

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 1. Findings. The General Assembly finds and
5 declares that:

6 (1) Diabetes affects approximately 1,300,000 adults in
7 Illinois (12.5% of the population);

8 (2) Diabetes is the seventh leading cause of death
9 nationally and in Illinois;

10 (3) The toll on the U.S. economy has increased by more
11 than 40% since 2007, costing the country \$245,000,000,000
12 in 2012;

13 (4) When someone has diabetes, the body either does not
14 make enough insulin or is unable to use its own insulin,
15 causing glucose levels to rise higher than normal in the
16 blood;

17 (5) For people with Type 1 diabetes, near-constant
18 self-management of glucose levels is essential to prevent
19 life-threatening complications;

20 (6) From 2012 to 2016, the average price of insulin
21 increased from 13 cents per unit to 25 cents per unit;
22 therefore,

23 It is necessary for the State to enact laws to reduce the
24 costs for Illinoisans with diabetes and increase their access

1 to life-saving and life-sustaining insulin.

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

4 (5 ILCS 375/6.11)

5 Sec. 6.11. Required health benefits; Illinois Insurance
6 Code requirements. The program of health benefits shall provide
7 the post-mastectomy care benefits required to be covered by a
8 policy of accident and health insurance under Section 356t of
9 the Illinois Insurance Code. The program of health benefits
10 shall provide the coverage required under Sections 356g,
11 356g.5, 356g.5-1, 356m, 356u, 356w, 356x, 356z.2, 356z.4,
12 356z.4a, 356z.6, 356z.8, 356z.9, 356z.10, 356z.11, 356z.12,
13 356z.13, 356z.14, 356z.15, 356z.17, 356z.22, 356z.25, 356z.26,
14 356z.29, 356z.30a, 356z.32, ~~and~~ 356z.33, 356z.36, and 356z.41
15 of the Illinois Insurance Code. The program of health benefits
16 must comply with Sections 155.22a, 155.37, 355b, 356z.19, 370c,
17 and 370c.1~~7~~ and Article XXXIIB of the Illinois Insurance Code.
18 The Department of Insurance shall enforce the requirements of
19 this Section with respect to Sections 370c and 370c.1 of the
20 Illinois Insurance Code; all other requirements of this Section
21 shall be enforced by the Department of Central Management
22 Services.

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. 100-24, eff. 7-18-17; 100-138, eff. 8-18-17;
6 100-863, eff. 8-14-18; 100-1024, eff. 1-1-19; 100-1057, eff.
7 1-1-19; 100-1102, eff. 1-1-19; 100-1170, eff. 6-1-19; 101-13,
8 eff. 6-12-19; 101-281, eff. 1-1-20; 101-393, eff. 1-1-20;
9 101-452, eff. 1-1-20; 101-461, eff. 1-1-20; revised 10-16-19.)

10 Section 10. The Attorney General Act is amended by adding
11 Section 10 as follows:

12 (15 ILCS 205/10 new)

13 Sec. 10. Investigation of prescription insulin drug
14 pricing; report.

15 (a) The Attorney General shall investigate pricing of
16 prescription insulin drugs made available to Illinois
17 consumers to ensure adequate consumer protections in the
18 pricing of prescription insulin drugs and to determine whether
19 additional consumer protections are needed.

20 (b) As part of the investigation, the Attorney General
21 shall gather, compile, and analyze information concerning the
22 organization, business practices, pricing information, data,
23 reports, or other information that the Attorney General finds
24 necessary to fulfill the requirements of this Section from

1 companies engaged in the manufacture or sale of prescription
2 insulin drugs.

3 If necessary to fulfill the reporting requirements of this
4 Section, the Attorney General may issue a civil investigative
5 demand requiring a State Agency, insurer, pharmacy benefit
6 manager, or manufacturer of prescription insulin drugs that are
7 made available in Illinois to furnish material, answers, data,
8 or other relevant information.

9 (c) A person or business shall not be compelled to provide
10 trade secrets.

11 (d) By November 1, 2020, the Attorney General shall issue
12 and make available to the public a report detailing the
13 findings from the investigation conducted pursuant to this
14 Section. The Attorney General shall present the report to the
15 Governor, the Department of Insurance, and the Judiciary
16 Committees of the Senate and House of Representatives or their
17 successor Committees. The report must include the following:

18 (1) a summary of insulin pricing practices and
19 variables that contribute to pricing of health coverage
20 plans;

21 (2) public policy recommendations to control and
22 prevent overpricing of prescription insulin drugs made
23 available to Illinois consumers;

24 (3) any recommendations for improvements to the
25 Consumer Fraud and Deceptive Business Practices Act; and

26 (4) any other information the Attorney General finds

1 necessary.

2 (e) This Section is repealed on December 1, 2020.

3 Section 15. The Counties Code is amended by changing
4 Section 5-1069.3 as follows:

5 (55 ILCS 5/5-1069.3)

6 Sec. 5-1069.3. Required health benefits. If a county,
7 including a home rule county, is a self-insurer for purposes of
8 providing health insurance coverage for its employees, the
9 coverage shall include coverage for the post-mastectomy care
10 benefits required to be covered by a policy of accident and
11 health insurance under Section 356t and the coverage required
12 under Sections 356g, 356g.5, 356g.5-1, 356u, 356w, 356x,
13 356z.6, 356z.8, 356z.9, 356z.10, 356z.11, 356z.12, 356z.13,
14 356z.14, 356z.15, 356z.22, 356z.25, 356z.26, 356z.29,
15 356z.30a, ~~and 356z.32, and 356z.33~~, 356z.36, and 356z.41 of the
16 Illinois Insurance Code. The coverage shall comply with
17 Sections 155.22a, 355b, 356z.19, and 370c of the Illinois
18 Insurance Code. The Department of Insurance shall enforce the
19 requirements of this Section. The requirement that health
20 benefits be covered as provided in this Section is an exclusive
21 power and function of the State and is a denial and limitation
22 under Article VII, Section 6, subsection (h) of the Illinois
23 Constitution. A home rule county to which this Section applies
24 must comply with every provision 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; 101-81, eff. 7-12-19; 101-281,
10 eff. 1-1-20; 101-393, eff. 1-1-20; 101-461, eff. 1-1-20;
11 revised 10-16-19.)

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

14 (65 ILCS 5/10-4-2.3)

15 Sec. 10-4-2.3. Required health benefits. If a
16 municipality, including a home rule municipality, is a
17 self-insurer for purposes of providing health insurance
18 coverage for its employees, the coverage shall include coverage
19 for the post-mastectomy care benefits required to be covered by
20 a policy of accident and health insurance under Section 356t
21 and the coverage required under Sections 356g, 356g.5,
22 356g.5-1, 356u, 356w, 356x, 356z.6, 356z.8, 356z.9, 356z.10,
23 356z.11, 356z.12, 356z.13, 356z.14, 356z.15, 356z.22, 356z.25,
24 356z.26, 356z.29, 356z.30a, ~~and~~ 356z.32, ~~and~~ 356z.33, 356z.36,

1 and 356z.41 of the Illinois Insurance Code. The coverage shall
2 comply with Sections 155.22a, 355b, 356z.19, and 370c of the
3 Illinois Insurance Code. The Department of Insurance shall
4 enforce the requirements of this Section. The requirement that
5 health benefits be covered as provided in this is an exclusive
6 power and function of the State and is a denial and limitation
7 under Article VII, Section 6, subsection (h) of the Illinois
8 Constitution. A home rule municipality to which this Section
9 applies must comply with every provision 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. 100-24, eff. 7-18-17; 100-138, eff. 8-18-17;
17 100-863, eff. 8-14-18; 100-1024, eff. 1-1-19; 100-1057, eff.
18 1-1-19; 100-1102, eff. 1-1-19; 101-81, eff. 7-12-19; 101-281,
19 eff. 1-1-20; 101-393, eff. 1-1-20; 101-461, eff. 1-1-20;
20 revised 10-16-19.)

21 Section 25. The School Code is amended by changing Section
22 10-22.3f as follows:

23 (105 ILCS 5/10-22.3f)

24 Sec. 10-22.3f. Required health benefits. Insurance

1 protection and benefits for employees shall provide the
2 post-mastectomy care benefits required to be covered by a
3 policy of accident and health insurance under Section 356t and
4 the coverage required under Sections 356g, 356g.5, 356g.5-1,
5 356u, 356w, 356x, 356z.6, 356z.8, 356z.9, 356z.11, 356z.12,
6 356z.13, 356z.14, 356z.15, 356z.22, 356z.25, 356z.26, 356z.29,
7 356z.30a, ~~and 356z.32, and 356z.33~~, 356z.36, and 356z.41 of the
8 Illinois Insurance Code. Insurance policies shall comply with
9 Section 356z.19 of the Illinois Insurance Code. The coverage
10 shall comply with Sections 155.22a, 355b, and 370c of the
11 Illinois Insurance Code. The Department of Insurance shall
12 enforce the requirements of this Section.

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

19 (Source: P.A. 100-24, eff. 7-18-17; 100-138, eff. 8-18-17;
20 100-863, eff. 8-14-18; 100-1024, eff. 1-1-19; 100-1057, eff.
21 1-1-19; 100-1102, eff. 1-1-19; 101-81, eff. 7-12-19; 101-281,
22 eff. 1-1-20; 101-393, eff. 1-1-20; 101-461, eff. 1-1-20;
23 revised 10-16-19.)

24 Section 30. The Illinois Insurance Code is amended by
25 changing Section 356w and by adding Section 356z.41 as follows:

1 (215 ILCS 5/356w)

2 Sec. 356w. Diabetes self-management training and
3 education.

4 (a) A group policy of accident and health insurance that is
5 amended, delivered, issued, or renewed after the effective date
6 of this amendatory Act of 1998 shall provide coverage for
7 outpatient self-management training and education, equipment,
8 and supplies, as set forth in this Section, for the treatment
9 of type 1 diabetes, type 2 diabetes, and gestational diabetes
10 mellitus.

11 (b) As used in this Section:

12 "Diabetes self-management training" means instruction in
13 an outpatient setting which enables a diabetic patient to
14 understand the diabetic management process and daily
15 management of diabetic therapy as a means of avoiding frequent
16 hospitalization and complications. Diabetes self-management
17 training shall include the content areas listed in the National
18 Standards for Diabetes Self-Management Education Programs as
19 published by the American Diabetes Association, including
20 medical nutrition therapy and education programs, as defined by
21 the contract of insurance, that allow the patient to maintain
22 an A1c level within the range identified in nationally
23 recognized standards of care.

24 "Medical nutrition therapy" shall have the meaning
25 ascribed to that term in the Dietitian Nutritionist Practice

1 Act.

2 "Physician" means a physician licensed to practice
3 medicine in all of its branches providing care to the
4 individual.

5 "Qualified provider" for an individual that is enrolled in:

6 (1) a health maintenance organization that uses a
7 primary care physician to control access to specialty care
8 means (A) the individual's primary care physician licensed
9 to practice medicine in all of its branches, (B) a
10 physician licensed to practice medicine in all of its
11 branches to whom the individual has been referred by the
12 primary care physician, or (C) a certified, registered, or
13 licensed network health care professional with expertise
14 in diabetes management to whom the individual has been
15 referred by the primary care physician.

16 (2) an insurance plan means (A) a physician licensed to
17 practice medicine in all of its branches or (B) a
18 certified, registered, or licensed health care
19 professional with expertise in diabetes management to whom
20 the individual has been referred by a physician.

21 (c) Coverage under this Section for diabetes
22 self-management training, including medical nutrition
23 education, shall be limited to the following:

24 (1) Up to 3 medically necessary visits to a qualified
25 provider upon initial diagnosis of diabetes by the
26 patient's physician or, if diagnosis of diabetes was made

1 within one year prior to the effective date of this
2 amendatory Act of 1998 where the insured was a covered
3 individual, up to 3 medically necessary visits to a
4 qualified provider within one year after that effective
5 date.

6 (2) Up to 2 medically necessary visits to a qualified
7 provider upon a determination by a patient's physician that
8 a significant change in the patient's symptoms or medical
9 condition has occurred. A "significant change" in
10 condition means symptomatic hyperglycemia (greater than
11 250 mg/dl on repeated occasions), severe hypoglycemia
12 (requiring the assistance of another person), onset or
13 progression of diabetes, or a significant change in medical
14 condition that would require a significantly different
15 treatment regimen.

16 Payment by the insurer or health maintenance organization
17 for the coverage required for diabetes self-management
18 training pursuant to the provisions of this Section is only
19 required to be made for services provided. No coverage is
20 required for additional visits beyond those specified in items
21 (1) and (2) of this subsection.

22 Coverage under this subsection (c) for diabetes
23 self-management training shall be subject to the same
24 deductible, co-payment, and co-insurance provisions that apply
25 to coverage under the policy for other services provided by the
26 same type of provider.

1 (d) Coverage shall be provided for the following equipment
2 when medically necessary and prescribed by a physician licensed
3 to practice medicine in all of its branches. Coverage for the
4 following items shall be subject to deductible, co-payment and
5 co-insurance provisions provided for under the policy or a
6 durable medical equipment rider to the policy:

- 7 (1) blood glucose monitors;
- 8 (2) blood glucose monitors for the legally blind;
- 9 (3) cartridges for the legally blind; and
- 10 (4) lancets and lancing devices.

11 This subsection does not apply to a group policy of
12 accident and health insurance that does not provide a durable
13 medical equipment benefit.

14 (e) Coverage shall be provided for the following
15 pharmaceuticals and supplies when medically necessary and
16 prescribed by a physician licensed to practice medicine in all
17 of its branches. Coverage for the following items shall be
18 subject to the same coverage, deductible, co-payment, and
19 co-insurance provisions under the policy or a drug rider to the
20 policy, except as otherwise provided for under Section 356z.41:

- 21 (1) insulin;
- 22 (2) syringes and needles;
- 23 (3) test strips for glucose monitors;
- 24 (4) FDA approved oral agents used to control blood
25 sugar; and
- 26 (5) glucagon emergency kits.

1 This subsection does not apply to a group policy of
2 accident and health insurance that does not provide a drug
3 benefit.

4 (f) Coverage shall be provided for regular foot care exams
5 by a physician or by a physician to whom a physician has
6 referred the patient. Coverage for regular foot care exams
7 shall be subject to the same deductible, co-payment, and
8 co-insurance provisions that apply under the policy for other
9 services provided by the same type of provider.

10 (g) If authorized by a physician, diabetes self-management
11 training may be provided as a part of an office visit, group
12 setting, or home visit.

13 (h) This Section shall not apply to agreements, contracts,
14 or policies that provide coverage for a specified diagnosis or
15 other limited benefit coverage.

16 (Source: P.A. 97-281, eff. 1-1-12; 97-1141, eff. 12-28-12.)

17 (215 ILCS 5/356z.41 new)

18 Sec. 356z.41. Cost sharing in prescription insulin drugs;
19 limits; confidentiality of rebate information.

20 (a) As used in this Section, "prescription insulin drug"
21 means a prescription drug that contains insulin and is used to
22 treat diabetes but does not include an insulin drug that is
23 administered to a patient intravenously.

24 (b) This Section applies to a group or individual policy of
25 accident and health insurance amended, delivered, issued, or

1 renewed on or after the effective date of this amendatory Act
2 of the 101st General Assembly.

3 (c) An insurer that provides coverage for prescription
4 insulin drugs pursuant to the terms of a health coverage plan
5 the insurer offers shall limit the total amount that an insured
6 is required to pay for a covered prescription insulin drug at
7 an amount not to exceed \$100 per 30-day supply of insulin,
8 regardless of the amount or type of insulin needed to fill the
9 insured's prescription.

10 (d) Nothing in this Section prevents an insurer from
11 reducing an insured's cost sharing by an amount greater than
12 the amount specified in subsection (c).

13 (e) The Director may use any of the Director's enforcement
14 powers to obtain an insurer's compliance with this Section.

15 (f) The Department may adopt rules as necessary to
16 implement and administer this Section and to align it with
17 federal requirements.

18 Section 35. The Health Maintenance Organization Act is
19 amended by changing Section 5-3 as follows:

20 (215 ILCS 125/5-3) (from Ch. 111 1/2, par. 1411.2)

21 Sec. 5-3. Insurance Code provisions.

22 (a) Health Maintenance Organizations shall be subject to
23 the provisions of Sections 133, 134, 136, 137, 139, 140, 141.1,
24 141.2, 141.3, 143, 143c, 147, 148, 149, 151, 152, 153, 154,

1 154.5, 154.6, 154.7, 154.8, 155.04, 155.22a, 355.2, 355.3,
2 355b, 356g.5-1, 356m, 356v, 356w, 356x, 356y, 356z.2, 356z.4,
3 356z.4a, 356z.5, 356z.6, 356z.8, 356z.9, 356z.10, 356z.11,
4 356z.12, 356z.13, 356z.14, 356z.15, 356z.17, 356z.18, 356z.19,
5 356z.21, 356z.22, 356z.25, 356z.26, 356z.29, 356z.30,
6 356z.30a, 356z.32, 356z.33, 356z.35, 356z.36, 356z.41, 364,
7 364.01, 367.2, 367.2-5, 367i, 368a, 368b, 368c, 368d, 368e,
8 370c, 370c.1, 401, 401.1, 402, 403, 403A, 408, 408.2, 409, 412,
9 444, and 444.1, paragraph (c) of subsection (2) of Section 367,
10 and Articles IIA, VIII 1/2, XII, XII 1/2, XIII, XIII 1/2, XXV,
11 XXVI, and XXXIIB of the Illinois Insurance Code.

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

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

18 (2) a corporation organized under the laws of this
19 State; or

20 (3) a corporation organized under the laws of another
21 state, 30% or more of the enrollees of which are residents
22 of this State, except a corporation subject to
23 substantially the same requirements in its state of
24 organization as is a "domestic company" under Article VIII
25 1/2 of the Illinois Insurance Code.

26 (c) In considering the merger, consolidation, or other

1 acquisition of control of a Health Maintenance Organization
2 pursuant to Article VIII 1/2 of the Illinois Insurance Code,

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

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

15 (3) the Director shall have the power to require the
16 following information:

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

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

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

5 (D) such other information as the Director shall
6 require.

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

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

23 (f) Except for small employer groups as defined in the
24 Small Employer Rating, Renewability and Portability Health
25 Insurance Act and except for medicare supplement policies as
26 defined in Section 363 of the Illinois Insurance Code, a Health

1 Maintenance Organization may by contract agree with a group or
2 other enrollment unit to effect refunds or charge additional
3 premiums under the following terms and conditions:

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

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

25 The Health Maintenance Organization shall include a
26 statement in the evidence of coverage issued to each enrollee

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

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

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

21 (Source: P.A. 100-24, eff. 7-18-17; 100-138, eff. 8-18-17;
22 100-863, eff. 8-14-18; 100-1026, eff. 8-22-18; 100-1057, eff.
23 1-1-19; 100-1102, eff. 1-1-19; 101-13, eff. 6-12-19; 101-81,
24 eff. 7-12-19; 101-281, eff. 1-1-20; 101-371, eff. 1-1-20;
25 101-393, eff. 1-1-20; 101-452, eff. 1-1-20; 101-461, eff.
26 1-1-20; revised 10-16-19.)

1 Section 40. 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, 356z.33, 356z.41, 368a, 401, 401.1, 402,
11 403, 403A, 408, 408.2, 409, 412, 444, and 444.1 and Articles
12 IIA, VIII 1/2, XII, XII 1/2, XIII, XIII 1/2, XXV, and XXVI of
13 the Illinois Insurance Code. For purposes of the Illinois
14 Insurance Code, except for Sections 444 and 444.1 and Articles
15 XIII and XIII 1/2, limited health service organizations in the
16 following 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; 101-81, eff. 7-12-19; 101-281,
3 eff. 1-1-20; 101-393, eff. 1-1-20; revised 10-16-19.)

4 Section 45. The Voluntary Health Services Plans Act is
5 amended by changing Section 10 as follows:

6 (215 ILCS 165/10) (from Ch. 32, par. 604)

7 Sec. 10. Application of Insurance Code provisions. Health
8 services plan corporations and all persons interested therein
9 or dealing therewith shall be subject to the provisions of
10 Articles IIA and XII 1/2 and Sections 3.1, 133, 136, 139, 140,
11 143, 143c, 149, 155.22a, 155.37, 354, 355.2, 355.3, 355b, 356g,
12 356g.5, 356g.5-1, 356r, 356t, 356u, 356v, 356w, 356x, 356y,
13 356z.1, 356z.2, 356z.4, 356z.4a, 356z.5, 356z.6, 356z.8,
14 356z.9, 356z.10, 356z.11, 356z.12, 356z.13, 356z.14, 356z.15,
15 356z.18, 356z.19, 356z.21, 356z.22, 356z.25, 356z.26, 356z.29,
16 356z.30, 356z.30a, 356z.32, 356z.33, 356z.41, 364.01, 367.2,
17 368a, 401, 401.1, 402, 403, 403A, 408, 408.2, and 412, and
18 paragraphs (7) and (15) of Section 367 of the Illinois
19 Insurance Code.

20 Rulemaking authority to implement Public Act 95-1045, if
21 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

1 whatever reason, is unauthorized.

2 (Source: P.A. 100-24, eff. 7-18-17; 100-138, eff. 8-18-17;
3 100-863, eff. 8-14-18; 100-1026, eff. 8-22-18; 100-1057, eff.
4 1-1-19; 100-1102, eff. 1-1-19; 101-13, eff. 6-12-19; 101-81,
5 eff. 7-12-19; 101-281, eff. 1-1-20; 101-393, eff. 1-1-20;
6 revised 10-16-19.)

7 Section 99. Effective date. This Act takes effect January
8 1, 2021, except that Section 10 and this Section take effect
9 upon becoming law.