



Sen. Willie Preston

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1 AMENDMENT TO SENATE BILL 40

2 AMENDMENT NO. _____. Amend Senate Bill 40 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Illinois Insurance Code is amended by
5 changing Section 356z.15 as follows:

6 (215 ILCS 5/356z.15)

7 Sec. 356z.15. Habilitative services for children.

8 (a) As used in this Section, "habilitative services" means
9 occupational therapy, physical therapy, speech therapy, and
10 other services prescribed by the insured's treating physician
11 pursuant to a treatment plan to enhance the ability of a child
12 to function with a congenital, genetic, or early acquired
13 disorder. A congenital or genetic disorder includes, but is
14 not limited to, hereditary disorders. An early acquired
15 disorder refers to a disorder resulting from illness, trauma,
16 injury, or some other event or condition suffered by a child

1 prior to that child developing functional life skills such as,
2 but not limited to, walking, talking, or self-help skills.
3 Congenital, genetic, and early acquired disorders may include,
4 but are not limited to, autism or an autism spectrum disorder,
5 cerebral palsy, and other disorders resulting from early
6 childhood illness, trauma, or injury.

7 (b) A group or individual policy of accident and health
8 insurance or managed care plan amended, delivered, issued, or
9 renewed after the effective date of this amendatory Act of the
10 95th General Assembly must provide coverage for habilitative
11 services for children under 19 years of age with a congenital,
12 genetic, or early acquired disorder so long as all of the
13 following conditions are met:

14 (1) A physician licensed to practice medicine in all
15 its branches has diagnosed the child's congenital,
16 genetic, or early acquired disorder.

17 (2) The treatment is administered by a licensed
18 speech-language pathologist, licensed audiologist,
19 licensed occupational therapist, licensed physical
20 therapist, licensed physician, licensed nurse, licensed
21 optometrist, licensed nutritionist, licensed social
22 worker, or licensed psychologist upon the referral of a
23 physician licensed to practice medicine in all its
24 branches.

25 (3) The initial or continued treatment must be
26 medically necessary and therapeutic and not experimental

1 or investigational.

2 (b-5) For any child under 19 years of age with an early
3 acquired disorder that is diagnosed as a speech-language
4 disorder, including stuttering, the coverage required under
5 this Section shall include rehabilitative services in addition
6 to habilitative services. As used in this subsection,
7 "rehabilitative services" means speech therapy that helps a
8 child restore or improve skills and functions for daily living
9 that have been lost or impaired.

10 (c) The coverage required by this Section shall be subject
11 to other general exclusions and limitations of the policy,
12 including coordination of benefits, participating provider
13 requirements, restrictions on services provided by family or
14 household members, utilization review of health care services,
15 including review of medical necessity, case management,
16 experimental, and investigational treatments, and other
17 managed care provisions.

18 (d) Coverage under this Section does not apply to those
19 services that are solely educational in nature or otherwise
20 paid under State or federal law for purely educational
21 services. Nothing in this subsection (d) relieves an insurer
22 or similar third party from an otherwise valid obligation to
23 provide or to pay for services provided to a child with a
24 disability.

25 (e) Coverage under this Section for children under age 19
26 shall not apply to treatment of mental or emotional disorders

1 or illnesses as covered under Section 370 of this Code as well
2 as any other benefit based upon a specific diagnosis that may
3 be otherwise required by law.

4 (f) The provisions of this Section do not apply to
5 short-term travel, accident-only, limited, or specific disease
6 policies.

7 (g) Any denial of care for habilitative services shall be
8 subject to appeal and external independent review procedures
9 as provided by Section 45 of the Managed Care Reform and
10 Patient Rights Act.

11 (h) Upon request of the reimbursing insurer, the provider
12 under whose supervision the habilitative services are being
13 provided shall furnish medical records, clinical notes, or
14 other necessary data to allow the insurer to substantiate that
15 initial or continued medical treatment is medically necessary
16 and that the patient's condition is clinically improving. When
17 the treating provider anticipates that continued treatment is
18 or will be required to permit the patient to achieve
19 demonstrable progress, the insurer may request that the
20 provider furnish a treatment plan consisting of diagnosis,
21 proposed treatment by type, frequency, anticipated duration of
22 treatment, the anticipated goals of treatment, and how
23 frequently the treatment plan will be updated.

24 (i) Rulemaking authority to implement this amendatory Act
25 of the 95th General Assembly, if any, is conditioned on the
26 rules being adopted in accordance with all provisions of the

1 Illinois Administrative Procedure Act and all rules and
2 procedures of the Joint Committee on Administrative Rules; any
3 purported rule not so adopted, for whatever reason, is
4 unauthorized.

5 (j) An insurer may not deny or refuse to provide otherwise
6 covered services under a group or individual policy of
7 accident and health insurance or a managed care plan solely
8 because of the location wherein the clinically appropriate
9 services are provided.

10 (Source: P.A. 102-322, eff. 1-1-22.)

11 Section 10. The Limited Health Service Organization Act is
12 amended by changing Section 4003 as follows:

13 (215 ILCS 130/4003) (from Ch. 73, par. 1504-3)

14 Sec. 4003. Illinois Insurance Code provisions. Limited
15 health service organizations shall be subject to the
16 provisions of Sections 133, 134, 136, 137, 139, 140, 141.1,
17 141.2, 141.3, 143, 143.31, 143c, 147, 148, 149, 151, 152, 153,
18 154, 154.5, 154.6, 154.7, 154.8, 155.04, 155.37, 155.49, 352c,
19 355.2, 355.3, 355b, 355d, 356m, 356q, 356v, 356z.4, 356z.4a,
20 356z.10, 356z.15, 356z.21, 356z.22, 356z.25, 356z.26, 356z.29,
21 356z.32, 356z.33, 356z.41, 356z.46, 356z.47, 356z.51, 356z.53,
22 356z.54, 356z.57, 356z.59, 356z.61, 356z.64, 356z.67, 356z.68,
23 356z.71, 356z.73, 356z.74, 356z.75, 364.3, 368a, 401, 401.1,
24 402, 403, 403A, 408, 408.2, 409, 412, 444, and 444.1 and

1 Articles IIA, VIII 1/2, XII, XII 1/2, XIII, XIII 1/2, XXV, and
2 XXVI of the Illinois Insurance Code. Nothing in this Section
3 shall require a limited health care plan to cover any service
4 that is not a limited health service. For purposes of the
5 Illinois Insurance Code, except for Sections 444 and 444.1 and
6 Articles XIII and XIII 1/2, limited health service
7 organizations in the following categories are deemed to be
8 domestic companies:

9 (1) a corporation under the laws of this State; or

10 (2) a corporation organized under the laws of another
11 state, 30% or more of the enrollees of which are residents
12 of this State, except a corporation subject to
13 substantially the same requirements in its state of
14 organization as is a domestic company under Article VIII
15 1/2 of the Illinois Insurance Code.

16 (Source: P.A. 102-30, eff. 1-1-22; 102-203, eff. 1-1-22;
17 102-306, eff. 1-1-22; 102-642, eff. 1-1-22; 102-731, eff.
18 1-1-23; 102-775, eff. 5-13-22; 102-813, eff. 5-13-22; 102-816,
19 eff. 1-1-23; 102-860, eff. 1-1-23; 102-1093, eff. 1-1-23;
20 102-1117, eff. 1-13-23; 103-84, eff. 1-1-24; 103-91, eff.
21 1-1-24; 103-420, eff. 1-1-24; 103-426, eff. 8-4-23; 103-445,
22 eff. 1-1-24; 103-605, eff. 7-1-24; 103-649, eff. 1-1-25;
23 103-656, eff. 1-1-25; 103-700, eff. 1-1-25; 103-718, eff.
24 7-19-24; 103-751, eff. 8-2-24; 103-758, eff. 1-1-25; 103-832,
25 eff. 1-1-25; 103-1024, eff. 1-1-25; revised 11-26-24.)

1 Section 15. The Illinois Public Aid Code is amended by
2 adding Section 5-5j as follows:

3 (305 ILCS 5/5-5j new)

4 Sec. 5-5j. Speech-language rehabilitative and habilitative
5 services. Subject to federal approval, for services beginning
6 on and after July 1, 2025, the medical assistance program
7 shall provide coverage for medically necessary rehabilitative
8 and habilitative services for individuals under the age of 21
9 with an early acquired disorder that is diagnosed as a
10 speech-language disorder, including stuttering. As used in
11 this subsection, "rehabilitative services" means speech
12 therapy that helps an individual restore or improve skills and
13 functions for daily living that have been lost or impaired.

14 Section 99. Effective date. This Act takes effect July 1,
15 2025, except that Sections 5 and 10 take effect on January 1,
16 2027."