



102ND GENERAL ASSEMBLY

State of Illinois

2021 and 2022

HB2370

Introduced 2/17/2021, by Rep. Dagmara Avelar

SYNOPSIS AS INTRODUCED:

5 ILCS 375/6.11	
55 ILCS 5/5-1069.3	
65 ILCS 5/10-4-2.3	
105 ILCS 5/10-22.3f	
215 ILCS 5/356z.43 new	
215 ILCS 125/5-3	from Ch. 111 1/2, par. 1411.2
215 ILCS 130/4003	from Ch. 73, par. 1504-3
215 ILCS 165/10	from Ch. 32, par. 604
305 ILCS 5/5-16.8	

Amends the Illinois Insurance Code to provide that a group or individual policy of accident and health insurance amended, delivered, issued, or renewed on or after the effective date of the amendatory Act that provides coverage for prescription drugs shall limit the total amount that an insured is required to pay for a 30-day supply of covered prescription drugs at an amount not to exceed \$100. Makes conforming changes in the State Employees Group Insurance Act of 1971, the Counties Code, the Illinois Municipal Code, the School Code, the Health Maintenance Organization Act, the Limited Health Service Organization Act, the Voluntary Health Services Plans Act, and the Illinois Public Aid Code.

LRB102 13403 BMS 18747 b

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 Sec. 6.11. Required health benefits; Illinois Insurance
8 Code requirements. The program of health benefits shall
9 provide the post-mastectomy care benefits required to be
10 covered by a policy of accident and health insurance under
11 Section 356t of the Illinois Insurance Code. The program of
12 health benefits shall provide the coverage required under
13 Sections 356g, 356g.5, 356g.5-1, 356m, 356u, 356w, 356x,
14 356z.2, 356z.4, 356z.4a, 356z.6, 356z.8, 356z.9, 356z.10,
15 356z.11, 356z.12, 356z.13, 356z.14, 356z.15, 356z.17, 356z.22,
16 356z.25, 356z.26, 356z.29, 356z.30a, 356z.32, 356z.33,
17 356z.36, and 356z.41 of the Illinois Insurance Code. The
18 program of health benefits must comply with Sections 155.22a,
19 155.37, 355b, 356z.19, 356z.43, 370c, and 370c.1 and Article
20 XXXIIB of the Illinois Insurance Code. The Department of
21 Insurance shall enforce the requirements of this Section with
22 respect to Sections 370c and 370c.1 of the Illinois Insurance
23 Code; all other requirements of this Section shall be enforced

1 by the Department of Central 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. 100-24, eff. 7-18-17; 100-138, eff. 8-18-17;
9 100-863, eff. 8-14-18; 100-1024, eff. 1-1-19; 100-1057, eff.
10 1-1-19; 100-1102, eff. 1-1-19; 100-1170, eff. 6-1-19; 101-13,
11 eff. 6-12-19; 101-281, eff. 1-1-20; 101-393, eff. 1-1-20;
12 101-452, eff. 1-1-20; 101-461, eff. 1-1-20; 101-625, eff.
13 1-1-21.)

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

16 (55 ILCS 5/5-1069.3)

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

1 356z.14, 356z.15, 356z.22, 356z.25, 356z.26, 356z.29,
2 356z.30a, 356z.32, 356z.33, 356z.36, and 356z.41 of the
3 Illinois Insurance Code. The coverage shall comply with
4 Sections 155.22a, 355b, 356z.19, 356z.43, and 370c of the
5 Illinois Insurance Code. The Department of Insurance shall
6 enforce the requirements of this Section. The requirement that
7 health benefits be covered as provided in this Section is an
8 exclusive power and function of the State and is a denial and
9 limitation under Article VII, Section 6, subsection (h) of the
10 Illinois Constitution. A home rule county to which this
11 Section applies must comply with every provision of this
12 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;
23 101-625, eff. 1-1-21.)

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

1 (65 ILCS 5/10-4-2.3)

2 Sec. 10-4-2.3. Required health benefits. If a
3 municipality, including a home rule municipality, is a
4 self-insurer for purposes of providing health insurance
5 coverage for its employees, the coverage shall include
6 coverage for the post-mastectomy care benefits required to be
7 covered by a policy of accident and health insurance under
8 Section 356t and the coverage required under Sections 356g,
9 356g.5, 356g.5-1, 356u, 356w, 356x, 356z.6, 356z.8, 356z.9,
10 356z.10, 356z.11, 356z.12, 356z.13, 356z.14, 356z.15, 356z.22,
11 356z.25, 356z.26, 356z.29, 356z.30a, 356z.32, 356z.33,
12 356z.36, and 356z.41 of the Illinois Insurance Code. The
13 coverage shall comply with Sections 155.22a, 355b, 356z.19,
14 356z.43, and 370c of the Illinois Insurance Code. The
15 Department of Insurance shall enforce the requirements of this
16 Section. The requirement that health benefits be covered as
17 provided in this is an exclusive power and function of the
18 State and is a denial and limitation under Article VII,
19 Section 6, subsection (h) of the Illinois Constitution. A home
20 rule municipality to which this Section applies must comply
21 with every provision of this Section.

22 Rulemaking authority to implement Public Act 95-1045, if
23 any, is conditioned on the rules being adopted in accordance
24 with all provisions of the Illinois Administrative Procedure
25 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; 100-1024, eff. 1-1-19; 100-1057, eff.
5 1-1-19; 100-1102, eff. 1-1-19; 101-81, eff. 7-12-19; 101-281,
6 eff. 1-1-20; 101-393, eff. 1-1-20; 101-461, eff. 1-1-20;
7 101-625, eff. 1-1-21.)

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

10 (105 ILCS 5/10-22.3f)

11 Sec. 10-22.3f. Required health benefits. Insurance
12 protection and benefits for employees shall provide the
13 post-mastectomy care benefits required to be covered by a
14 policy of accident and health insurance under Section 356t and
15 the coverage required under Sections 356g, 356g.5, 356g.5-1,
16 356u, 356w, 356x, 356z.6, 356z.8, 356z.9, 356z.11, 356z.12,
17 356z.13, 356z.14, 356z.15, 356z.22, 356z.25, 356z.26, 356z.29,
18 356z.30a, 356z.32, 356z.33, 356z.36, and 356z.41 of the
19 Illinois Insurance Code. Insurance policies shall comply with
20 Section 356z.19 of the Illinois Insurance Code. The coverage
21 shall comply with Sections 155.22a, 355b, 356z.43, and 370c of
22 the Illinois Insurance Code. The Department of Insurance shall
23 enforce the requirements of this Section.

24 Rulemaking authority to implement Public Act 95-1045, if

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

6 (Source: P.A. 100-24, eff. 7-18-17; 100-138, eff. 8-18-17;
7 100-863, eff. 8-14-18; 100-1024, eff. 1-1-19; 100-1057, eff.
8 1-1-19; 100-1102, eff. 1-1-19; 101-81, eff. 7-12-19; 101-281,
9 eff. 1-1-20; 101-393, eff. 1-1-20; 101-461, eff. 1-1-20;
10 101-625, eff. 1-1-21.)

11 Section 25. The Illinois Insurance Code is amended by
12 adding Section 356z.43 as follows:

13 (215 ILCS 5/356z.43 new)

14 Sec. 356z.43. Cost sharing for prescription drugs; limits.
15 A group or individual policy of accident and health insurance
16 amended, delivered, issued, or renewed on or after the
17 effective date of this amendatory Act of the 102nd General
18 Assembly that provides coverage for prescription drugs shall
19 limit the total amount that an insured is required to pay for a
20 30-day supply of covered prescription drugs at an amount not
21 to exceed \$100.

22 Section 30. The Health Maintenance Organization Act is
23 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,
5 141.1, 141.2, 141.3, 143, 143c, 147, 148, 149, 151, 152, 153,
6 154, 154.5, 154.6, 154.7, 154.8, 155.04, 155.22a, 355.2,
7 355.3, 355b, 356g.5-1, 356m, 356v, 356w, 356x, 356y, 356z.2,
8 356z.4, 356z.4a, 356z.5, 356z.6, 356z.8, 356z.9, 356z.10,
9 356z.11, 356z.12, 356z.13, 356z.14, 356z.15, 356z.17, 356z.18,
10 356z.19, 356z.21, 356z.22, 356z.25, 356z.26, 356z.29, 356z.30,
11 356z.30a, 356z.32, 356z.33, 356z.35, 356z.36, 356z.41,
12 356z.43, 364, 364.01, 367.2, 367.2-5, 367i, 368a, 368b, 368c,
13 368d, 368e, 370c, 370c.1, 401, 401.1, 402, 403, 403A, 408,
14 408.2, 409, 412, 444, and 444.1, paragraph (c) of subsection
15 (2) of Section 367, and Articles IIA, VIII 1/2, XII, XII 1/2,
16 XIII, XIII 1/2, XXV, XXVI, and XXXIIB of the Illinois
17 Insurance Code.

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

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

24 (2) a corporation organized under the laws of this
25 State; or

1 (3) a corporation organized under the laws of another
2 state, 30% or more of the enrollees of which are residents
3 of this State, except a corporation subject to
4 substantially the same requirements in its state of
5 organization as is a "domestic company" under Article VIII
6 1/2 of the Illinois Insurance Code.

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

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

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

22 (3) the Director shall have the power to require the
23 following information:

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

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

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

12 (D) such other information as the Director shall
13 require.

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

20 (e) In considering any management contract or service
21 agreement subject to Section 141.1 of the Illinois Insurance
22 Code, the Director (i) shall, in addition to the criteria
23 specified in Section 141.2 of the Illinois Insurance Code,
24 take into account the effect of the management contract or
25 service agreement on the continuation of benefits to enrollees
26 and the financial condition of the health maintenance

1 organization to be managed or serviced, and (ii) need not take
2 into account the effect of the management contract or service
3 agreement on competition.

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

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

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

1 subsection (f)). The Health Maintenance Organization and
2 the group or enrollment unit may agree that the profitable
3 or unprofitable experience may be calculated taking into
4 account the refund period and the immediately preceding 2
5 plan years.

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

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

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

1 adopted, for 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; 101-371, eff. 1-1-20;
6 101-393, eff. 1-1-20; 101-452, eff. 1-1-20; 101-461, eff.
7 1-1-20; 101-625, eff. 1-1-21.)

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

10 (215 ILCS 130/4003) (from Ch. 73, par. 1504-3)

11 Sec. 4003. Illinois Insurance Code provisions. Limited
12 health service organizations shall be subject to the
13 provisions of Sections 133, 134, 136, 137, 139, 140, 141.1,
14 141.2, 141.3, 143, 143c, 147, 148, 149, 151, 152, 153, 154,
15 154.5, 154.6, 154.7, 154.8, 155.04, 155.37, 355.2, 355.3,
16 355b, 356v, 356z.10, 356z.21, 356z.22, 356z.25, 356z.26,
17 356z.29, 356z.30a, 356z.32, 356z.33, 356z.41, 356z.43, 368a,
18 401, 401.1, 402, 403, 403A, 408, 408.2, 409, 412, 444, and
19 444.1 and Articles IIA, VIII 1/2, XII, XII 1/2, XIII, XIII 1/2,
20 XXV, and XXVI of the Illinois Insurance Code. For purposes of
21 the Illinois Insurance Code, except for Sections 444 and 444.1
22 and Articles XIII and XIII 1/2, limited health service
23 organizations in the following categories are deemed to be
24 domestic companies:

- 1 (1) a corporation under the laws of this State; or
2 (2) a corporation organized under the laws of another
3 state, 30% or more of the enrollees of which are residents
4 of this State, except a corporation subject to
5 substantially the same requirements in its state of
6 organization as is a domestic company under Article VIII
7 1/2 of the Illinois Insurance Code.

8 (Source: P.A. 100-24, eff. 7-18-17; 100-138, eff. 8-18-17;
9 100-201, eff. 8-18-17; 100-863, eff. 8-14-18; 100-1057, eff.
10 1-1-19; 100-1102, eff. 1-1-19; 101-81, eff. 7-12-19; 101-281,
11 eff. 1-1-20; 101-393, eff. 1-1-20; 101-625, eff. 1-1-21.)

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

14 (215 ILCS 165/10) (from Ch. 32, par. 604)

15 Sec. 10. Application of Insurance Code provisions. Health
16 services plan corporations and all persons interested therein
17 or dealing therewith shall be subject to the provisions of
18 Articles IIA and XII 1/2 and Sections 3.1, 133, 136, 139, 140,
19 143, 143c, 149, 155.22a, 155.37, 354, 355.2, 355.3, 355b,
20 356g, 356g.5, 356g.5-1, 356r, 356t, 356u, 356v, 356w, 356x,
21 356y, 356z.1, 356z.2, 356z.4, 356z.4a, 356z.5, 356z.6, 356z.8,
22 356z.9, 356z.10, 356z.11, 356z.12, 356z.13, 356z.14, 356z.15,
23 356z.18, 356z.19, 356z.21, 356z.22, 356z.25, 356z.26, 356z.29,
24 356z.30, 356z.30a, 356z.32, 356z.33, 356z.41, 356z.43, 364.01,

1 367.2, 368a, 401, 401.1, 402, 403, 403A, 408, 408.2, and 412,
2 and paragraphs (7) and (15) of Section 367 of the Illinois
3 Insurance Code.

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

10 (Source: P.A. 100-24, eff. 7-18-17; 100-138, eff. 8-18-17;
11 100-863, eff. 8-14-18; 100-1026, eff. 8-22-18; 100-1057, eff.
12 1-1-19; 100-1102, eff. 1-1-19; 101-13, eff. 6-12-19; 101-81,
13 eff. 7-12-19; 101-281, eff. 1-1-20; 101-393, eff. 1-1-20;
14 101-625, eff. 1-1-21.)

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

17 (305 ILCS 5/5-16.8)

18 Sec. 5-16.8. Required health benefits. The medical
19 assistance program shall (i) provide the post-mastectomy care
20 benefits required to be covered by a policy of accident and
21 health insurance under Section 356t and the coverage required
22 under Sections 356g.5, 356u, 356w, 356x, 356z.6, 356z.26,
23 356z.29, 356z.32, 356z.33, 356z.34, and 356z.35 of the
24 Illinois Insurance Code and (ii) be subject to the provisions

1 of Sections 356z.19, 356z.43, 364.01, 370c, and 370c.1 of the
2 Illinois Insurance Code.

3 The Department, by rule, shall adopt a model similar to
4 the requirements of Section 356z.39 of the Illinois Insurance
5 Code.

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

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

16 (Source: P.A. 100-138, eff. 8-18-17; 100-863, eff. 8-14-18;
17 100-1057, eff. 1-1-19; 100-1102, eff. 1-1-19; 101-81, eff.
18 7-12-19; 101-218, eff. 1-1-20; 101-281, eff. 1-1-20; 101-371,
19 eff. 1-1-20; 101-574, eff. 1-1-20; 101-649, eff. 7-7-20.)