

**TITLE 50: INSURANCE**  
**PART 2007 MINIMUM STANDARDS OF INDIVIDUAL ACCIDENT AND HEALTH INSURANCE**  
**CHAPTER I: DEPARTMENT OF INSURANCE**

**Section 2007.70b) 8) Accident and Health Minimum Standards for Benefits for Specified Disease**

- 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)].
- 8) Specified Coverages  
"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 condition(s) or disease(s), shall meet the standards of subsection (b)(8)(C) or (D) below. Insurance covering specified disease(s) other than cancer shall meet the standards of subsections (b)(8)(B) or (D) below.
- 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 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 disease(s), but also for any other condition(s) or disease(s) directly caused or aggravated by the specified disease(s) or the treatment of the specified 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 waiting period, if any) benefits shall begin with the first day of medical care or hospital confinement if 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 which provides coverage for each person insured under the policy for a specifically named disease (or 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;
  - 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 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 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;
- 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, 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.

D) The following minimum benefit standards apply to specified disease coverages written on a per diem indemnity basis. 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 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.

(Source: Amended at 19 Ill. Reg. 16555, effective December 5, 1995)