



Rep. Natalie A. Manley

Filed: 3/14/2019

10100HB3503ham001

LRB101 09822 AMC 57414 a

1 AMENDMENT TO HOUSE BILL 3503

2 AMENDMENT NO. _____. Amend House Bill 3503 by replacing
3 everything after the enacting clause with the following:

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~~

1 356z.29, and 356z.32 of the Illinois Insurance Code. The
2 program of health benefits must comply with Sections 155.22a,
3 155.37, 355b, 356z.19, 370c, and 370c.1 of the Illinois
4 Insurance Code. The Department of Insurance shall enforce the
5 requirements of this Section.

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

12 (Source: P.A. 99-480, eff. 9-9-15; 100-24, eff. 7-18-17;
13 100-138, eff. 8-18-17; 100-863, eff. 8-14-18; 100-1024, eff.
14 1-1-19; 100-1057, eff. 1-1-19; 100-1102, eff. 1-1-19; revised
15 1-8-19.)

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

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

1 356z.30a, and 356z.32 of the Illinois Insurance Code. The
2 program of health benefits must comply with Sections 155.22a,
3 155.37, 355b, 356z.19, 370c, and 370c.1 of the Illinois
4 Insurance Code. The Department of Insurance shall enforce the
5 requirements of this Section with respect to Sections 370c and
6 370c.1 of the Illinois Insurance Code; all other requirements
7 of this Section shall be enforced by the Department of Central
8 Management Services.

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

15 (Source: P.A. 99-480, eff. 9-9-15; 100-24, eff. 7-18-17;
16 100-138, eff. 8-18-17; 100-863, eff. 8-14-18; 100-1024, eff.
17 1-1-19; 100-1057, eff. 1-1-19; 100-1102, eff. 1-1-19;
18 100-1170, eff. 6-1-19.)

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

21 (55 ILCS 5/5-1069.3)

22 Sec. 5-1069.3. Required health benefits. If a county,
23 including a home rule county, is a self-insurer for purposes of
24 providing health insurance coverage for its employees, the

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

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

23 (Source: P.A. 99-480, eff. 9-9-15; 100-24, eff. 7-18-17;
24 100-138, eff. 8-18-17; 100-863, eff. 8-14-18; 100-1024, eff.
25 1-1-19; 100-1057, eff. 1-1-19; 100-1102, eff. 1-1-19; revised
26 10-3-18.)

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

3 (65 ILCS 5/10-4-2.3)

4 Sec. 10-4-2.3. Required health benefits. If a
5 municipality, including a home rule municipality, is a
6 self-insurer for purposes of providing health insurance
7 coverage for its employees, the coverage shall include coverage
8 for the post-mastectomy care benefits required to be covered by
9 a policy of accident and health insurance under Section 356t
10 and the coverage required under Sections 356g, 356g.5,
11 356g.5-1, 356u, 356w, 356x, 356z.6, 356z.8, 356z.9, 356z.10,
12 356z.11, 356z.12, 356z.13, 356z.14, 356z.15, 356z.22, 356z.25,
13 ~~and 356z.26, and 356z.29~~, 356z.30a, and 356z.32 of the Illinois
14 Insurance Code. The coverage shall comply with Sections
15 155.22a, 355b, 356z.19, and 370c of the Illinois Insurance
16 Code. The Department of Insurance shall enforce the
17 requirements of this Section. The requirement that health
18 benefits be covered as provided in this is an exclusive power
19 and function of the State and is a denial and limitation under
20 Article VII, Section 6, subsection (h) of the Illinois
21 Constitution. A home rule municipality to which this Section
22 applies must comply with every provision of this Section.

23 Rulemaking authority to implement Public Act 95-1045, if
24 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 10-4-18.)

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

11 (105 ILCS 5/10-22.3f)

12 Sec. 10-22.3f. Required health benefits. Insurance
13 protection and benefits for employees shall provide the
14 post-mastectomy care benefits required to be covered by a
15 policy of accident and health insurance under Section 356t and
16 the coverage required under Sections 356g, 356g.5, 356g.5-1,
17 356u, 356w, 356x, 356z.6, 356z.8, 356z.9, 356z.11, 356z.12,
18 356z.13, 356z.14, 356z.15, 356z.22, 356z.25, ~~and~~ 356z.26, ~~and~~
19 356z.29, 356z.30a, and 356z.32 of the Illinois Insurance Code.
20 Insurance policies shall comply with Section 356z.19 of the
21 Illinois Insurance Code. The coverage shall comply with
22 Sections 155.22a, 355b, and 370c of the Illinois Insurance
23 Code. The Department of Insurance shall enforce the
24 requirements of this Section.

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

7 (Source: P.A. 100-24, eff. 7-18-17; 100-138, eff. 8-18-17;
8 100-863, eff. 8-14-18; 100-1024, eff. 1-1-19; 100-1057, eff.
9 1-1-19; 100-1102, eff. 1-1-19; revised 10-4-18.)

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

12 (215 ILCS 5/356z.30a new)

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

14 (a) As used in this Section:

15 "Hearing care professional" means a person who is a
16 licensed audiologist or a licensed physician.

17 "Hearing instrument" means any wearable non-disposable
18 instrument or device designed to aid or compensate for impaired
19 human hearing and any parts, attachments, or accessories for
20 the instrument or device, including an ear mold but excluding
21 batteries and cords.

22 "Related services" means those services necessary to
23 assess, select, and adjust or fit the hearing instrument to
24 ensure optimal performance, including, but not limited to:

1 audiological exams, replacement ear molds, and repairs to the
2 hearing instrument.

3 (b) An individual or group policy of accident and health
4 insurance or managed care plan that is amended, delivered,
5 issued, or renewed after the effective date of this amendatory
6 Act of the 101st General Assembly shall offer, for an
7 additional premium and subject to the insurer's standard of
8 insurability, optional coverage or optional reimbursement for
9 hearing instruments and related services for all individuals
10 when a hearing care professional prescribes a hearing
11 instrument to augment communication.

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

18 (d) An insurer shall not be required to pay a claim filed
19 by its insured for the payment of the cost of a hearing
20 instrument covered by this Section if less than 24 months
21 before the date of the claim its insured filed a claim for
22 payment of the cost of the hearing instrument and the claim was
23 paid by the insurer.

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

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

2 Sec. 5-3. Insurance Code provisions.

3 (a) Health Maintenance Organizations shall be subject to
4 the provisions of Sections 133, 134, 136, 137, 139, 140, 141.1,
5 141.2, 141.3, 143, 143c, 147, 148, 149, 151, 152, 153, 154,
6 154.5, 154.6, 154.7, 154.8, 155.04, 155.22a, 355.2, 355.3,
7 355b, 356g.5-1, 356m, 356v, 356w, 356x, 356y, 356z.2, 356z.4,
8 356z.5, 356z.6, 356z.8, 356z.9, 356z.10, 356z.11, 356z.12,
9 356z.13, 356z.14, 356z.15, 356z.17, 356z.18, 356z.19, 356z.21,
10 356z.22, 356z.25, 356z.26, 356z.29, 356z.30, 356z.30a,
11 356z.32, 364, 364.01, 367.2, 367.2-5, 367i, 368a, 368b, 368c,
12 368d, 368e, 370c, 370c.1, 401, 401.1, 402, 403, 403A, 408,
13 408.2, 409, 412, 444, and 444.1, paragraph (c) of subsection
14 (2) of Section 367, and Articles IIA, VIII 1/2, XII, XII 1/2,
15 XIII, XIII 1/2, XXV, and XXVI of the Illinois Insurance Code.

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

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

22 (2) a corporation organized under the laws of this
23 State; or

24 (3) a corporation organized under the laws of another
25 state, 30% or more of the enrollees of which are residents

1 of this State, except a corporation subject to
2 substantially the same requirements in its state of
3 organization as is a "domestic company" under Article VIII
4 1/2 of the Illinois Insurance Code.

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

8 (1) the Director shall give primary consideration to
9 the continuation of benefits to enrollees and the financial
10 conditions of the acquired Health Maintenance Organization
11 after the merger, consolidation, or other acquisition of
12 control takes effect;

13 (2) (i) the criteria specified in subsection (1) (b) of
14 Section 131.8 of the Illinois Insurance Code shall not
15 apply and (ii) the Director, in making his determination
16 with respect to the merger, consolidation, or other
17 acquisition of control, need not take into account the
18 effect on competition of the merger, consolidation, or
19 other acquisition of control;

20 (3) the Director shall have the power to require the
21 following information:

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

25 (B) pro forma financial statements reflecting the
26 combined balance sheets of the acquiring company and

1 the Health Maintenance Organization sought to be
2 acquired as of the end of the preceding year and as of
3 a date 90 days prior to the acquisition, as well as pro
4 forma financial statements reflecting projected
5 combined operation for a period of 2 years;

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

10 (D) such other information as the Director shall
11 require.

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

18 (e) In considering any management contract or service
19 agreement subject to Section 141.1 of the Illinois Insurance
20 Code, the Director (i) shall, in addition to the criteria
21 specified in Section 141.2 of the Illinois Insurance Code, take
22 into account the effect of the management contract or service
23 agreement on the continuation of benefits to enrollees and the
24 financial condition of the health maintenance organization to
25 be managed or serviced, and (ii) need not take into account the
26 effect of the management contract or service agreement on

1 competition.

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

9 (i) the amount of, and other terms and conditions with
10 respect to, the refund or additional premium are set forth
11 in the group or enrollment unit contract agreed in advance
12 of the period for which a refund is to be paid or
13 additional premium is to be charged (which period shall not
14 be less than one year); and

15 (ii) the amount of the refund or additional premium
16 shall not exceed 20% of the Health Maintenance
17 Organization's profitable or unprofitable experience with
18 respect to the group or other enrollment unit for the
19 period (and, for purposes of a refund or additional
20 premium, the profitable or unprofitable experience shall
21 be calculated taking into account a pro rata share of the
22 Health Maintenance Organization's administrative and
23 marketing expenses, but shall not include any refund to be
24 made or additional premium to be paid pursuant to this
25 subsection (f)). The Health Maintenance Organization and
26 the group or enrollment unit may agree that the profitable

1 or unprofitable experience may be calculated taking into
2 account the refund period and the immediately preceding 2
3 plan years.

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

16 In no event shall the Illinois Health Maintenance
17 Organization Guaranty Association be liable to pay any
18 contractual obligation of an insolvent organization to pay any
19 refund authorized under this Section.

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

26 (Source: P.A. 99-761, eff. 1-1-18; 100-24, eff. 7-18-17;

1 100-138, eff. 8-18-17; 100-863, eff. 8-14-18; 100-1026, eff.
2 8-22-18; 100-1057, eff. 1-1-19; 100-1102, eff. 1-1-19; revised
3 10-4-18.)

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

6 (215 ILCS 130/4003) (from Ch. 73, par. 1504-3)

7 Sec. 4003. Illinois Insurance Code provisions. Limited
8 health service organizations shall be subject to the provisions
9 of Sections 133, 134, 136, 137, 139, 140, 141.1, 141.2, 141.3,
10 143, 143c, 147, 148, 149, 151, 152, 153, 154, 154.5, 154.6,
11 154.7, 154.8, 155.04, 155.37, 355.2, 355.3, 355b, 356v,
12 356z.10, 356z.21, 356z.22, 356z.25, 356z.26, 356z.29,
13 356z.30a, 356z.32, 368a, 401, 401.1, 402, 403, 403A, 408,
14 408.2, 409, 412, 444, and 444.1 and Articles IIA, VIII 1/2,
15 XII, XII 1/2, XIII, XIII 1/2, XXV, and XXVI of the Illinois
16 Insurance Code. For purposes of the Illinois Insurance Code,
17 except for Sections 444 and 444.1 and Articles XIII and XIII
18 1/2, limited health service organizations in the following
19 categories are deemed to be domestic companies:

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

21 (2) a corporation organized under the laws of another
22 state, 30% or more of the enrollees of which are residents
23 of this State, except a corporation subject to
24 substantially the same requirements in its state of

1 organization as is a domestic company under Article VIII
2 1/2 of the Illinois Insurance Code.

3 (Source: P.A. 100-24, eff. 7-18-17; 100-138, eff. 8-18-17;
4 100-201, eff. 8-18-17; 100-863, eff. 8-14-18; 100-1057, eff.
5 1-1-19; 100-1102, eff. 1-1-19; revised 10-4-18.)

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

8 (215 ILCS 165/10) (from Ch. 32, par. 604)

9 Sec. 10. Application of Insurance Code provisions. Health
10 services plan corporations and all persons interested therein
11 or dealing therewith shall be subject to the provisions of
12 Articles IIA and XII 1/2 and Sections 3.1, 133, 136, 139, 140,
13 143, 143c, 149, 155.22a, 155.37, 354, 355.2, 355.3, 355b, 356g,
14 356g.5, 356g.5-1, 356r, 356t, 356u, 356v, 356w, 356x, 356y,
15 356z.1, 356z.2, 356z.4, 356z.5, 356z.6, 356z.8, 356z.9,
16 356z.10, 356z.11, 356z.12, 356z.13, 356z.14, 356z.15, 356z.18,
17 356z.19, 356z.21, 356z.22, 356z.25, 356z.26, 356z.29,
18 356z.30a, 356z.32, 364.01, 367.2, 368a, 401, 401.1, 402, 403,
19 403A, 408, 408.2, and 412, and paragraphs (7) and (15) of
20 Section 367 of the Illinois Insurance Code.

21 Rulemaking authority to implement Public Act 95-1045, if
22 any, is conditioned on the rules being adopted in accordance
23 with all provisions of the Illinois Administrative Procedure
24 Act and all rules and procedures of the Joint Committee on

1 Administrative Rules; any purported rule not so adopted, for
2 whatever reason, is unauthorized.

3 (Source: P.A. 100-24, eff. 7-18-17; 100-138, eff. 8-18-17;
4 100-863, eff. 8-14-18; 100-1026, eff. 8-22-18; 100-1057, eff.
5 1-1-19; 100-1102, eff. 1-1-19; revised 10-4-18.)

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

8 (305 ILCS 5/5-16.8)

9 Sec. 5-16.8. Required health benefits. The medical
10 assistance program shall (i) provide the post-mastectomy care
11 benefits required to be covered by a policy of accident and
12 health insurance under Section 356t and the coverage required
13 under Sections 356g.5, 356u, 356w, 356x, 356z.6, 356z.26, ~~and~~
14 356z.29, 356z.30a, and 356z.32 of the Illinois Insurance Code
15 and (ii) be subject to the provisions of Sections 356z.19,
16 364.01, 370c, and 370c.1 of the Illinois Insurance Code.

17 On and after July 1, 2012, the Department shall reduce any
18 rate of reimbursement for services or other payments or alter
19 any methodologies authorized by this Code to reduce any rate of
20 reimbursement for services or other payments in accordance with
21 Section 5-5e.

22 To ensure full access to the benefits set forth in this
23 Section, on and after January 1, 2016, the Department shall
24 ensure that provider and hospital reimbursement for

1 post-mastectomy care benefits required under this Section are
2 no lower than the Medicare reimbursement rate.

3 (Source: P.A. 99-433, eff. 8-21-15; 99-480, eff. 9-9-15;
4 99-642, eff. 7-28-16; 100-138, eff. 8-18-17; 100-863, eff.
5 8-14-18; 100-1057, eff. 1-1-19; 100-1102, eff. 1-1-19; revised
6 10-4-18.)

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