



Sen. Julie A. Morrison

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1 AMENDMENT TO SENATE BILL 338

2 AMENDMENT NO. _____. Amend Senate Bill 338 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Illinois Insurance Code is amended by
5 changing Section 370c.1 as follows:

6 (215 ILCS 5/370c.1)

7 Sec. 370c.1. Mental health and addiction parity.

8 (a) On and after the effective date of this amendatory Act
9 of the 99th General Assembly, every insurer that amends,
10 delivers, issues, or renews a group or individual policy of
11 accident and health insurance or a qualified health plan
12 offered through the Health Insurance Marketplace in this State
13 providing coverage for hospital or medical treatment and for
14 the treatment of mental, emotional, nervous, or substance use
15 disorders or conditions shall ensure that:

16 (1) the financial requirements applicable to such

1 mental, emotional, nervous, or substance use disorder or
2 condition benefits are no more restrictive than the
3 predominant financial requirements applied to
4 substantially all hospital and medical benefits covered by
5 the policy and that there are no separate cost-sharing
6 requirements that are applicable only with respect to
7 mental, emotional, nervous, or substance use disorder or
8 condition benefits; and

9 (2) the treatment limitations applicable to such
10 mental, emotional, nervous, or substance use disorder or
11 condition benefits are no more restrictive than the
12 predominant treatment limitations applied to substantially
13 all hospital and medical benefits covered by the policy and
14 that there are no separate treatment limitations that are
15 applicable only with respect to mental, emotional,
16 nervous, or substance use disorder or condition benefits.

17 (a-5) On and after the effective date of this amendatory
18 Act of the 100th General Assembly, every insurer that amends,
19 delivers, issues, or renews a group or individual policy or
20 certificate of disability insurance or disability income
21 insurance in or to any person in this State shall ensure that:

22 (1) the benefits applicable to such mental, emotional,
23 nervous, or substance use disorders or conditions are no
24 more restrictive than the benefits available for all other
25 medical conditions covered by the policy or certificate and
26 that there are no separate requirements that are applicable

1 only with respect to mental, emotional, nervous, or
2 substance use disorder or condition benefits; and

3 (2) the treatment limitations or other coverage
4 limitations applicable to such mental, emotional, nervous,
5 or substance use disorder or condition benefits are no more
6 restrictive than the benefits available for other
7 physiologic conditions covered by the policy and that there
8 are no separate payment limitations that may be applied
9 specifically with respect to mental, emotional, nervous,
10 or substance use disorder or condition benefits.

11 (b) The following provisions shall apply concerning
12 aggregate lifetime limits:

13 (1) In the case of a group or individual policy of
14 accident and health insurance or a qualified health plan
15 offered through the Health Insurance Marketplace amended,
16 delivered, issued, or renewed in this State on or after the
17 effective date of this amendatory Act of the 99th General
18 Assembly that provides coverage for hospital or medical
19 treatment and for the treatment of mental, emotional,
20 nervous, or substance use disorders or conditions the
21 following provisions shall apply:

22 (A) if the policy does not include an aggregate
23 lifetime limit on substantially all hospital and
24 medical benefits, then the policy may not impose any
25 aggregate lifetime limit on mental, emotional,
26 nervous, or substance use disorder or condition

1 benefits; or

2 (B) if the policy includes an aggregate lifetime
3 limit on substantially all hospital and medical
4 benefits (in this subsection referred to as the
5 "applicable lifetime limit"), then the policy shall
6 either:

7 (i) apply the applicable lifetime limit both
8 to the hospital and medical benefits to which it
9 otherwise would apply and to mental, emotional,
10 nervous, or substance use disorder or condition
11 benefits and not distinguish in the application of
12 the limit between the hospital and medical
13 benefits and mental, emotional, nervous, or
14 substance use disorder or condition benefits; or

15 (ii) not include any aggregate lifetime limit
16 on mental, emotional, nervous, or substance use
17 disorder or condition benefits that is less than
18 the applicable lifetime limit.

19 (2) In the case of a policy that is not described in
20 paragraph (1) of subsection (b) of this Section and that
21 includes no or different aggregate lifetime limits on
22 different categories of hospital and medical benefits, the
23 Director shall establish rules under which subparagraph
24 (B) of paragraph (1) of subsection (b) of this Section is
25 applied to such policy with respect to mental, emotional,
26 nervous, or substance use disorder or condition benefits by

1 substituting for the applicable lifetime limit an average
2 aggregate lifetime limit that is computed taking into
3 account the weighted average of the aggregate lifetime
4 limits applicable to such categories.

5 (c) The following provisions shall apply concerning annual
6 limits:

7 (1) In the case of a group or individual policy of
8 accident and health insurance or a qualified health plan
9 offered through the Health Insurance Marketplace amended,
10 delivered, issued, or renewed in this State on or after the
11 effective date of this amendatory Act of the 99th General
12 Assembly that provides coverage for hospital or medical
13 treatment and for the treatment of mental, emotional,
14 nervous, or substance use disorders or conditions the
15 following provisions shall apply:

16 (A) if the policy does not include an annual limit
17 on substantially all hospital and medical benefits,
18 then the policy may not impose any annual limits on
19 mental, emotional, nervous, or substance use disorder
20 or condition benefits; or

21 (B) if the policy includes an annual limit on
22 substantially all hospital and medical benefits (in
23 this subsection referred to as the "applicable annual
24 limit"), then the policy shall either:

25 (i) apply the applicable annual limit both to
26 the hospital and medical benefits to which it

1 otherwise would apply and to mental, emotional,
2 nervous, or substance use disorder or condition
3 benefits and not distinguish in the application of
4 the limit between the hospital and medical
5 benefits and mental, emotional, nervous, or
6 substance use disorder or condition benefits; or

7 (ii) not include any annual limit on mental,
8 emotional, nervous, or substance use disorder or
9 condition benefits that is less than the
10 applicable annual limit.

11 (2) In the case of a policy that is not described in
12 paragraph (1) of subsection (c) of this Section and that
13 includes no or different annual limits on different
14 categories of hospital and medical benefits, the Director
15 shall establish rules under which subparagraph (B) of
16 paragraph (1) of subsection (c) of this Section is applied
17 to such policy with respect to mental, emotional, nervous,
18 or substance use disorder or condition benefits by
19 substituting for the applicable annual limit an average
20 annual limit that is computed taking into account the
21 weighted average of the annual limits applicable to such
22 categories.

23 (d) With respect to substance use disorders, an insurer
24 shall use policies and procedures for the election and
25 placement of substance abuse treatment drugs on their formulary
26 that are no less favorable to the insured as those policies and

1 procedures the insurer uses for the selection and placement of
2 other drugs and shall follow the expedited coverage
3 determination requirements for substance abuse treatment drugs
4 set forth in Section 45.2 of the Managed Care Reform and
5 Patient Rights Act.

6 (e) This Section shall be interpreted in a manner
7 consistent with all applicable federal parity regulations
8 including, but not limited to, the Mental Health Parity and
9 Addiction Equity Act of 2008 at 78 FR 68240.

10 (f) The provisions of subsections (b) and (c) of this
11 Section shall not be interpreted to allow the use of lifetime
12 or annual limits otherwise prohibited by State or federal law.

13 (g) As used in this Section:

14 "Financial requirement" includes deductibles, copayments,
15 coinsurance, and out-of-pocket maximums, but does not include
16 an aggregate lifetime limit or an annual limit subject to
17 subsections (b) and (c).

18 "Treatment limitation" includes limits on benefits based
19 on the frequency of treatment, number of visits, days of
20 coverage, days in a waiting period, or other similar limits on
21 the scope or duration of treatment, and shall also include
22 benefit payments under disability insurance or disability
23 income insurance policies or certificates. "Treatment
24 limitation" includes both quantitative treatment limitations,
25 which are expressed numerically (such as 50 outpatient visits
26 per year), and nonquantitative treatment limitations, which

1 otherwise limit the scope or duration of treatment, or the
2 duration of benefit payments under the terms of a disability
3 insurance policy or certificate or disability income insurance
4 policy or certificate. A permanent exclusion of all benefits
5 for a particular condition or disorder shall not be considered
6 a treatment limitation. "Nonquantitative treatment" means
7 those limitations as described under federal regulations (26
8 CFR 54.9812-1).

9 (h) The Department of Insurance shall implement the
10 following education initiatives:

11 (1) By January 1, 2016, the Department shall develop a
12 plan for a Consumer Education Campaign on parity. The
13 Consumer Education Campaign shall focus its efforts
14 throughout the State and include trainings in the northern,
15 southern, and central regions of the State, as defined by
16 the Department, as well as each of the 5 managed care
17 regions of the State as identified by the Department of
18 Healthcare and Family Services. Under this Consumer
19 Education Campaign, the Department shall: (1) by January 1,
20 2017, provide at least one live training in each region on
21 parity for consumers and providers and one webinar training
22 to be posted on the Department website and (2) establish a
23 consumer hotline to assist consumers in navigating the
24 parity process by March 1, 2016. By January 1, 2018 the
25 Department shall issue a report to the General Assembly on
26 the success of the Consumer Education Campaign, which shall

1 indicate whether additional training is necessary or would
2 be recommended.

3 (2) The Department, in coordination with the
4 Department of Human Services and the Department of
5 Healthcare and Family Services, shall convene a working
6 group of health care insurance carriers, mental health
7 advocacy groups, substance abuse patient advocacy groups,
8 and mental health physician groups for the purpose of
9 discussing issues related to the treatment and coverage of
10 substance abuse disorders and mental illness. The working
11 group shall meet once before January 1, 2016 and shall meet
12 semiannually thereafter. The Department shall issue an
13 annual report to the General Assembly that includes a list
14 of the health care insurance carriers, mental health
15 advocacy groups, substance abuse patient advocacy groups,
16 and mental health physician groups that participated in the
17 working group meetings, details on the issues and topics
18 covered, and any legislative recommendations.

19 (i) The Parity Education Fund is created as a special fund
20 in the State treasury. Moneys deposited into the Fund for
21 appropriation by the General Assembly to the Department of
22 Insurance shall be used for the purpose of providing financial
23 support of the Consumer Education Campaign.

24 (Source: P.A. 99-480, eff. 9-9-15.)".