

101ST GENERAL ASSEMBLY

State of Illinois

2019 and 2020

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by Rep. Natalie A. Manley

SYNOPSIS AS INTRODUCED:

5 ILCS 375/6.11 55 ILCS 5/5-1069.3 65 ILCS 5/10-4-2.3 105 ILCS 5/10-22.3f 215 ILCS 5/356z.30a new 215 ILCS 125/5-3 215 ILCS 130/4003 215 ILCS 165/10 305 ILCS 5/5-16.8

from Ch. 111 1/2, par. 1411.2 from Ch. 73, par. 1504-3 from Ch. 32, par. 604

Amends the Illinois Insurance Code, the State Employees Group Insurance Act of 1971, the Counties Code, the Illinois Municipal Code, the School Code, the Health Maintenance Organization Act, the Limited Health Service Organization Act, the Voluntary Health Services Plans Act, and the Illinois Public Aid Code to require coverage for hearing instruments and related services for all individuals 65 years of age and older when a hearing care professional prescribes a hearing instrument. Provides that an insurer shall provide coverage for hearing instruments subject to certain restrictions. Provides that an insurer shall not be required to pay a claim if the insured filed such a claim 24 months prior to the date of filing the claim with the insurer and the claim was paid by any insurer.

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AN ACT concerning regulation.

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

Section 5. The State Employees Group Insurance Act of 1971
is amended by changing Section 6.11 as follows:

6 (5 ILCS 375/6.11)

(Text of Section before amendment by P.A. 100-1170)

Sec. 6.11. Required health benefits; Illinois Insurance 8 9 Code requirements. The program of health benefits shall provide the post-mastectomy care benefits required to be covered by a 10 policy of accident and health insurance under Section 356t of 11 the Illinois Insurance Code. The program of health benefits 12 shall provide the coverage required under Sections 356q, 13 14 356q.5, 356q.5-1, 356m, 356u, 356w, 356x, 356z.2, 356z.4, 356z.6, 356z.8, 356z.9, 356z.10, 356z.11, 356z.12, 356z.13, 15 16 356z.14, 356z.15, 356z.17, 356z.22, 356z.25, and 356z.26, and 17 356z.29, and 356z.32 of the Illinois Insurance Code. The program of health benefits must comply with Sections 155.22a, 18 19 155.37, 355b, 356z.19, 370c, and 370c.1 of the Illinois 20 Insurance Code. The Department of Insurance shall enforce the 21 requirements of this Section.

22 Rulemaking authority to implement Public Act 95-1045, if 23 any, is conditioned on the rules being adopted in accordance with all provisions of the Illinois Administrative Procedure Act and all rules and procedures of the Joint Committee on Administrative Rules; any purported rule not so adopted, for whatever reason, is unauthorized.

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5 (Source: P.A. 99-480, eff. 9-9-15; 100-24, eff. 7-18-17; 6 100-138, eff. 8-18-17; 100-863, eff. 8-14-18; 100-1024, eff. 7 1-1-19; 100-1057, eff. 1-1-19; 100-1102, eff. 1-1-19; revised 8 1-8-19.)

(Text of Section after amendment by P.A. 100-1170)

Sec. 6.11. Required health benefits; Illinois Insurance 10 11 Code requirements. The program of health benefits shall provide 12 the post-mastectomy care benefits required to be covered by a policy of accident and health insurance under Section 356t of 13 14 the Illinois Insurance Code. The program of health benefits 15 shall provide the coverage required under Sections 356g, 16 356q.5, 356q.5-1, 356m, 356u, 356w, 356x, 356z.2, 356z.4, 356z.6, 356z.8, 356z.9, 356z.10, 356z.11, 356z.12, 356z.13, 17 356z.14, 356z.15, 356z.17, 356z.22, 356z.25, 356z.26, 356z.29, 18 356z.30a, and 356z.32 of the Illinois Insurance Code. The 19 20 program of health benefits must comply with Sections 155.22a, 21 155.37, 355b, 356z.19, 370c, and 370c.1 of the Illinois 22 Insurance Code. The Department of Insurance shall enforce the requirements of this Section with respect to Sections 370c and 23 24 370c.1 of the Illinois Insurance Code; all other requirements 25 of this Section shall be enforced by the Department of Central

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1 Management Services.

Rulemaking authority to implement Public Act 95-1045, if any, is conditioned on the rules being adopted in accordance with all provisions of the Illinois Administrative Procedure Act and all rules and procedures of the Joint Committee on Administrative Rules; any purported rule not so adopted, for whatever reason, is unauthorized.

8 (Source: P.A. 99-480, eff. 9-9-15; 100-24, eff. 7-18-17;
9 100-138, eff. 8-18-17; 100-863, eff. 8-14-18; 100-1024, eff.
10 1-1-19; 100-1057, eff. 1-1-19; 100-1102, eff. 1-1-19;
11 100-1170, eff. 6-1-19.)

Section 10. The Counties Code is amended by changing Section 5-1069.3 as follows:

14 (55 ILCS 5/5-1069.3)

15 Sec. 5-1069.3. Required health benefits. If a county, including a home rule county, is a self-insurer for purposes of 16 17 providing health insurance coverage for its employees, the 18 coverage shall include coverage for the post-mastectomy care benefits required to be covered by a policy of accident and 19 20 health insurance under Section 356t and the coverage required 21 under Sections 356q, 356q.5, 356q.5-1, 356u, 356w, 356x, 356z.6, 356z.8, 356z.9, 356z.10, 356z.11, 356z.12, 356z.13, 22 23 356z.14, 356z.15, 356z.22, 356z.25, and 356z.26, and 356z.29, 356z.30a, and 356z.32 of the Illinois Insurance Code. The 24

coverage shall comply with Sections 155.22a, 355b, 356z.19, and 1 2 370c of the Illinois Insurance Code. The Department of 3 Insurance shall enforce the requirements of this Section. The requirement that health benefits be covered as provided in this 4 5 Section is an exclusive power and function of the State and is and limitation under Article VII, Section 6, 6 а denial 7 subsection (h) of the Illinois Constitution. A home rule county 8 to which this Section applies must comply with every provision 9 of this Section.

10 Rulemaking authority to implement Public Act 95-1045, if 11 any, is conditioned on the rules being adopted in accordance 12 with all provisions of the Illinois Administrative Procedure 13 Act and all rules and procedures of the Joint Committee on 14 Administrative Rules; any purported rule not so adopted, for 15 whatever reason, is unauthorized.

16 (Source: P.A. 99-480, eff. 9-9-15; 100-24, eff. 7-18-17; 17 100-138, eff. 8-18-17; 100-863, eff. 8-14-18; 100-1024, eff. 18 1-1-19; 100-1057, eff. 1-1-19; 100-1102, eff. 1-1-19; revised 19 10-3-18.)

20 Section 15. The Illinois Municipal Code is amended by 21 changing Section 10-4-2.3 as follows:

22 (65 ILCS 5/10-4-2.3)

23 Sec. 10-4-2.3. Required health benefits. If a 24 municipality, including a home rule municipality, is a

self-insurer for purposes of providing health insurance 1 2 coverage for its employees, the coverage shall include coverage 3 for the post-mastectomy care benefits required to be covered by a policy of accident and health insurance under Section 356t 4 5 and the coverage required under Sections 356q, 356q.5, 6 356q.5-1, 356u, 356w, 356x, 356z.6, 356z.8, 356z.9, 356z.10, 7 356z.11, 356z.12, 356z.13, 356z.14, 356z.15, 356z.22, 356z.25, and 356z.26, and 356z.29, 356z.30a, and 356z.32 of the Illinois 8 9 Insurance Code. The coverage shall comply with Sections 10 155.22a, 355b, 356z.19, and 370c of the Illinois Insurance 11 Code. The Department of Insurance shall enforce the 12 requirements of this Section. The requirement that health 13 benefits be covered as provided in this is an exclusive power and function of the State and is a denial and limitation under 14 Article VII, Section 6, subsection (h) of the Illinois 15 16 Constitution. A home rule municipality to which this Section 17 applies must comply with every provision of this Section.

Rulemaking authority to implement Public Act 95-1045, if any, is conditioned on the rules being adopted in accordance with all provisions of the Illinois Administrative Procedure Act and all rules and procedures of the Joint Committee on Administrative Rules; any purported rule not so adopted, for whatever reason, is unauthorized.

24 (Source: P.A. 99-480, eff. 9-9-15; 100-24, eff. 7-18-17;
25 100-138, eff. 8-18-17; 100-863, eff. 8-14-18; 100-1024, eff.
26 1-1-19; 100-1057, eff. 1-1-19; 100-1102, eff. 1-1-19; revised

1 10-4-18.)

2 Section 20. The School Code is amended by changing Section 3 10-22.3f as follows:

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(105 ILCS 5/10-22.3f)

5 Sec. 10-22.3f. Required health benefits. Insurance 6 protection and benefits for employees shall provide the 7 post-mastectomy care benefits required to be covered by a 8 policy of accident and health insurance under Section 356t and 9 the coverage required under Sections 356g, 356g.5, 356g.5-1, 10 356u, 356w, 356x, 356z.6, 356z.8, 356z.9, 356z.11, 356z.12, 11 356z.13, 356z.14, 356z.15, 356z.22, 356z.25, and 356z.26, and 356z.29, 356z.30a, and 356z.32 of the Illinois Insurance Code. 12 Insurance policies shall comply with Section 356z.19 of the 13 14 Illinois Insurance Code. The coverage shall comply with 15 Sections 155.22a, 355b, and 370c of the Illinois Insurance 16 The Department of Insurance shall enforce Code. the 17 requirements of this Section.

18 Rulemaking authority to implement Public Act 95-1045, if 19 any, is conditioned on the rules being adopted in accordance 20 with all provisions of the Illinois Administrative Procedure 21 Act and all rules and procedures of the Joint Committee on 22 Administrative Rules; any purported rule not so adopted, for 23 whatever reason, is unauthorized.

24 (Source: P.A. 100-24, eff. 7-18-17; 100-138, eff. 8-18-17;

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1 2	100-863, eff. 8-14-18; 100-102 1-1-19; 100-1102, eff. 1-1-19; 1			00-1057, eff.
3 4	Section 25. The Illinois adding Section 356z.30a as follo		nce Code i	s amended by
5	(215 ILCS 5/356z.30a new)			
6	Sec. 356z.30a. Coverage for	hearing	g instrument	<u>.</u>
7	(a) As used in this Section:	<u>.</u>		
8	"Hearing care professiona	l" mea	ns a perso	on who is a
9	licensed audiologist or a licens	sed phys	sician.	
10	"Hearing instrument" mean	s any	wearable n	on-disposable
11	instrument or device designed to	o aid or	compensate	e for impaired
12	human hearing and any parts, a	attachme	ents, or ac	cessories for
13	the instrument or device, inclu	uding an	n ear mold	but excluding
14	batteries and cords.			
15	"Related services" means	those	services	necessary to
16	assess, select, and adjust or	<u>fit th</u>	e hearing	instrument to
17	ensure optimal performance, i	ncludin	g, but not	limited to:
18	audiological exams, replacement	c ear mo	olds, and r	epairs to the
19	hearing instrument.			
20	(b) An individual or group	policy	of accide:	nt and health
21	insurance or managed care pla	n that	is amende	d, delivered,
22	issued, or renewed after the ef	fective	date of th	is amendatory
23	Act of the 101st General Asser	mbly mu	st provide	coverage for
24	hearing instruments and related	service	es for all i	ndividuals 65.

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1	years of age and older when a hearing care professional			
2	prescribes a hearing instrument to augment communication.			
3	(c) An insurer shall provide coverage, subject to all			
4	applicable copayments, coinsurance, deductibles, and			
5	out-of-pocket limits for the cost of a hearing instrument for			
6	each ear, as needed, as well as related services, with a			
7	maximum for the hearing instrument and related services of no			
8	less than \$1,500 per hearing instrument every 24 months.			
9	(d) An insurer shall not be required to pay a claim filed			
10	by its insured for the payment of the cost of a hearing			
11	instrument covered by this Section if less than 24 months			
12	before the date of the claim its insured filed a claim for			
13	payment of the cost of the hearing instrument and the claim was			
14	4 paid by the insurer.			
1 ⊑	Costion 20. The Health Maintenance Oppositestion Let is			
15	Section 30. The Health Maintenance Organization Act is			
16	amended by changing Section 5-3 as follows:			
17	(215 ILCS 125/5-3) (from Ch. 111 1/2, par. 1411.2)			
18	Sec. 5-3. Insurance Code provisions.			
19	(a) Health Maintenance Organizations shall be subject to			
20	the provisions of Sections 133, 134, 136, 137, 139, 140, 141.1,			
21	141.2, 141.3, 143, 143c, 147, 148, 149, 151, 152, 153, 154,			
22	154.5, 154.6, 154.7, 154.8, 155.04, 155.22a, 355.2, 355.3,			
23	355b, 356g.5-1, 356m, 356v, 356w, 356x, 356y, 356z.2, 356z.4,			
24	356z.5, 356z.6, 356z.8, 356z.9, 356z.10, 356z.11, 356z.12,			

356z.13, 356z.14, 356z.15, 356z.17, 356z.18, 356z.19, 356z.21,
 356z.22, 356z.25, 356z.26, 356z.29, <u>356z.30, 356z.30a,</u>
 <u>356z.32,</u> 364, 364.01, 367.2, 367.2-5, 367i, 368a, 368b, 368c,
 368d, 368e, 370c, 370c.1, 401, 401.1, 402, 403, 403A, 408,
 408.2, 409, 412, 444, and 444.1, paragraph (c) of subsection
 (2) of Section 367, and Articles IIA, VIII 1/2, XII, XII 1/2,
 XIII, XIII 1/2, XXV, and XXVI of the Illinois Insurance Code.

8 (b) For purposes of the Illinois Insurance Code, except for 9 Sections 444 and 444.1 and Articles XIII and XIII 1/2, Health 10 Maintenance Organizations in the following categories are 11 deemed to be "domestic companies":

12 (1) a corporation authorized under the Dental Service
13 Plan Act or the Voluntary Health Services Plans Act;

14 (2) a corporation organized under the laws of this15 State; or

16 (3) a corporation organized under the laws of another 17 state, 30% or more of the enrollees of which are residents 18 of this State, except a corporation subject to 19 substantially the same requirements in its state of organization as is a "domestic company" under Article VIII 20 1/2 of the Illinois Insurance Code. 21

(c) In considering the merger, consolidation, or other
 acquisition of control of a Health Maintenance Organization
 pursuant to Article VIII 1/2 of the Illinois Insurance Code,

(1) the Director shall give primary consideration to
 the continuation of benefits to enrollees and the financial

1 conditions of the acquired Health Maintenance Organization 2 after the merger, consolidation, or other acquisition of 3 control takes effect;

4 (2)(i) the criteria specified in subsection (1)(b) of 5 Section 131.8 of the Illinois Insurance Code shall not 6 apply and (ii) the Director, in making his determination 7 with respect to the merger, consolidation, or other 8 acquisition of control, need not take into account the 9 effect on competition of the merger, consolidation, or 10 other acquisition of control;

11 (3) the Director shall have the power to require the 12 following information:

(A) certification by an independent actuary of the
adequacy of the reserves of the Health Maintenance
Organization sought to be acquired;

16 (B) pro forma financial statements reflecting the 17 combined balance sheets of the acquiring company and Health Maintenance Organization sought to be 18 the 19 acquired as of the end of the preceding year and as of 20 a date 90 days prior to the acquisition, as well as pro financial 21 forma statements reflecting projected 22 combined operation for a period of 2 years;

(C) a pro forma business plan detailing an
acquiring party's plans with respect to the operation
of the Health Maintenance Organization sought to be
acquired for a period of not less than 3 years; and

1 (D) such other information as the Director shall 2 require.

3 (d) The provisions of Article VIII 1/2 of the Illinois 4 Insurance Code and this Section 5-3 shall apply to the sale by 5 any health maintenance organization of greater than 10% of its 6 enrollee population (including without limitation the health 7 maintenance organization's right, title, and interest in and to 8 its health care certificates).

9 (e) In considering any management contract or service agreement subject to Section 141.1 of the Illinois Insurance 10 11 Code, the Director (i) shall, in addition to the criteria 12 specified in Section 141.2 of the Illinois Insurance Code, take 13 into account the effect of the management contract or service agreement on the continuation of benefits to enrollees and the 14 15 financial condition of the health maintenance organization to be managed or serviced, and (ii) need not take into account the 16 17 effect of the management contract or service agreement on 18 competition.

(f) Except for small employer groups as defined in the Small Employer Rating, Renewability and Portability Health Insurance Act and except for medicare supplement policies as defined in Section 363 of the Illinois Insurance Code, a Health Maintenance Organization may by contract agree with a group or other enrollment unit to effect refunds or charge additional premiums under the following terms and conditions:

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(i) the amount of, and other terms and conditions with

respect to, the refund or additional premium are set forth in the group or enrollment unit contract agreed in advance of the period for which a refund is to be paid or additional premium is to be charged (which period shall not be less than one year); and

6 (ii) the amount of the refund or additional premium 20% 7 not exceed of the Health shall Maintenance 8 Organization's profitable or unprofitable experience with 9 respect to the group or other enrollment unit for the 10 period (and, for purposes of a refund or additional 11 premium, the profitable or unprofitable experience shall 12 be calculated taking into account a pro rata share of the 13 Maintenance Organization's administrative Health and 14 marketing expenses, but shall not include any refund to be 15 made or additional premium to be paid pursuant to this 16 subsection (f)). The Health Maintenance Organization and 17 the group or enrollment unit may agree that the profitable or unprofitable experience may be calculated taking into 18 19 account the refund period and the immediately preceding 2 20 plan years.

The Health Maintenance Organization shall include a statement in the evidence of coverage issued to each enrollee describing the possibility of a refund or additional premium, and upon request of any group or enrollment unit, provide to the group or enrollment unit a description of the method used to calculate (1) the Health Maintenance Organization's profitable experience with respect to the group or enrollment unit and the resulting refund to the group or enrollment unit or (2) the Health Maintenance Organization's unprofitable experience with respect to the group or enrollment unit and the resulting additional premium to be paid by the group or enrollment unit.

7 In no event shall the Illinois Health Maintenance 8 Organization Guaranty Association be liable to pay any 9 contractual obligation of an insolvent organization to pay any 10 refund authorized under this Section.

(g) Rulemaking authority to implement Public Act 95-1045, if any, is conditioned on the rules being adopted in accordance with all provisions of the Illinois Administrative Procedure Act and all rules and procedures of the Joint Committee on Administrative Rules; any purported rule not so adopted, for whatever reason, is unauthorized.

17 (Source: P.A. 99-761, eff. 1-1-18; 100-24, eff. 7-18-17; 18 100-138, eff. 8-18-17; 100-863, eff. 8-14-18; 100-1026, eff. 19 8-22-18; 100-1057, eff. 1-1-19; 100-1102, eff. 1-1-19; revised 20 10-4-18.)

- 21 Section 35. The Limited Health Service Organization Act is 22 amended by changing Section 4003 as follows:
- 23 (215 ILCS 130/4003) (from Ch. 73, par. 1504-3)

24 Sec. 4003. Illinois Insurance Code provisions. Limited

health service organizations shall be subject to the provisions 1 2 of Sections 133, 134, 136, 137, 139, 140, 141.1, 141.2, 141.3, 143, 143c, 147, 148, 149, 151, 152, 153, 154, 154.5, 154.6, 3 154.7, 154.8, 155.04, 155.37, 355.2, 355.3, 355b, 356v, 4 5 356z.10, 356z.21, 356z.22, 356z.25, 356z.26, 356z.29, 356z.30a, 356z.32, 368a, 401, 401.1, 402, 403, 403A, 408, 6 408.2, 409, 412, 444, and 444.1 and Articles IIA, VIII 1/2, 7 XII, XII 1/2, XIII, XIII 1/2, XXV, and XXVI of the Illinois 8 9 Insurance Code. For purposes of the Illinois Insurance Code, 10 except for Sections 444 and 444.1 and Articles XIII and XIII 11 1/2, limited health service organizations in the following 12 categories are deemed to be domestic companies:

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

14 (2) a corporation organized under the laws of another 15 state, 30% or more of the enrollees of which are residents 16 of this State, except a corporation subject to 17 substantially the same requirements in its state of organization as is a domestic company under Article VIII 18 19 1/2 of the Illinois Insurance Code.

20 (Source: P.A. 100-24, eff. 7-18-17; 100-138, eff. 8-18-17; 21 100-201, eff. 8-18-17; 100-863, eff. 8-14-18; 100-1057, eff. 22 1-1-19; 100-1102, eff. 1-1-19; revised 10-4-18.)

23 Section 40. The Voluntary Health Services Plans Act is 24 amended by changing Section 10 as follows: - 15 - LRB101 09822 AMC 54924 b

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(215 ILCS 165/10) (from Ch. 32, par. 604)

2 Sec. 10. Application of Insurance Code provisions. Health 3 services plan corporations and all persons interested therein or dealing therewith shall be subject to the provisions of 4 5 Articles IIA and XII 1/2 and Sections 3.1, 133, 136, 139, 140, 143, 143c, 149, 155.22a, 155.37, 354, 355.2, 355.3, 355b, 356q, 6 7 356g.5, 356g.5-1, 356r, 356t, 356u, 356v, 356w, 356x, 356y, 356z.1, 356z.2, 356z.4, 356z.5, 356z.6, 356z.8, 356z.9, 8 9 356z.10, 356z.11, 356z.12, 356z.13, 356z.14, 356z.15, 356z.18, 10 356z.19, 356z.21, 356z.22, 356z.25, 356z.26, 356z.29, 11 356z.30a, 356z.32, 364.01, 367.2, 368a, 401, 401.1, 402, 403, 12 403A, 408, 408.2, and 412, and paragraphs (7) and (15) of Section 367 of the Illinois Insurance Code. 13

Rulemaking authority to implement Public Act 95-1045, if any, is conditioned on the rules being adopted in accordance with all provisions of the Illinois Administrative Procedure Act and all rules and procedures of the Joint Committee on Administrative Rules; any purported rule not so adopted, for whatever reason, is unauthorized.

20 (Source: P.A. 100-24, eff. 7-18-17; 100-138, eff. 8-18-17; 21 100-863, eff. 8-14-18; 100-1026, eff. 8-22-18; 100-1057, eff. 22 1-1-19; 100-1102, eff. 1-1-19; revised 10-4-18.)

23 Section 45. The Illinois Public Aid Code is amended by 24 changing Section 5-16.8 as follows:

1 (305 ILCS 5/5-16.8)

2 5-16.8. Required health benefits. Sec. The medical 3 assistance program shall (i) provide the post-mastectomy care benefits required to be covered by a policy of accident and 4 5 health insurance under Section 356t and the coverage required under Sections 356q.5, 356u, 356w, 356x, 356z.6, 356z.26, and 6 7 356z.29, 356z.30a, and 356z.32 of the Illinois Insurance Code 8 and (ii) be subject to the provisions of Sections 356z.19, 9 364.01, 370c, and 370c.1 of the Illinois Insurance Code.

10 On and after July 1, 2012, the Department shall reduce any 11 rate of reimbursement for services or other payments or alter 12 any methodologies authorized by this Code to reduce any rate of 13 reimbursement for services or other payments in accordance with 14 Section 5-5e.

To ensure full access to the benefits set forth in this Section, on and after January 1, 2016, the Department shall ensure that provider and hospital reimbursement for post-mastectomy care benefits required under this Section are no lower than the Medicare reimbursement rate.

20 (Source: P.A. 99-433, eff. 8-21-15; 99-480, eff. 9-9-15; 21 99-642, eff. 7-28-16; 100-138, eff. 8-18-17; 100-863, eff. 22 8-14-18; 100-1057, eff. 1-1-19; 100-1102, eff. 1-1-19; revised 23 10-4-18.)

24 Section 95. No acceleration or delay. Where this Act makes 25 changes in a statute that is represented in this Act by text that is not yet or no longer in effect (for example, a Section represented by multiple versions), the use of that text does not accelerate or delay the taking effect of (i) the changes made by this Act or (ii) provisions derived from any other Public Act.