

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

6 (5 ILCS 375/6.11)

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

8 Sec. 6.11. Required health benefits; Illinois Insurance
9 Code requirements. The program of health benefits shall provide
10 the post-mastectomy care benefits required to be covered by a
11 policy of accident and health insurance under Section 356t of
12 the Illinois Insurance Code. The program of health benefits
13 shall provide the coverage required under Sections 356g,
14 356g.5, 356g.5-1, 356m, 356u, 356w, 356x, 356z.2, 356z.4,
15 356z.6, 356z.8, 356z.9, 356z.10, 356z.11, 356z.12, 356z.13,
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
18 program of health benefits must comply with Sections 155.22a,
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

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

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.)

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

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

1 Management Services.

2 Rulemaking authority to implement Public Act 95-1045, if
3 any, is conditioned on the rules being adopted in accordance
4 with all provisions of the Illinois Administrative Procedure
5 Act and all rules and procedures of the Joint Committee on
6 Administrative Rules; any purported rule not so adopted, for
7 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.)

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

14 (55 ILCS 5/5-1069.3)

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

1 coverage shall comply with Sections 155.22a, 355b, 356z.19, and
2 370c of the Illinois Insurance Code. The Department of
3 Insurance shall enforce the requirements of this Section. The
4 requirement that health benefits be covered as provided in this
5 Section is an exclusive power and function of the State and is
6 a denial and limitation under Article VII, Section 6,
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

1 self-insurer for purposes of providing health insurance
2 coverage for its employees, the coverage shall include coverage
3 for the post-mastectomy care benefits required to be covered by
4 a policy of accident and health insurance under Section 356t
5 and the coverage required under Sections 356g, 356g.5,
6 356g.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,
8 ~~and 356z.26, and 356z.29,~~ 356z.30a, and 356z.32 of the Illinois
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
14 and function of the State and is a denial and limitation under
15 Article VII, Section 6, subsection (h) of the Illinois
16 Constitution. A home rule municipality to which this Section
17 applies must comply with every provision 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. 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:

4 (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~~
12 356z.29, 356z.30a, and 356z.32 of the Illinois Insurance Code.
13 Insurance policies shall comply with Section 356z.19 of the
14 Illinois Insurance Code. The coverage shall comply with
15 Sections 155.22a, 355b, and 370c of the Illinois Insurance
16 Code. The Department of Insurance shall enforce 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;

1 100-863, eff. 8-14-18; 100-1024, eff. 1-1-19; 100-1057, eff.
2 1-1-19; 100-1102, eff. 1-1-19; revised 10-4-18.)

3 Section 25. The Illinois Insurance Code is amended by
4 adding Section 356z.30a as follows:

5 (215 ILCS 5/356z.30a new)

6 Sec. 356z.30a. Coverage for hearing instruments.

7 (a) As used in this Section:

8 "Hearing care professional" means a person who is a
9 licensed audiologist or a licensed physician.

10 "Hearing instrument" means any wearable non-disposable
11 instrument or device designed to aid or compensate for impaired
12 human hearing and any parts, attachments, or accessories for
13 the instrument or device, including an ear mold but excluding
14 batteries and cords.

15 "Related services" means those services necessary to
16 assess, select, and adjust or fit the hearing instrument to
17 ensure optimal performance, including, but not limited to:
18 audiological exams, replacement ear molds, and repairs to the
19 hearing instrument.

20 (b) An individual or group policy of accident and health
21 insurance or managed care plan that is amended, delivered,
22 issued, or renewed after the effective date of this amendatory
23 Act of the 101st General Assembly shall offer, for an
24 additional premium and subject to the insurer's standard of

1 insurability, optional coverage or optional reimbursement for
2 hearing instruments and related services for all individuals
3 when a hearing care professional prescribes a hearing
4 instrument to augment communication.

5 (c) This optional coverage shall be subject to all
6 applicable copayments, coinsurance, deductibles, and
7 out-of-pocket limits for the cost of a hearing instrument for
8 each ear, as needed, as well as related services, with a
9 maximum for the hearing instrument and related services of no
10 more than \$2,500 per hearing instrument every 24 months.

11 (d) Nothing in this Section precludes an insured from
12 selecting a hearing instrument that costs more than the amount
13 covered by a plan of accident and health insurance or a managed
14 care plan and paying the uncovered cost at his or her own
15 expense.

16 Section 30. The Health Maintenance Organization Act is
17 amended by changing Section 5-3 as follows:

18 (215 ILCS 125/5-3) (from Ch. 111 1/2, par. 1411.2)

19 Sec. 5-3. Insurance Code provisions.

20 (a) Health Maintenance Organizations shall be subject to
21 the provisions of Sections 133, 134, 136, 137, 139, 140, 141.1,
22 141.2, 141.3, 143, 143c, 147, 148, 149, 151, 152, 153, 154,
23 154.5, 154.6, 154.7, 154.8, 155.04, 155.22a, 355.2, 355.3,
24 355b, 356g.5-1, 356m, 356v, 356w, 356x, 356y, 356z.2, 356z.4,

1 356z.5, 356z.6, 356z.8, 356z.9, 356z.10, 356z.11, 356z.12,
2 356z.13, 356z.14, 356z.15, 356z.17, 356z.18, 356z.19, 356z.21,
3 356z.22, 356z.25, 356z.26, 356z.29, 356z.30, 356z.30a,
4 356z.32, 364, 364.01, 367.2, 367.2-5, 367i, 368a, 368b, 368c,
5 368d, 368e, 370c, 370c.1, 401, 401.1, 402, 403, 403A, 408,
6 408.2, 409, 412, 444, and 444.1, paragraph (c) of subsection
7 (2) of Section 367, and Articles IIA, VIII 1/2, XII, XII 1/2,
8 XIII, XIII 1/2, XXV, and XXVI of the Illinois Insurance Code.

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

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

15 (2) a corporation organized under the laws of this
16 State; or

17 (3) a corporation organized under the laws of another
18 state, 30% or more of the enrollees of which are residents
19 of this State, except a corporation subject to
20 substantially the same requirements in its state of
21 organization as is a "domestic company" under Article VIII
22 1/2 of the Illinois Insurance Code.

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

26 (1) the Director shall give primary consideration to

1 the continuation of benefits to enrollees and the financial
2 conditions of the acquired Health Maintenance Organization
3 after the merger, consolidation, or other acquisition of
4 control takes effect;

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

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

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

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

24 (C) a pro forma business plan detailing an
25 acquiring party's plans with respect to the operation
26 of the Health Maintenance Organization sought to be

1 acquired for a period of not less than 3 years; and

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

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

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

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

1 (i) the amount of, and other terms and conditions with
2 respect to, the refund or additional premium are set forth
3 in the group or enrollment unit contract agreed in advance
4 of the period for which a refund is to be paid or
5 additional premium is to be charged (which period shall not
6 be less than one year); and

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

22 The Health Maintenance Organization shall include a
23 statement in the evidence of coverage issued to each enrollee
24 describing the possibility of a refund or additional premium,
25 and upon request of any group or enrollment unit, provide to
26 the group or enrollment unit a description of the method used

1 to calculate (1) the Health Maintenance Organization's
2 profitable experience with respect to the group or enrollment
3 unit and the resulting refund to the group or enrollment unit
4 or (2) the Health Maintenance Organization's unprofitable
5 experience with respect to the group or enrollment unit and the
6 resulting additional premium to be paid by the group or
7 enrollment unit.

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

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

18 (Source: P.A. 99-761, eff. 1-1-18; 100-24, eff. 7-18-17;
19 100-138, eff. 8-18-17; 100-863, eff. 8-14-18; 100-1026, eff.
20 8-22-18; 100-1057, eff. 1-1-19; 100-1102, eff. 1-1-19; revised
21 10-4-18.)

22 Section 35. The Limited Health Service Organization Act is
23 amended by changing Section 4003 as follows:

24 (215 ILCS 130/4003) (from Ch. 73, par. 1504-3)

1 Sec. 4003. Illinois Insurance Code provisions. Limited
2 health service organizations shall be subject to the provisions
3 of Sections 133, 134, 136, 137, 139, 140, 141.1, 141.2, 141.3,
4 143, 143c, 147, 148, 149, 151, 152, 153, 154, 154.5, 154.6,
5 154.7, 154.8, 155.04, 155.37, 355.2, 355.3, 355b, 356v,
6 356z.10, 356z.21, 356z.22, 356z.25, 356z.26, 356z.29,
7 356z.30a, 356z.32, 368a, 401, 401.1, 402, 403, 403A, 408,
8 408.2, 409, 412, 444, and 444.1 and Articles IIA, VIII 1/2,
9 XII, XII 1/2, XIII, XIII 1/2, XXV, and XXVI of the Illinois
10 Insurance Code. For purposes of the Illinois Insurance Code,
11 except for Sections 444 and 444.1 and Articles XIII and XIII
12 1/2, limited health service organizations in the following
13 categories are deemed to be domestic companies:

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

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

21 (Source: P.A. 100-24, eff. 7-18-17; 100-138, eff. 8-18-17;
22 100-201, eff. 8-18-17; 100-863, eff. 8-14-18; 100-1057, eff.
23 1-1-19; 100-1102, eff. 1-1-19; revised 10-4-18.)

24 Section 40. The Voluntary Health Services Plans Act is
25 amended by changing Section 10 as follows:

1 (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
4 or dealing therewith shall be subject to the provisions of
5 Articles IIA and XII 1/2 and Sections 3.1, 133, 136, 139, 140,
6 143, 143c, 149, 155.22a, 155.37, 354, 355.2, 355.3, 355b, 356g,
7 356g.5, 356g.5-1, 356r, 356t, 356u, 356v, 356w, 356x, 356y,
8 356z.1, 356z.2, 356z.4, 356z.5, 356z.6, 356z.8, 356z.9,
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
13 Section 367 of the Illinois Insurance Code.

14 Rulemaking authority to implement Public Act 95-1045, if
15 any, is conditioned on the rules being adopted in accordance
16 with all provisions of the Illinois Administrative Procedure
17 Act and all rules and procedures of the Joint Committee on
18 Administrative Rules; any purported rule not so adopted, for
19 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 95. No acceleration or delay. Where this Act makes
24 changes in a statute that is represented in this Act by text

1 that is not yet or no longer in effect (for example, a Section
2 represented by multiple versions), the use of that text does
3 not accelerate or delay the taking effect of (i) the changes
4 made by this Act or (ii) provisions derived from any other
5 Public Act.