



Rep. Natalie A. Manley

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10100HB3503ham002

LRB101 09822 RAB 58190 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) Nothing in this Section precludes an insured from
19 selecting a more expensive hearing instrument at his or her own
20 expense.

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

23 (215 ILCS 125/5-3) (from Ch. 111 1/2, par. 1411.2)

24 Sec. 5-3. Insurance Code provisions.

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

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

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

20 (2) a corporation organized under the laws of this
21 State; or

22 (3) a corporation organized under the laws of another
23 state, 30% or more of the enrollees of which are residents
24 of this State, except a corporation subject to
25 substantially the same requirements in its state of
26 organization as is a "domestic company" under Article VIII

1 1/2 of the Illinois Insurance Code.

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

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

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

17 (3) the Director shall have the power to require the
18 following information:

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

22 (B) pro forma financial statements reflecting the
23 combined balance sheets of the acquiring company and
24 the Health Maintenance Organization sought to be
25 acquired as of the end of the preceding year and as of
26 a date 90 days prior to the acquisition, as well as pro

1 forma financial statements reflecting projected
2 combined operation for a period of 2 years;

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

7 (D) such other information as the Director shall
8 require.

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

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

25 (f) Except for small employer groups as defined in the
26 Small Employer Rating, Renewability and Portability Health

1 Insurance Act and except for medicare supplement policies as
2 defined in Section 363 of the Illinois Insurance Code, a Health
3 Maintenance Organization may by contract agree with a group or
4 other enrollment unit to effect refunds or charge additional
5 premiums under the following terms and conditions:

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

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

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

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

17 (g) Rulemaking authority to implement Public Act 95-1045,
18 if 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. 99-761, eff. 1-1-18; 100-24, eff. 7-18-17;
24 100-138, eff. 8-18-17; 100-863, eff. 8-14-18; 100-1026, eff.
25 8-22-18; 100-1057, eff. 1-1-19; 100-1102, eff. 1-1-19; revised
26 10-4-18.)

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

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

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

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

18 (2) a corporation organized under the laws of another
19 state, 30% or more of the enrollees of which are residents
20 of this State, except a corporation subject to
21 substantially the same requirements in its state of
22 organization as is a domestic company under Article VIII
23 1/2 of the Illinois Insurance Code.

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

1 100-201, eff. 8-18-17; 100-863, eff. 8-14-18; 100-1057, eff.
2 1-1-19; 100-1102, eff. 1-1-19; revised 10-4-18.)

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

5 (215 ILCS 165/10) (from Ch. 32, par. 604)

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

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; 100-1026, eff. 8-22-18; 100-1057, eff.
2 1-1-19; 100-1102, eff. 1-1-19; revised 10-4-18.)

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