



104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

HB3754

Introduced 2/18/2025, by Rep. Mary Gill

SYNOPSIS AS INTRODUCED:

215 ILCS 5/356z.3b new

Amends the Accident and Health Insurance Article of the Illinois Insurance Code. Provides that when an insured person or policyholder requests, in writing, from the insurance issuer a confirmation of the current outstanding balance due from the insured person or policyholder, the insurance issuer may charge a fee of no more than \$40 to provide that information. Requires the fee to be reasonably related to the work and time required to confirm the total balance owed. Sets forth requirements that must be met before an insurance issuer may turn an outstanding balance over to a collection agent, including requiring a written communication to the insured person or policyholder from whom money is owed, requiring the insurer to allow the insured person or policyholder 7 calendar days after receipt of the written communication to either confirm receipt of the written communication and agree to pay or to request a different time frame, and the insurer to attempt in good faith to agree on a time frame for all outstanding moneys owed to be paid. Provides that if an agreement to pay is not reached within 7 calendar days after receipt of the written notice or payment is not made by the agreed-upon time frame, the insurance issuer may turn the delinquent account over to a collection agent.

LRB104 12262 BAB 22374 b

1 AN ACT concerning regulation.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Illinois Insurance Code is amended by
5 adding Section 356z.3b as follows:

6 (215 ILCS 5/356z.3b new)

7 Sec. 356z.3b. Statement of balance owed; use of collection
8 agents.

9 (a) When an insured person or policyholder requests, in
10 writing, from the insurance issuer a confirmation of the
11 current outstanding balance due from the insured person or
12 policyholder, the insurance issuer may charge a fee of no more
13 than \$40 to provide that information. However, the fee amount
14 must be reasonably related to the work and time required to
15 confirm the total balance owed. This fee may only be charged
16 one time per calendar year, unless the balance owed has
17 changed between the time the first and any subsequent request
18 was made.

19 (b) Before an insurance issuer may turn an outstanding
20 balance owed over to a collection agent, the insurance issuer
21 must do all of the following:

22 (1) Send a written communication to the insured
23 person or policyholder from whom the outstanding balance

1 is owed, including a time frame on which payment must be
2 made. If the terms of the policy do not provide for this
3 time frame, a reasonable time frame may be set.

4 (2) Allow the insured person or policyholder 7
5 calendar days after receipt of the written communication
6 to confirm receipt of the written communication and either
7 agree to pay or to request a different time frame for
8 payment.

9 (3) Attempt in good faith to agree on a time frame for
10 the payment of all outstanding moneys.

11 (c) If an agreement to pay pursuant to subsection (b) is
12 not reached within 7 calendar days after receipt of the
13 written notice or payment is not made by the agreed-upon time
14 frame, the insurance issuer may turn the delinquent account
15 over to a collection agent.