

D) ~~Licensed Vehicles~~

~~The Department shall consider the equity value of a licensed vehicle unless exempted as stated in Section 121.58.~~

E) Prepaid Funeral Agreements

The value of prepaid funeral agreements over \$1500.00 per person is considered.

DEPARTMENT OF HUMAN SERVICES

NOTICE OF EMERGENCY AMENDMENTS

(Source: Amended by emergency rulemaking at 37 Ill. Reg. 15423, effective September 9, 2013, for a maximum of 150 days)

Section 121.58 Exempt Assets**EMERGENCY**

- a) Homestead Property
 - 1) The home and surrounding property which, exclusive of public rights of way, is not separated from the home by intervening property owned by others.
 - 2) Homes which are temporarily unoccupied for reasons of employment, training for future employment, illness, or inhabitability caused by casualty or natural disaster, remain exempt if the household intends to return.
 - 3) A lot owned or being purchased by the household if the household intends to build or is building a permanent home and the household does not currently own a home.
- b) Personal Property
Household goods, personal effects, one burial plot per household member, and the cash value of life insurance policies. Pension plans are exempt from consideration as an asset, except accounts owned solely by an individual, such as an Individual Retirement Account (IRA), 401 K or Keogh Plan, that are accessible without a penalty for withdrawal.
- c) Income Producing Property
 - 1) Property which is annually producing income consistent with its fair market value (including land or buildings being sold by installment contract), even if only used on a seasonal basis.
 - 2) Property which is essential to the employment or self-employment of a household member, such as, farmland and work related equipment (tools of a tradesman, farm machinery). In the case of farm property (including land, equipment, and supplies) that is essential to the self-employment of a household member in a farming operation, the value of such property shall

DEPARTMENT OF HUMAN SERVICES

NOTICE OF EMERGENCY AMENDMENTS

be excluded from financial resources until the expiration of the one year period beginning on the date such member ceases to be self-employed in farming.

- 3) A rental home which is used by a household for vacation purposes at sometime during the year is an asset, unless excluded by subsection (c)(1) of this Section.
- d) **Disaster Relief Payments**
Disaster relief payments provided by federal, state or local government or a disaster assistance organization.
- e) **Inaccessible Assets**
Assets whose cash value is not accessible to the household, such as but not limited to:
 - 1) irrevocable trust funds,
 - 2) security deposits on rental property and utilities,
 - 3) property in probate,
 - 4) real property when a good faith effort is being made to sell at a reasonable price,
 - 5) jointly owned assets which cannot be practically subdivided and are accessible only with the consent of the joint owner who refuses to give that consent,
 - 6) non-liquid asset or assets (see Section 121.57(b)(2)(B)) which have a lien against it as a result of a business loan and the household is prohibited by the security or lien agreement from selling the asset or assets,
 - 7) monies received from the Social Security Administration under the PASS Program that are held in a separate account, or
 - 8) an asset if when sold or otherwise disposed of would net the household less than \$1500. The net is determined by subtracting the expenses of disposing of the property from the equity value. This does not apply to

DEPARTMENT OF HUMAN SERVICES

NOTICE OF EMERGENCY AMENDMENTS

negotiable financial instruments or stocks and bonds.

- f) Prorated Income
Money which has been prorated as income, such as income of self-employed persons or students.
- g) Indian Lands
Indian lands held jointly with the tribe, or land that can be sold only with the approval of the Bureau of Indian Affairs.
- h) Federal Statute Exclusions
Assets excluded for SNAP~~food stamp~~ purposes by express provision of Federal Statute.
- i) ~~Licensed~~ Vehicles
 - 1) ~~used primarily for producing income such as, but not limited to, a taxi, truck, or fishing boat. "Used primarily" means: used over 50% of the time the vehicle is used;~~
 - 2) ~~annually producing income consistent with its fair market value (even if only used on a seasonal basis);~~
 - 3) ~~necessary for long distance travel essential to employment, other than daily commuting (such as a sales person, migrant farmworker);~~
 - 4) ~~necessary for subsistence hunting or fishing (game and fish necessary for the livelihood of the household);~~
 - 5) ~~used as the household's home;~~
 - 6) ~~necessary to transport a physically disabled household member regardless of the purpose of such transportation. Only one vehicle per disabled person is allowed. The vehicle need not be specially equipped or used primarily for the transportation of the disabled individual;~~

~~*Agency Note: Exclusions (1)-(6) also apply when the vehicle is not in use because of temporary unemployment.~~

DEPARTMENT OF HUMAN SERVICES

NOTICE OF EMERGENCY AMENDMENTS

- ~~7) one licensed vehicle per household, regardless of its use;~~
 - ~~8) the equity value of one licensed vehicle for each adult household member, regardless of its use;~~
 - ~~9) the equity value of any other licensed vehicles used by household members under age 18 to drive to and from employment, training or education which is preparatory for employment, or to seek employment. Temporary periods of unemployment are not to affect this exemption;~~
 - ~~10) any vehicle if the net proceeds would total less than \$1500 if sold; and~~
 - ~~11) property, real or personal, to the extent that it is directly related to the maintenance or use of a vehicle excluded under subsections (i)(1), (i)(2) or (i)(3) of this Section.~~
- j) Assets of a TANF or SSI household member
All assets of a household member who receives TANF or SSI benefits.

(Source: Amended by emergency rulemaking at 37 Ill. Reg. 15423, effective September 9, 2013, for a maximum of 150 days)

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF EMERGENCY AMENDMENT

- 1) Heading of the Part: Illinois National Guard (ING) Grant Program
- 2) Code Citation: 23 Ill. Adm. Code 2730
- 3) Section Number: 2730.30 Emergency Action: Amendment
- 6) Statutory Authority: Implementing Section 45 and authorized by Section 20(f) of the Higher Education Student Assistance Act [110 ILCS 947/45 and 20(f)]
- 7) Effective Date of Rulemaking: September 3, 2013
- 8) This emergency rulemaking is not scheduled to expire before the end of the 150-day period.
- 9) Date Filed with the Index Department: September 3, 2013
- 10) A copy of this emergency rulemaking, including any material incorporated by reference, is on file in the agency's principal office and is available for public inspection.
- 11) Reason for Emergency: This emergency rulemaking implements PA 98-314, effective August 12, 2013. Emergency action is needed in order to permit the timely performance of activities necessary to implement the changes for the 2014 fiscal year.
- 12) A Complete Description of the Subjects and Issues Involved: This emergency rulemaking governs the administration of the Illinois National Guard Grant Program. Under PA 98-314, a Guardsman who has served over ten years would be eligible for an additional two years of tuition and fee benefits at an Illinois public university or community college. ISAC intends to adopt permanent rules through the regular rulemaking process prior to the expiration of these emergency rules.
- 13) Are there any proposed rulemakings pending on this Part? No
- 14) Statement of Statewide Policy Objective: This rulemaking does not create or expand a State mandate as defined in Section 3(b) of the State Mandates Act [30 ILCS 805/3(b)] and does not necessitate a local government to establish, expand or modify its activities in such a way as to necessitate additional expenditures from local revenues.
- 15) Information and questions regarding this emergency rulemaking shall be directed to:

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF EMERGENCY AMENDMENT

Lynn Hynes
Agency Rules Coordinator
Illinois Student Assistance Commission
1755 Lake Cook Road
Deerfield, Illinois 60015

Telephone: 847/948-8500, ext. 2305

FAX: 847/831-8299

Email: lynn.hynes@isac.illinois.gov

The full text of the Emergency Amendment begins on the next page:

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF EMERGENCY AMENDMENT

TITLE 23: EDUCATION AND CULTURAL RESOURCES
SUBTITLE A: EDUCATION
CHAPTER XIX: ILLINOIS STUDENT ASSISTANCE COMMISSIONPART 2730
ILLINOIS NATIONAL GUARD (ING) GRANT PROGRAM

Section

2730.10 Summary and Purpose

2730.20 Applicant Eligibility

2730.30 Program Procedures

EMERGENCY

2730.40 Institutional Procedures

AUTHORITY: Implementing Section 45 and authorized by Section 20(f) of the Higher Education Student Assistance Act [110 ILCS 947/45 and 20(f)].

SOURCE: Adopted at 3 Ill. Reg. 4, p. 38, effective January 26, 1979; rules repealed at 6 Ill. Reg. 8239, effective June 30, 1982; new rules adopted at 6 Ill. Reg. 8413, effective June 30, 1982; codified at 7 Ill. Reg. 10877; amended at 8 Ill. Reg. 17016, effective September 5, 1984; amended at 9 Ill. Reg. 20827, effective January 1, 1986; amended at 11 Ill. Reg. 3202, effective January 29, 1987; amended at 12 Ill. Reg. 11531, effective July 1, 1988; transferred from Chapter IX, 23 Ill. Adm. Code 1730 (State Scholarship Commission) to Chapter XIX, 23 Ill. Adm. Code 2730 (Illinois Student Assistance Commission) pursuant to P.A. 86-168, effective July 1, 1989, at 13 Ill. Reg. 17857; amended at 14 Ill. Reg. 10567, effective July 1, 1990; amended at 16 Ill. Reg. 11254, effective July 1, 1992; amended at 17 Ill. Reg. 10563, effective July 1, 1993; amended at 18 Ill. Reg. 10303, effective July 1, 1994; amended at 20 Ill. Reg. 9187, effective July 1, 1996; old Part repealed and new Part adopted at 21 Ill. Reg. 11119, effective July 18, 1997; amended at 22 Ill. Reg. 11100, effective July 1, 1998; amended at 24 Ill. Reg. 9148, effective July 1, 2000; amended at 25 Ill. Reg. 8406, effective July 1, 2001; amended at 26 Ill. Reg. 10013, effective July 1, 2002; amended at 27 Ill. Reg. 10338, effective July 1, 2003; amended at 29 Ill. Reg. 9904, effective July 1, 2005; amended at 30 Ill. Reg. 11623, effective July 1, 2006; amended at 32 Ill. Reg. 10305, effective July 1, 2008; amended at 36 Ill. Reg. 9408, effective July 1, 2012; amended at 37 Ill. Reg. 9504, effective July 1, 2013; emergency amendment at 37 Ill. Reg. 15439, effective September 3, 2013, for a maximum of 150 days.

Section 2730.30 Program ProceduresEMERGENCY

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF EMERGENCY AMENDMENT

- a) The recipient is exempt from paying the following:
- 1) tuition;
 - 2) registration fees;
 - 3) graduation fees;
 - 4) general activity fees;
 - 5) matriculation fees; and
 - 6) term fees.
- b) The recipient is responsible for payment of other fees, including the following:
- 1) book rental fees;
 - 2) laboratory and supply fees;
 - 3) air flight fees;
 - 4) hospital and health insurance fees;
 - 5) room and board;
 - 6) parking fees;
 - 7) student union fees;
 - 8) athletic fees;
 - 9) proficiency or placement exam fees and other similar fees; and
 - 10) service fees.
- c) Benefits are applicable to both undergraduate and graduate enrollment. There is no minimum credit-hour enrollment requirement. Benefits are applicable for

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF EMERGENCY AMENDMENT

noncredit courses.

- d) Benefits are limited to use only at Illinois public senior universities and at any Illinois public community college.
- e) Within the constraints of appropriation levels, two semester or three quarter term payments and one summer term payment are made directly to the institution after it officially certifies to ISAC that the applicant has registered and is attending classes. No seminars or other special terms are covered under the grant. Summer term is considered the final term of the academic and fiscal year.
- f) Benefits for eligible recipients who have completed less than 10 years of active duty service in the Illinois National Guard are limited to the equivalent of four academic years of full-time enrollment.
- g) Benefits for eligible recipients who have completed 10 years of active duty service in the Illinois National Guard are limited to the equivalent of six academic years of full-time enrollment.
- 1) Benefits for an academic year shall be determined on the basis of credit hours in which the qualified applicant enrolls. Each~~To determine the amount of eligibility a recipient has used,~~ credit hour~~hours~~ (and noncredit hour~~hours~~ for which benefits are used) will be converted to "eligibility units" according to the following chart:

Number of Hours	Semester School	Quarter School
12 or more hours	12 units	8 units
9 - 11.99 hours	9 units	6 units
6 - 8.99 hours	6 units	4 units
3 - 5.99 hours	3 units	2 units
0 - 2.99 hours	1 unit	1 unit

- 2) Eligible recipients who have completed less than 10 years of active duty service in the Illinois National Guard~~Recipients may continue to reapply and accumulate up to 120 units, after which point eligibility for program benefits will cease.~~ Eligible recipients who have completed 10 years of active duty service in the Illinois National Guard may continue to reapply and accumulate up to 180 units. ~~Full~~However, full program benefits may

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF EMERGENCY AMENDMENT

be extended for one additional term if the recipient has accumulated fewer than the maximum number of eligibility units~~120 eligibility units~~ but does not have enough units remaining for the number of hours in which she/he is enrolled for the term.

- 3) If an eligible recipient withdraws from enrollment after the expiration of the tuition refund/withdrawal adjustment period, the recipient shall receive a grant for costs incurred up to the term award provided the institution's tuition refund policy indicates the recipient has incurred charges in the amount of the claim.
- 4) In the event that the recipient withdraws from a course or courses prior to the end of a term, a refund will be made according to the institution's refund withdrawal policy and eligibility units will be adjusted accordingly.
- 5) The eligibility units used for a noncredit course shall be the same as the number of eligibility units used for a credit course having the same number of total faculty contact hours.

h)g) If a current year applicant is discharged, transferred to the inactive Illinois National Guard, or has membership extended by the Illinois National Guard, ISAC will send a revised eligibility letter or ineligibility letter to the applicant. In the case of discharge, a copy of the letter will be sent to the institution of record.

i)h) Except as otherwise provided in this Part, if a recipient ceases to be an active status member of the Illinois National Guard during a term, benefits cease, and the student is responsible for the unpaid costs attributed to the remainder of the term. If an applicant becomes eligible during a term, in accordance with Section 2730.20(b), benefits will be prorated for that portion of the term for which the applicant is eligible, provided the application is submitted by the deadlines. Costs are prorated on the basis of the institution's scheduled days of instruction minus institutionally scheduled holidays and examination periods.

Calculation: Total tuition cost divided by total instructional days = cost per day x days of eligibility = total proration.

i)j) If the recipient of a grant awarded under this Part ceases to be a member of the Illinois National Guard, but has been active in the Illinois National Guard for at least five consecutive years and had his or her studies interrupted by being called

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF EMERGENCY AMENDMENT

to federal active duty for at least six months, then that recipient shall continue to be eligible for a grant for one year after his or her discharge from the Illinois National Guard, provided that the recipient has not already received the exemption from tuition and fees for the equivalent of four years of full-time enrollment under this Part.

| ~~k)j~~ Out-of-state residents will receive tuition and applicable fee benefits equivalent to those received by in-state residents at the Illinois institution; recipients attending out-of-district community colleges will receive tuition and applicable fee benefits equivalent to those at the in-district rate. Recipients shall not be responsible for paying the difference between in-state and out-of-state tuition nor will they be responsible for paying the difference between in-district and out-of-district tuition. Institutions are permitted to require documentation of residency in order to determine in-district or out-of-district payment.

| ~~l)k~~ If a student is eligible for both an Illinois National Guard Grant and a MAP grant, the Illinois National Guard benefits must be used first. A student cannot decline an Illinois National Guard Grant in favor of using MAP.

| ~~m)l~~ If a recipient of the grant fails to complete his or her military obligation according to the agreement, all proceeds received must be repaid to the Illinois Department of Military Affairs. DMAIL will collect the funds, which will be used by ISAC for the purpose of this Part.

(Source: Amended by emergency rulemaking at 37 Ill. Reg. 15439, effective September 3, 2013, for a maximum of 150 days)

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF EMERGENCY AMENDMENTS

- 1) Heading of the Part: Golden Apple Scholars of Illinois Program
- 2) Code Citation: 23 Ill. Adm. Code 2764
- 3)

<u>Section Numbers</u> :	<u>Emergency Action</u> :
2764.20	Amend
2764.30	Amend
2764.40	Amend
- 16) Statutory Authority: Implementing Section 52 of the Higher Education Student Assistance Act [110 ILCS 947/52] and authorized by Sections 20(f) and 52(h) of the Higher Education Student Assistance Act [110 ILCS 947/20(f) and 52(h)]
- 17) Effective Date of Rulemaking: September 3, 2013
- 18) This emergency rulemaking is not scheduled to expire before the end of the 150-day period.
- 19) Date Filed with the Index Department: September 3, 2013
- 20) A copy of this emergency rulemaking, including any material incorporated by reference, is on file in the Agency's principal office and is available for public inspection.
- 21) Reason for Emergency: This emergency rulemaking implements PA 98-533, effective August 23, 2013. Emergency action is needed in order to permit the timely performance of activities necessary to implement the changes for the 2014 fiscal year.
- 22) A Complete Description of the Subjects and Issues Involved: These emergency rules govern the administration of the Golden Apple Scholars of Illinois Program. As a result of newly-enacted legislation, the program is being restructured to reflect a clarification of the agency's administrative responsibilities with respect to the program, as well as the managerial responsibilities of the not-for-profit Golden Apple Scholars for Excellence in Teaching with respect to the same. ISAC intends to adopt permanent rules through the regular rulemaking process prior to the expiration of these emergency rules.
- 23) Are there any proposed rulemakings pending on this Part? No
- 24) Statement of Statewide Policy Objective: This rulemaking does not create or expand a State mandate as defined in Section 3(b) of the State Mandates Act [30 ILCS 805/3(b)]

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF EMERGENCY AMENDMENTS

and does not necessitate a local government to establish, expand or modify its activities in such a way as to necessitate additional expenditures from local revenues.

- 25) Information and questions regarding these emergency rules shall be directed to:

Lynn Hynes
Agency Rules Coordinator
Illinois Student Assistance Commission
1755 Lake Cook Road
Deerfield, Illinois 60015

Telephone: 847/948-8500, ext. 2305

FAX: 847/831-8299

Email: lynn.hynes@isac.illinois.gov

The full text of the Emergency Amendments begins on the next page:

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF EMERGENCY AMENDMENTS

TITLE 23: EDUCATION AND CULTURAL RESOURCES
SUBTITLE A: EDUCATION
CHAPTER XIX: ILLINOIS STUDENT ASSISTANCE COMMISSIONPART 2764
GOLDEN APPLE SCHOLARS OF ILLINOIS PROGRAM

Section

2764.10 Summary and Purpose

2764.20 Applicant Eligibility

EMERGENCY

2764.30 Program Procedures

EMERGENCY

2764.40 Institutional Procedures

EMERGENCY

AUTHORITY: Implementing Section 52 of the Higher Education Student Assistance Act [110 ILCS 947/52] and authorized by Sections 20(f) and 52(h) of the Higher Education Student Assistance Act [110 ILCS 947/20(f) and 52(h)].

SOURCE: Emergency rules adopted at 19 Ill. Reg. 976, effective February 1, 1995, for a maximum of 150 days; emergency expired on June 30, 1995; adopted at 19 Ill. Reg. 11367, effective August 1, 1995; amended at 20 Ill. Reg. 9141, effective July 1, 1996; old Part repealed at 21 Ill. Reg. 11027 and new Part adopted at 21 Ill. Reg. 11029, effective July 18, 1997; amended at 22 Ill. Reg. 11043, effective July 1, 1998; amended at 24 Ill. Reg. 9095, effective July 1, 2000; amended at 27 Ill. Reg. 10395, effective July 1, 2003; emergency amendment at 27 Ill. Reg. 14860, effective September 10, 2003, for a maximum of 150 days; amended at 28 Ill. Reg. 1749, effective January 25, 2004; amended at 28 Ill. Reg. 9162, effective July 1, 2004; amended at 30 Ill. Reg. 11687, effective July 1, 2006; amended at 32 Ill. Reg. 10333, effective July 1, 2008; amended at 33 Ill. Reg. 9784, effective July 1, 2009; amended at 36 Ill. Reg. 13957, effective September 1, 2012; emergency amendment at 37 Ill. Reg. 15446, effective September 3, 2013, for a maximum of 150 days.

Section 2764.20 Applicant EligibilityEMERGENCY

- a) All qualified applicants must be designated as a Golden Apple Scholar by the Golden Apple Foundation for Excellence in Teaching (the Foundation).

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF EMERGENCY AMENDMENTS

- b) A qualified applicant, at the time of designation as a Golden Apple Scholar by the Golden Apple Foundation for Excellence in Teaching, shall:
- 1) be a United States citizen or eligible noncitizen;
 - 2) be a resident of Illinois;
 - 3) be a high school graduate or a person who has received a General Educational Development (GED) Certificate;
 - 4) be enrolled at a four-year institution designated by the Foundation as a participating Illinois college or university; and
 - 5) have entered into a program agreement and promissory note with the Foundation and ISAC, as described in this Part.
- c) In order to receive scholarship assistance under this Part, a qualified applicant shall:
- 1) be enrolled ~~at the junior or senior level~~ in a postsecondary course of study leading to initial teacher certification or taking additional courses needed to gain Illinois State Board of Education (ISBE) approval to teach, including alternative teacher certification [110 ILCS 947/52];
 - 2) have earned a cumulative grade point average of 2.5 on a 4.0 scale if enrolled at the sophomore, junior or senior level; and
 - 3) have participated in all required programs and adhered to the residential guidelines and standards of conduct as a designated Golden Apple Scholar of the Foundation.
- d) In any academic year in which the qualified applicant accepts or receives financial assistance through the Paul Douglas Teacher Scholarship Program (23 Ill. Adm. Code 2762), the Minority Teachers of Illinois Scholarship Program (23 Ill. Adm. Code 2763), the Special Education Teacher Tuition Waiver Program (23 Ill. Adm. Code 2765), or the Teach Illinois Scholarship (23 Ill. Adm. Code 2768), ~~or from the Golden Apple Foundation~~, the qualified applicant shall not be eligible for scholarship assistance under this Part.

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF EMERGENCY AMENDMENTS

(Source: Amended by emergency rulemaking at 37 Ill. Reg. 15446, effective September 3, 2013, for a maximum of 150 days)

Section 2764.30 Program Procedures**EMERGENCY**

- a) Qualified applicants shall have completed and filed an application for program participation with the Foundation prior to becoming eligible for scholarship assistance under this Section. Applications shall be made available to qualified applicants by and submitted to the Foundation before a qualified applicant may be designated as a Golden Apple Scholar by the Foundation.
- b) The Foundation shall designate Golden Apple Scholars as defined in their established selection protocol.
- c) Each year, the Foundation shall identify Golden Apple Scholars eligible to receive scholarship assistance from ISAC under this Part by submitting to ISAC any necessary data related to the qualified applicant and, at such time, by certifying that:
 - 1) Students selected to receive scholarship assistance under this Part meet the eligibility requirements described in Section 2764.20(a) or in the Higher Education Student Assistance Act [110 ILCS 947/52];
 - 2) Students selected to receive scholarship assistance under this Part have entered into a Program Agreement and Promissory Note with the Foundation that satisfies the requirements listed in this Part; and
 - 3) Thirty percent of students selected to receive scholarship assistance under this Part in a given fiscal year will be awarded to students residing in counties having a population of fewer than 500,000.
- d) In order to receive scholarship assistance under this Part, a Golden Apple Scholar must have signed a program agreement and promissory note~~Program Agreement and Promissory Note~~ with the Foundation on behalf of~~and~~ ISAC that includes the following stipulations:
 - 1) the recipient pledges to teach, on a full time basis, for a period of not less

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF EMERGENCY AMENDMENTS

than five years and in accordance with any additional commitment to teach in a teacher shortage discipline, which shall include early childhood education;

- 2) the recipient shall begin teaching within ~~two years~~^{one year} following completion of the postsecondary education degree or certificate program for which the scholarship was awarded, and shall teach on a continuous basis for the required period of time;
 - 3) the teaching requirement will be fulfilled at a nonprofit Illinois public, private or parochial preschool, or an Illinois public elementary or secondary school that qualifies for teacher loan cancellation under section 465(a)(2)(A) of the HEA (20 USC 1087ee(a)(2)(A));
 - 4) if the teaching requirement is not fulfilled, the scholarship assistance provided under this Part converts to a loan and the recipient must repay the entire amount of the scholarship prorated according to the fraction of the teaching obligation not completed, plus interest at a rate equal to five percent and, if applicable, reasonable collection fees;
 - 5) the recipient agrees to provide the Foundation or ISAC with evidence of compliance with program requirements (e.g., responses to annual follow-up questionnaires, etc.); and
 - 6) the recipient promises to use the proceeds of the scholarship for educational expenses.
- e) All amounts collected on a scholarship that converts to a loan under this Part, less any portion of those funds that equals the amount in expenses that ISAC has incurred in collecting the debt, shall be remitted to the Comptroller for deposit in the General Revenue Fund.
- f) A recipient of a scholarship awarded under this Part shall not be in violation of the ~~program agreement and promissory note for failing to begin teaching within two years of graduation if, during that period, the recipient~~^{agreement entered into pursuant to subsection (d) during the period in which the recipient:}
- 1) serves, for not more than three years, as a member of the United States Armed Forces; or

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF EMERGENCY AMENDMENTS

- 2) is enrolled full-time in a graduate course of study related to the field of teaching at an institution of higher learning; or
 - 3) is temporarily totally disabled, for not more than three years, as established by the sworn affidavit of a qualified physician; or
 - 4) is actively seeking and unable to find full-time employment as a teacher at a school that satisfies the criteria set forth in subsection (d)(3) for one continuous period not to exceed two years, and is able to provide evidence of that fact; or
 - 5) is taking additional courses, on at least a half-time basis, needed to obtain certification as a teacher in Illinois; or
 - 6) is fulfilling teaching requirements associated with other programs administered by ISAC if he or she cannot concurrently fulfill them in a period of time equal to the length of the teaching commitment; or
 - 7) is participating in a program established by Executive Order 10924 of the President of the United States or the National Community Service Act of 1990 (42 USC 12501 et seq., as amended).
- g) If a recipient is required to repay any portion of the scholarship, the repayment period shall be completed within 10 years ~~after the scholarship converts to a loan. The Commission shall grant a period of forbearance or deferment during repayment of the loan that shall not be counted toward the 10-year repayment period. This 10-year period may be extended~~ if the recipient:
- 1) serves, for not more than three years, as a member of the United States Armed Forces; or
 - 2) is temporarily disabled, for not more than three years, as established by the sworn affidavit of a licensed physician; or
 - 3) is pursuing a graduate course of study and is enrolled on a full-time basis for one continuous period of time not to exceed three years; or
 - 4) is seeking and unable to find full-time employment for one continuous

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF EMERGENCY AMENDMENTS

period not to exceed two years and is able to provide evidence of that fact;
or

- 5) withdraws from a course of study leading to certification/approval in a teacher shortage discipline, but is enrolled at least half-time as an undergraduate for one continuous period of time not to exceed three years.
- h) During the time a recipient qualifies for periods of deferment or forbearance described any of the extensions listed in subsection (g), he or she shall not be required to make payments and interest shall not accrue.
- i) A recipient shall enter repayment status on the earliest of the following dates:
 - 1) the first day of the first calendar month after the recipient has ceased to pursue a course of study leading to certification as a teacher, but not until six months have elapsed after the cessation of at least half-time enrollment in such a course of study;
 - 2) the date the Foundation informs ISAC or ISAC otherwise learns that a recipient of scholarship assistance has not fulfilled the teaching obligation;
or
 - 3) the day after the latest date upon which the recipient must have begun teaching after completing the postsecondary education for which the scholarship was awarded.
- j) A recipient shall not be required to repay the amount of the scholarship received if he or she becomes permanently and totally disabled, so as to be unable to perform the essential function of a teacher with or without accommodation as determined by a licensed physician, or if his or her representative provides ISAC with a death certificate or other evidence that the recipient has died.

(Source: Amended by emergency rulemaking at 37 Ill. Reg. 15446, effective September 3, 2013, for a maximum of 150 days)

Section 2764.40 Institutional Procedures**EMERGENCY**

- a) The institution shall submit eligibility information for selected recipients in

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF EMERGENCY AMENDMENTS

sufficient time for ISAC to make award announcements.

- b) The institution shall submit a certification of eligibility for selected recipients with its request for payment, within the time frame requested by ISAC, which shall be no sooner than 30 days unless a more rapid response is necessary to expend appropriated funds prior to the end of the academic year.
- c) ISAC shall disburse scholarship funds in two or three installments, depending on the number of terms financed by the scholarship, except that multiple disbursements shall not be required in cases where the applicant's eligibility is not determined until the final term of the academic year for which the scholarship is being awarded or when a student is attending only one term and the maximum award does not exceed the student's cost of attendance.
- d) Funds shall be remitted by ISAC to institutions on behalf of the recipients.
- e) Upon receipt of scholarship funds, the institution shall verify the recipient's enrollment status for the term for which the award was intended. If enrolled, the institution may credit the scholarship funds to the recipient's account for expenses due and payable. The balance of the disbursement shall be released to the recipient.
- f) Upon receipt of the scholarship funds, if the recipient has withdrawn from enrollment for the terms for which the award was intended, the institution shall return the amount of the scholarship payment to ISAC.
- g) Scholarship assistance provided under this Part shall be subject to the following conditions:
 - 1) A recipient may receive up to 84 semesters or 126 quarters of scholarship assistance under this program.
 - 2) Scholarship funds are applicable toward two semesters or three quarters of half-time and full-time study within an academic year.
 - 3) The total number of scholarships awarded in a given fiscal year is contingent upon available funding.
 - 4) Program scholarships are applicable only toward tuition, fees and room

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF EMERGENCY AMENDMENTS

- and board charges or commuter allowances, if applicable.
- 5) The annual scholarship amount shall be computed by the institution and be the lesser of:
- A) tuition and fees plus room and board expenses charged by the institution;
 - B) tuition and fees plus the institution's standard cost of living allowance for students living off-campus;
 - C) an amount not to exceed ~~\$5,000~~\$10,000 unless otherwise authorized by this Section. ~~;~~or
 - ~~D) an amount not to exceed \$15,000, subject to appropriation, if the student is pursuing a course of study necessary to teach in a teacher shortage discipline in which he or she commits to teach, and the student has also made a commitment to teach at a hard-to-staff school.~~
- 6) The total amount of scholarship assistance awarded under this Section to a recipient of scholarship assistance under this Part in a given academic year, when added to the other financial aid available to the qualified applicant for that year, cannot exceed the cost of attendance.
- 7) A recipient of scholarship assistance under this Part may receive grant assistance under the Monetary Award Program only up to the amount by which the qualified applicant's cost of attendance exceeds the amount of the scholarship assistance awarded under this Section.
- h) To provide sufficient time for processing and vouchering through the State Comptroller's Office in Springfield, all payment requests must be received by ISAC no later than July 1.

(Source: Amended by emergency rulemaking at 37 Ill. Reg. 15446, effective September 3, 2013, for a maximum of 150 days)

JOINT COMMITTEE ON ADMINISTRATIVE RULES
ILLINOIS GENERAL ASSEMBLY

SECOND NOTICES RECEIVED

The following second notices were received by the Joint Committee on Administrative Rules during the period of September 3, 2013 through September 9, 2013. The rulemakings are scheduled for review at the Committee's September 17, 2013 meeting. Other items not contained in this published list may also be considered. Members of the public wishing to express their views with respect to a rulemaking should submit written comments to the Committee at the following address: Joint Committee on Administrative Rules, 700 Stratton Bldg., Springfield IL 62706.

<u>Second Notice Expires</u>	<u>Agency and Rule</u>	<u>Start Of First Notice</u>	<u>JCAR Meeting</u>
10/17/13	<u>Department of Central Management Services</u> , Pay Plan (80 Ill. Adm. Code 310)	7/19/13 37 Ill. Reg. 10740	9/17/13
10/18/13	<u>Illinois Gaming Board</u> , Riverboat Gambling (86 Ill. Adm. Code 3000)	7/12/13 37 Ill. Reg. 9855	9/17/13
10/18/13	<u>Illinois Gaming Board</u> , Video Gaming (General) (11 Ill. Adm. Code 1800)	7/12/13 37 Ill. Reg. 9833	9/17/13
10/18/13	<u>Department of Natural Resources</u> , Off-Highway Vehicle Usage Stamps (17 Ill. Adm. Code 2525)	7/12/13 37 Ill. Reg. 9904	9/17/13
10/18/13	<u>Department of Natural Resources</u> , Sport Fishing Regulations for the Waters of Illinois (17 Ill. Adm. Code 810)	7/19/13 37 Ill. Reg. 11027	9/17/13
10/19/13	<u>Secretary of State</u> , Uniform Commercial Code (14 Ill. Adm. Code 180)	6/21/13 37 Ill. Reg. 8119	9/17/13

POLLUTION CONTROL BOARD

NOTICE OF PUBLIC INFORMATION ON PROPOSED AMENDMENT

NOTICE OF PUBLIC HEARING AND COMMENT PERIOD
PURSUANT TO 415 ILCS 5/10(H) and 1 ILCS 100/5-70(b)Notice of Public Comment Period and Public Hearing
for State Implementation Plan (SIP) Submittals
for National Ambient Air Quality Standards (NAAQS)

The Pollution Control Board (Board) is accepting public comments and will conduct a public hearing on a prospective NAAQS SIP submittal to the U.S. Environmental Protection Agency (USEPA). The Board will accept written comments on the proposed rule that will form the basis for the SIP proposal until 45 days after the date of this issue of the *Illinois Register*, and a public hearing will occur in Springfield and Chicago on October 31, 2013. The Board presently anticipates adoption of new exemptions from the definition of volatile organic material (VOM) on November 21, 2013, or within a short time after that date.

Section 10(H) of the Environmental Protection Act (Act) [415 ILCS 5/10(H)] requires the Board to do as follows:

[T]he Board shall adopt ambient air quality standards specifying the maximum permissible short-term and long-term concentrations of various contaminants in the atmosphere, those standards shall be identical in substance to the national ambient air quality standards promulgated by the Administrator of the United States Environmental Protection Agency in accordance with Section 109 of the Clean Air Act [(42 U.S.C. § 7409 (2011))].

The USEPA NAAQS are codified at 40 C.F.R. § 50. The Board is required to adopt those exemptions using the “identical in substance” rulemaking procedure of Section 7.2 of the Act [415 ILCS 5/7.2]. The Illinois listing of these compounds is codified at 35 Ill. Adm. Code 243.

On September 5, 2013, the Board adopted a proposal for public comment in docket R14-6 to initiate adoption of the latest USEPA amendments to and actions affecting the federal NAAQS during the period January 1, 2013 through June 30, 2013, adding later USEPA amendments of July 3, 2013 and August 5, 2013.

- On January 15, 2013 (78 Fed. Reg. 3086), USEPA adopted new primary annual average and 24-hour NAAQS for fine particulate matter (PM_{2.5}).
- USEPA issued a revised version of the “List of Designated Reference and Equivalent Methods”(List of Designated Methods) on June 27, 2013.

POLLUTION CONTROL BOARD

NOTICE OF PUBLIC INFORMATION ON PROPOSED AMENDMENT

- USEPA amended the NAAQS for lead by adding a new federal equivalent method (FRM) for lead in particulate matter on July 3, 2013 (78 Fed. Reg. 40000). Since the FRMs are itemized in the List of Designated Methods, this revision will require updating the incorporation by reference to the List.
- USEPA made area air quality designations for areas in Illinois under the 2010 NAAQS for sulfur oxides.

A Notice of Proposed Amendment appears in today's issue of the *Illinois Register* relative to the docket R14-6 proposal.

The Board expects that the Illinois Environmental Protection Agency (Agency) will submit the present amendments as a revision to the Illinois SIP for ozone pursuant to section 110 of the federal Clean Air Act (42 U.S.C. § 7410(a) (2011) and the implementing USEPA regulations. See 40 C.F.R. § 51.102 and appendix V (2013).

As USEPA will require the State to have conducted a hearing on the amendments to the Illinois NAAQS rules involved in this proceeding pursuant to 42 U.S.C. § 4210(a) and 40 C.F.R. § 51.102, the Board has scheduled a public hearing in this matter to occur by teleconference at two locations, as follows:

1:00 p.m., October 31, 2013

James R. Thompson Center
Illinois Pollution Control Board Hearing Room
100 West Randolph Street, Room 11-512
Chicago

and

Sangamo Building
Illinois Pollution Control Board Hearing Room
1021 North Grand Avenue
Springfield

The Board invites public comment on the proposed amendments. The Board will receive public comments until at least 45 days after a notice of these proposed amendments appears in the *Illinois Register*. Anyone may file a public comment with the Board at:

POLLUTION CONTROL BOARD

NOTICE OF PUBLIC INFORMATION ON PROPOSED AMENDMENT

Office of the Clerk
Pollution Control Board
James R. Thompson Center
100 W. Randolph Street, Suite 11-500
Chicago, Illinois 60601

All comments relating to this rulemaking should clearly refer to docket number R14-6.

The record in this docket will include all documents pertaining to this proceeding. All documents in the record are publicly available for inspection and copying as provided in 2 Ill. Adm. Code 2175 (2012) by contacting the Office of the Clerk. The documents are also freely available online at the Board's webpage: www.ipcb.state.il.us.

The record will not include a copy of the following documents, which are all otherwise publicly available:

- The January 15, 2013, July 3, 2013, and August 5, 2013 *Federal Register* notices that prompted this action (referenced in the Board's September 5, 2013 opinion and order proposing amendments);
- Federal statutes and regulations referenced in the Board's September 5, 2013 opinion and order; and
- Illinois statutes and regulations referenced in the Board's September 5, 2013 opinion and order.

The Board requests that interested persons direct questions to the following person:

Michael J. McCambridge, Staff Attorney
Pollution Control Board
100 West Randolph Street, Room 11-500
Chicago, Illinois 60601

312/814-6924
michael.mccambridge@illinois.gov

The Board requests that interested persons request documents from or submit documents to the following person:

POLLUTION CONTROL BOARD

NOTICE OF PUBLIC INFORMATION ON PROPOSED AMENDMENT

John T. Therriault, Assistant Clerk of the Board
Pollution Control Board
100 West Randolph Street, Room 11-500
Chicago, Illinois 60601

312/814-3629
john.therriault@illinois.gov

After the hearing and conclusion of the public comment period, the Board will promptly issue an opinion and order adopting final rule amendments. The Board presently anticipates adoption of the amendments on November 21, 2013, or shortly thereafter. The Board will then file the amendments with the Office of the Secretary of State, and a Notice of Adopted Amendments will appear in the *Illinois Register*. Any Agency submission of the associated SIP revision to USEPA will follow that Notice.

POLLUTION CONTROL BOARD

NOTICE OF PUBLIC INFORMATION ON PROPOSED AMENDMENT

NOTICE OF PUBLIC HEARING AND COMMENT PERIOD
PURSUANT TO 415 ILCS 5/9.1(e) and 1 ILCS 100/5-70(b)Notice of Public Comment Period and Public Hearing for
State Implementation Plan (SIP) Submittals for Ozone

The Pollution Control Board (Board) is accepting public comments and will conduct a public hearing on a prospective ozone SIP submittal to the U.S. Environmental Protection Agency (USEPA). The Board will accept written comments on the proposed rule that will form the basis for the SIP proposal until 45 days after the date of this issue of the *Illinois Register*, and a public hearing will occur in Springfield and Chicago on October 31, 2013. The Board presently anticipates adoption of new exemptions from the definition of volatile organic material (VOM) on November 21, 2013, or within a short time after that date.

Section 9.1(e) of the Environmental Protection Act (Act) [415 ILCS 5/9.1(e)] requires the Board to “exempt from regulation under the SIP for ozone the [VOMs] which have been determined by [USEPA] to be exempt from regulation under [SIPs] for ozone due to negligible photochemical reactivity.” The USEPA listing of these compounds is codified at 40 C.F.R. 51.100(s). The Board is required to adopt those exemptions using the “identical in substance” rulemaking procedure of Section 7.2 of the Act [415 ILCS 5/7.2]. The Illinois listing of these compounds is codified at 35 Ill. Adm. Code 211.7150.

On September 5, 2013, the Board adopted a proposal for public comment in docket R14-7 to initiate adoption of the latest USEPA exemption of five compounds from the definition of VOM during the period January 1, 2013 through June 30, 2013 and August 28, 2013. On February 12, 2013 (78 Fed. Reg. 9823), USEPA exempted one hydrofluoroether and three hydrofluoropoly ethers (HFEs): (difluoromethoxy)(difluoro)methane (CAS 1691-17-4), bis(difluoromethoxy)(difluoro)methane (CAS 78522-47-1), 1,2-bis(difluoromethoxy)-1,1,2,2-tetrafluoroethane (CAS 188690-78-0), and 1-(difluoromethoxy)-2-[(difluoromethoxy)(difluoro)methoxy]-1,1,2,2-tetrafluoroethane (CAS 188690-77-9). On August 28, 2013 (78 Fed. Reg. 53029), USEPA exempted one hydrochlorofluorohydrocarbon: *trans*-1-chloro-3,3,3-trifluoroprop-1-ene (CAS 102687-65-0). A Notice of Proposed Amendment appears in today’s issue of the *Illinois Register* relative to the docket R14-7 proposal.

The Board expects that the Illinois Environmental Protection Agency (Agency) will submit the present amendments as a revision to the Illinois SIP for ozone pursuant to section 110 of the federal Clean Air Act (42 U.S.C. § 7410(a) (2011) and the implementing USEPA regulations. See 40 C.F.R. § 51.102 and appendix V (2013).

POLLUTION CONTROL BOARD

NOTICE OF PUBLIC INFORMATION ON PROPOSED AMENDMENT

Section 9.1(a) of the Act [415 ILCS 5/9.1(a)] requires the Board to “provide for notice, a hearing if required by [USEPA], and public comment before adopted rules are filed with the Secretary of State.” As USEPA will require the State to have conducted a hearing on the exemption from the definition of VOM involved in this proceeding pursuant to 42 U.S.C. § 4210(a) and 40 C.F.R. § 51.102, the Board has scheduled a public hearing in this matter to occur by teleconference at two locations, as follows:

1:15 p.m., October 31, 2013

James R. Thompson Center
Illinois Pollution Control Board Hearing Room
100 West Randolph Street, Room 11-512
Chicago

and

Sangamo Building
Illinois Pollution Control Board Hearing Room
1021 North Grand Avenue
Springfield

The Board invites public comment on the proposed amendments. The Board will receive public comments until at least 45 days after a notice of these proposed amendments appears in the *Illinois Register*. Anyone may file a public comment with the Board at:

Office of the Clerk
Pollution Control Board
James R. Thompson Center
100 W. Randolph Street, Suite 11-500
Chicago, Illinois 60601

All comments relating to this rulemaking should clearly refer to docket number R14-7.

The record in this docket will include all documents pertaining to this proceeding. All documents in the record are publicly available for inspection and copying as provided in 2 Ill. Adm. Code 2175 (2012) by contacting the Office of the Clerk. The documents are also freely available online at the Board’s webpage: www.ipcb.state.il.us.

The record will not include a copy of the following documents, which are all otherwise publicly available:

POLLUTION CONTROL BOARD

NOTICE OF PUBLIC INFORMATION ON PROPOSED AMENDMENT

- The February 12, 2013 *Federal Register* notice that prompted this action (referenced in the Board's September 5, 2013 opinion and order proposing amendments);
- Federal statutes and regulations referenced in the Board's September 5, 2013 opinion and order; and
- Illinois statutes and regulations referenced in the Board's September 5, 2013 opinion and order.

The Board requests that interested persons direct questions to the following person:

Michael J. McCambridge, Staff Attorney
Pollution Control Board
100 West Randolph Street, Room 11-500
Chicago, Illinois 60601

312/814-6924
michael.mccambridge@illinois.gov

The Board requests that interested persons request documents from or submit documents to the following person:

John T. Therriault, Assistant Clerk of the Board
Pollution Control Board
100 West Randolph Street, Room 11-500
Chicago, Illinois 60601

312/814-3629
john.therriault@illinois.gov

After the hearing and conclusion of the public comment period, the Board will promptly issue an opinion and order adopting final rule amendments. The Board presently anticipates adoption of the amendments on November 21, 2013, or shortly thereafter. The Board will then file the amendments with the Office of the Secretary of State, and a Notice of Adopted Amendments will appear in the *Illinois Register*. Any Agency submission of the associated SIP revision to USEPA will follow that Notice.

ILLINOIS ADMINISTRATIVE CODE
Issue Index - With Effective Dates

Rules acted upon in Volume 37, Issue 38 are listed in the Issues Index by Title number, Part number, Volume and Issue. Inquiries about the Issue Index may be directed to the Administrative Code Division at (217) 782-7017/18.

PROPOSED RULES

89 - 112	.....	15185
89 - 115	.....	15187
89 - 121	.....	15189
50 - 2007	.....	15191
50 - 3125	.....	15238
50 - 5420	.....	15251
50 - 5421	.....	15270
35 - 211	.....	15289
35 - 243	.....	15314
23 - 2730	.....	15332
23 - 2764	.....	15334

ADOPTED RULES

83 - 590	9/10/2013	15336
50 - 1405	9/4/2013	15340
50 - 3401	1/1/2014	15355
38 - 610	9/9/2013	15365
74 - 285	9/9/2013	15376

EMERGENCY RULES

89 - 112	9/9/2013	15388
89 - 115	9/9/2013	15416
89 - 121	9/9/2013	15423
23 - 2730	9/3/2013	15439
23 - 2764	9/3/2013	15446

ORDER FORM

<input type="checkbox"/> Electronic Version of the Illinois Register (E-mail Address Required) <input type="checkbox"/> New <input type="checkbox"/> Renewal	\$290.00 (annually)
<input type="checkbox"/> Back Issues of the Illinois Register (2009 Only) Volume # _____ Issue# _____ Date _____	\$ 10.00 (each)
<input type="checkbox"/> Microfiche sets of the Illinois Register 1977 – 2003 Specify Year(s) _____	\$ 200.00 (per set)
<input type="checkbox"/> Cumulative/Sections Affected Indices 2003 - 2006 Specify Year(s) _____	\$ 5.00 (per set)
(Processing fee for credit cards purchases, if applicable.)	\$ 2.00
TOTAL AMOUNT OF ORDER	\$ _____

--	--

Check Make Checks Payable To: **Secretary of State**

<input type="checkbox"/> VISA <input type="checkbox"/> Master Card <input type="checkbox"/> Discover (There is a \$2.00 processing fee for credit card purchases.)
Card #: _____ Expiration Date: _____
Signature: _____

Send Payment To: Secretary of State
 Department of Index
 Administrative Code Division
 111 E. Monroe
 Springfield, IL 62756

Fax Order To: (217) 557-8919

Name:	Attention:	ID #:
Address:		
City:	State:	Zip Code:
Phone:	Fax:	E-Mail:

Published by **JESSE WHITE** • Secretary of State
www.cyberdriveillinois.com