



102ND GENERAL ASSEMBLY

State of Illinois

2021 and 2022

HB3517

Introduced 2/22/2021, by Rep. Keith R. Wheeler

SYNOPSIS AS INTRODUCED:

215 ILCS 5/356z.36

Amends the Illinois Insurance Code. In provisions concerning development of medical necessity criteria for coverage of treatment models for early treatment of serious mental illnesses, provides that the rule adopted by the Department of Insurance that defines medical necessity for each of the treatment models shall be updated during calendar year 2021 to include nationally recognized, generally acceptable clinical criteria sourced to evidence-based medicine and to avoid unnecessary anti-competitive impacts.

LRB102 12036 BMS 17372 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 Illinois Insurance Code is amended by
5 renumbering and changing Section 356z.33 as added by Public
6 Act 101-461 as follows:

7 (215 ILCS 5/356z.36)

8 Sec. 356z.36 ~~356z.33~~. Coverage of treatment models for
9 early treatment of serious mental illnesses.

10 (a) For purposes of early treatment of a serious mental
11 illness in a child or young adult under age 26, a group or
12 individual policy of accident and health insurance, or managed
13 care plan, that is amended, delivered, issued, or renewed
14 after December 31, 2020 shall provide coverage of the
15 following bundled, evidence-based treatment:

16 (1) Coordinated specialty care for first episode
17 psychosis treatment, covering the elements of the
18 treatment model included in the most recent national
19 research trials conducted by the National Institute of
20 Mental Health in the Recovery After an Initial
21 Schizophrenia Episode (RAISE) trials for psychosis
22 resulting from a serious mental illness, but excluding the
23 components of the treatment model related to education and

1 employment support.

2 (2) Assertive community treatment (ACT) and community
3 support team (CST) treatment. The elements of ACT and CST
4 to be covered shall include those covered under Article V
5 of the Illinois Public Aid Code, through 89 Ill. Adm. Code
6 140.453(d)(4).

7 (b) Adherence to the clinical models. For purposes of
8 ensuring adherence to the coordinated specialty care for first
9 episode psychosis treatment model, only providers contracted
10 with the Department of Human Services' Division of Mental
11 Health to be FIRST.IL providers to deliver coordinated
12 specialty care for first episode psychosis treatment shall be
13 permitted to provide such treatment in accordance with this
14 Section and such providers must adhere to the fidelity of the
15 treatment model. For purposes of ensuring fidelity to ACT and
16 CST, only providers certified to provide ACT and CST by the
17 Department of Human Services' Division of Mental Health and
18 approved to provide ACT and CST by the Department of
19 Healthcare and Family Services, or its designee, in accordance
20 with 89 Ill. Adm. Code 140, shall be permitted to provide such
21 services under this Section and such providers shall be
22 required to adhere to the fidelity of the models.

23 (c) Development of medical necessity criteria for
24 coverage. Within 6 months after January 1, 2020 (the effective
25 date of Public Act 101-461) ~~this amendatory Act of the 101st~~
26 ~~General Assembly~~, the Department of Insurance shall lead and

1 convene a workgroup that includes the Department of Human
2 Services' Division of Mental Health, the Department of
3 Healthcare and Family Services, providers of the treatment
4 models listed in this Section, and insurers operating in
5 Illinois to develop medical necessity criteria for such
6 treatment models for purposes of coverage under this Section.
7 The workgroup shall use the medical necessity criteria the
8 State and other states use as guidance for establishing
9 medical necessity for insurance coverage. The Department of
10 Insurance shall adopt a rule that defines medical necessity
11 for each of the 3 treatment models listed in this Section by no
12 later than June 30, 2020 based on the workgroup's
13 recommendations. The rule shall be updated during calendar
14 year 2021 to include nationally recognized, generally
15 acceptable clinical criteria sourced to evidence-based
16 medicine and to avoid unnecessary anti-competitive impacts.

17 (d) For purposes of credentialing the mental health
18 professionals and other medical professionals that are part of
19 a coordinated specialty care for first episode psychosis
20 treatment team, an ACT team, or a CST team, the credentialing
21 of the psychiatrist or the licensed clinical leader of the
22 treatment team shall qualify all members of the treatment team
23 to be credentialed with the insurer.

24 (e) Payment for the services performed under the treatment
25 models listed in this Section shall be based on a bundled
26 treatment model or payment, rather than payment for each

1 separate service delivered by a treatment team member. By no
2 later than 6 months after January 1, 2020 (the effective date
3 of Public Act 101-461) ~~this amendatory Act of the 101st~~
4 ~~General Assembly~~, the Department of Insurance shall convene a
5 workgroup of Illinois insurance companies and Illinois mental
6 health treatment providers that deliver the bundled treatment
7 approaches listed in this Section to determine a coding
8 solution that allows for these bundled treatment models to be
9 coded and paid for as a bundle of services, similar to
10 intensive outpatient treatment where multiple services are
11 covered under one billing code or a bundled set of billing
12 codes. The coding solution shall ensure that services
13 delivered using coordinated specialty care for first episode
14 psychosis treatment, ACT, or CST are provided and billed as a
15 bundled service, rather than for each individual service
16 provided by a treatment team member, which would deconstruct
17 the evidence-based practice. The coding solution shall be
18 reached prior to coverage, which shall begin for plans
19 amended, delivered, issued, or renewed after December 31,
20 2020, to ensure coverage of the treatment team approaches as
21 intended by this Section.

22 (f) If, at any time, the Secretary of the United States
23 Department of Health and Human Services, or its successor
24 agency, adopts rules or regulations to be published in the
25 Federal Register or publishes a comment in the Federal
26 Register or issues an opinion, guidance, or other action that

1 would require the State, under any provision of the Patient
2 Protection and Affordable Care Act (P.L. 111-148), including,
3 but not limited to, 42 U.S.C. 18031(d)(3)(b), or any successor
4 provision, to defray the cost of any coverage for serious
5 mental illnesses or serious emotional disturbances outlined in
6 this Section, then the requirement that a group or individual
7 policy of accident and health insurance or managed care plan
8 cover the bundled treatment approaches listed in this Section
9 is inoperative other than any such coverage authorized under
10 Section 1902 of the Social Security Act, 42 U.S.C. 1396a, and
11 the State shall not assume any obligation for the cost of the
12 coverage.

13 (g) After 5 years following full implementation of this
14 Section, if requested by an insurer, the Department of
15 Insurance shall contract with an independent third party with
16 expertise in analyzing health insurance premiums and costs to
17 perform an independent analysis of the impact coverage of the
18 team-based treatment models listed in this Section has had on
19 insurance premiums in Illinois. If premiums increased by more
20 than 1% annually solely due to coverage of these treatment
21 models, coverage of these models shall no longer be required.

22 (h) The Department of Insurance shall adopt any rules
23 necessary to implement the provisions of this Section by no
24 later than June 30, 2020.

25 (Source: P.A. 101-461, eff. 1-1-20; revised 10-16-19.)