



## 102ND GENERAL ASSEMBLY

### State of Illinois

### 2021 and 2022

#### HB3794

Introduced 2/22/2021, by Rep. Bradley Stephens

#### 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 5/356w	
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

Amends the Illinois Insurance Code. Provides that insurers that provide coverage for diabetic self-management supplies must limit the total amount an insured is required to pay for diabetic self-management supplies to \$100 per 30-day supply of diabetic self-management supplies required by an insured with diabetes for diabetic self-management. Provides that the limitation on diabetic self-management supplies costs also applies to provisions requiring coverage of certain diabetes items to be subject to the same coverage, deductible, co-payment, and co-insurance provisions under a policy. Defines "diabetic self-management supplies". 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, and the Voluntary Health Services Plans Act. Effective January 1, 2022.

LRB102 04242 BMS 14260 b

FISCAL NOTE ACT  
MAY APPLY

STATE MANDATES  
ACT MAY REQUIRE  
REIMBURSEMENT

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,~~ and 356z.43 of the Illinois Insurance  
18 Code. The program of health benefits must comply with Sections  
19 155.22a, 155.37, 355b, 356z.19, 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, and 356z.43  
3 of the Illinois Insurance Code. The coverage shall comply with  
4 Sections 155.22a, 355b, 356z.19, and 370c of the Illinois  
5 Insurance Code. The Department of Insurance shall enforce the  
6 requirements of this Section. The requirement that health  
7 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, and 356z.43 of the Illinois Insurance  
13 Code. The coverage shall comply with Sections 155.22a, 355b,  
14 356z.19, 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, and 356z.43  
19 of the Illinois Insurance Code. Insurance policies shall  
20 comply with Section 356z.19 of the Illinois Insurance Code.  
21 The coverage shall comply with Sections 155.22a, 355b, and  
22 370c of the Illinois Insurance Code. The Department of  
23 Insurance shall 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 changing Section 356w and by adding Section 356z.43 as  
13 follows:

14 (215 ILCS 5/356w)

15 Sec. 356w. Diabetes self-management training and  
16 education.

17 (a) A group policy of accident and health insurance that  
18 is amended, delivered, issued, or renewed after the effective  
19 date of this amendatory Act of 1998 shall provide coverage for  
20 outpatient self-management training and education, equipment,  
21 and supplies, as set forth in this Section, for the treatment  
22 of type 1 diabetes, type 2 diabetes, and gestational diabetes  
23 mellitus.

24 (b) As used in this Section:

1 "Diabetes self-management training" means instruction in  
2 an outpatient setting which enables a diabetic patient to  
3 understand the diabetic management process and daily  
4 management of diabetic therapy as a means of avoiding frequent  
5 hospitalization and complications. Diabetes self-management  
6 training shall include the content areas listed in the  
7 National Standards for Diabetes Self-Management Education  
8 Programs as published by the American Diabetes Association,  
9 including medical nutrition therapy and education programs, as  
10 defined by the contract of insurance, that allow the patient  
11 to maintain an A1c level within the range identified in  
12 nationally recognized standards of care.

13 "Medical nutrition therapy" shall have the meaning  
14 ascribed to that term in the Dietitian Nutritionist Practice  
15 Act.

16 "Physician" means a physician licensed to practice  
17 medicine in all of its branches providing care to the  
18 individual.

19 "Qualified provider" for an individual that is enrolled  
20 in:

- 21 (1) a health maintenance organization that uses a  
22 primary care physician to control access to specialty care  
23 means (A) the individual's primary care physician licensed  
24 to practice medicine in all of its branches, (B) a  
25 physician licensed to practice medicine in all of its  
26 branches to whom the individual has been referred by the



1 primary care physician, or (C) a certified, registered, or  
2 licensed network health care professional with expertise  
3 in diabetes management to whom the individual has been  
4 referred by the primary care physician.

5 (2) an insurance plan means (A) a physician licensed  
6 to practice medicine in all of its branches or (B) a  
7 certified, registered, or licensed health care  
8 professional with expertise in diabetes management to whom  
9 the individual has been referred by a physician.

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

13 (1) Up to 3 medically necessary visits to a qualified  
14 provider upon initial diagnosis of diabetes by the  
15 patient's physician or, if diagnosis of diabetes was made  
16 within one year prior to the effective date of this  
17 amendatory Act of 1998 where the insured was a covered  
18 individual, up to 3 medically necessary visits to a  
19 qualified provider within one year after that effective  
20 date.

21 (2) Up to 2 medically necessary visits to a qualified  
22 provider upon a determination by a patient's physician  
23 that a significant change in the patient's symptoms or  
24 medical condition has occurred. A "significant change" in  
25 condition means symptomatic hyperglycemia (greater than  
26 250 mg/dl on repeated occasions), severe hypoglycemia

1 (requiring the assistance of another person), onset or  
2 progression of diabetes, or a significant change in  
3 medical condition that would require a significantly  
4 different treatment regimen.

5 Payment by the insurer or health maintenance organization  
6 for the coverage required for diabetes self-management  
7 training pursuant to the provisions of this Section is only  
8 required to be made for services provided. No coverage is  
9 required for additional visits beyond those specified in items  
10 (1) and (2) of this subsection.

11 Coverage under this subsection (c) for diabetes  
12 self-management training shall be subject to the same  
13 deductible, co-payment, and co-insurance provisions that apply  
14 to coverage under the policy for other services provided by  
15 the same type of provider.

16 (d) Coverage shall be provided for the following equipment  
17 when medically necessary and prescribed by a physician  
18 licensed to practice medicine in all of its branches. Coverage  
19 for the following items shall be subject to deductible,  
20 co-payment and co-insurance provisions provided for under the  
21 policy or a durable medical equipment rider to the policy:

- 22 (1) blood glucose monitors;  
23 (2) blood glucose monitors for the legally blind;  
24 (3) cartridges for the legally blind; and  
25 (4) lancets and lancing devices.

26 This subsection does not apply to a group policy of

1 accident and health insurance that does not provide a durable  
2 medical equipment benefit.

3 (e) Coverage shall be provided for the following  
4 pharmaceuticals and supplies when medically necessary and  
5 prescribed by a physician licensed to practice medicine in all  
6 of its branches. Coverage for the following items shall be  
7 subject to the same coverage, deductible, co-payment, and  
8 co-insurance provisions under the policy or a drug rider to  
9 the policy, except as otherwise provided for under Sections  
10 ~~Section~~ 356z.41 and 356z.43:

11 (1) insulin;

12 (2) syringes and needles;

13 (3) test strips for glucose monitors;

14 (4) FDA approved oral agents used to control blood  
15 sugar; and

16 (5) glucagon emergency kits.

17 This subsection does not apply to a group policy of  
18 accident and health insurance that does not provide a drug  
19 benefit.

20 (f) Coverage shall be provided for regular foot care exams  
21 by a physician or by a physician to whom a physician has  
22 referred the patient. Coverage for regular foot care exams  
23 shall be subject to the same deductible, co-payment, and  
24 co-insurance provisions that apply under the policy for other  
25 services provided by the same type of provider.

26 (g) If authorized by a physician, diabetes self-management

1 training may be provided as a part of an office visit, group  
2 setting, or home visit.

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

6 (Source: P.A. 101-625, eff. 1-1-21.)

7 (215 ILCS 5/356z.43 new)

8 Sec. 356z.43. Cost sharing in diabetic self-management  
9 supplies; limits; confidentiality of rebate information.

10 (a) As used in this Section, "diabetic self-management  
11 supplies" means items determined to be medically necessary for  
12 a person with diabetes for diabetic self-management, including  
13 blood test strips for glucose monitors and the monthly lease  
14 of an insulin pump. "Diabetic self-management supplies" do not  
15 include insulin drugs.

16 (b) This Section applies to a group or individual policy  
17 of accident and health insurance amended, delivered, issued,  
18 or renewed on or after the effective date of this amendatory  
19 Act of the 102nd General Assembly.

20 (c) An insurer that provides coverage for diabetic  
21 self-management supplies pursuant to the terms of a health  
22 coverage plan the insurer offers shall limit the total amount  
23 that an insured is required to pay for a 30-day supply of  
24 diabetic self-management supplies at an amount not to exceed  
25 \$100, regardless of the quantity or type of diabetic

1 self-management supplies required by an insured with diabetes  
2 for diabetic self-management.

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

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

8 (f) The Department may adopt rules as necessary to  
9 implement and administer this Section and to align it with  
10 federal requirements.

11 (g) On January 1 of each year, the limit on the amount that  
12 an insured is required to pay for a 30-day supply of diabetic  
13 self-management supplies shall increase by a percentage equal  
14 to the percentage change from the preceding year in the  
15 medical care component of the Consumer Price Index of the  
16 Bureau of Labor Statistics of the United States Department of  
17 Labor.

18 Section 30. 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,  
24 141.1, 141.2, 141.3, 143, 143c, 147, 148, 149, 151, 152, 153,

1 154, 154.5, 154.6, 154.7, 154.8, 155.04, 155.22a, 355.2,  
2 355.3, 355b, 356g.5-1, 356m, 356v, 356w, 356x, 356y, 356z.2,  
3 356z.4, 356z.4a, 356z.5, 356z.6, 356z.8, 356z.9, 356z.10,  
4 356z.11, 356z.12, 356z.13, 356z.14, 356z.15, 356z.17, 356z.18,  
5 356z.19, 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,  
7 356z.43, 364, 364.01, 367.2, 367.2-5, 367i, 368a, 368b, 368c,  
8 368d, 368e, 370c, 370c.1, 401, 401.1, 402, 403, 403A, 408,  
9 408.2, 409, 412, 444, and 444.1, paragraph (c) of subsection  
10 (2) of Section 367, and Articles IIA, VIII 1/2, XII, XII 1/2,  
11 XIII, XIII 1/2, XXV, XXVI, and XXXIIB of the Illinois  
12 Insurance Code.

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

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

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

21 (3) 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  
25 organization as is a "domestic company" under Article VIII  
26 1/2 of the Illinois Insurance Code.

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

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

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

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

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

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

1 combined operation for a period of 2 years;

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

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

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

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

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



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

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

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

26 The Health Maintenance Organization shall include a

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

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

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

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

1 1-1-20; 101-625, eff. 1-1-21.)

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

4 (215 ILCS 130/4003) (from Ch. 73, par. 1504-3)

5 Sec. 4003. Illinois Insurance Code provisions. Limited  
6 health service organizations shall be subject to the  
7 provisions of Sections 133, 134, 136, 137, 139, 140, 141.1,  
8 141.2, 141.3, 143, 143c, 147, 148, 149, 151, 152, 153, 154,  
9 154.5, 154.6, 154.7, 154.8, 155.04, 155.37, 355.2, 355.3,  
10 355b, 356v, 356z.10, 356z.21, 356z.22, 356z.25, 356z.26,  
11 356z.29, 356z.30a, 356z.32, 356z.33, 356z.41, 356z.43, 368a,  
12 401, 401.1, 402, 403, 403A, 408, 408.2, 409, 412, 444, and  
13 444.1 and Articles IIA, VIII 1/2, XII, XII 1/2, XIII, XIII 1/2,  
14 XXV, and XXVI of the Illinois Insurance Code. For purposes of  
15 the Illinois Insurance Code, except for Sections 444 and 444.1  
16 and Articles XIII and XIII 1/2, limited health service  
17 organizations in the following categories are deemed to be  
18 domestic companies:

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

20 (2) 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

1           1/2 of the Illinois Insurance Code.  
2           (Source: P.A. 100-24, eff. 7-18-17; 100-138, eff. 8-18-17;  
3           100-201, eff. 8-18-17; 100-863, eff. 8-14-18; 100-1057, eff.  
4           1-1-19; 100-1102, eff. 1-1-19; 101-81, eff. 7-12-19; 101-281,  
5           eff. 1-1-20; 101-393, eff. 1-1-20; 101-625, eff. 1-1-21.)

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,  
14          356g, 356g.5, 356g.5-1, 356r, 356t, 356u, 356v, 356w, 356x,  
15          356y, 356z.1, 356z.2, 356z.4, 356z.4a, 356z.5, 356z.6, 356z.8,  
16          356z.9, 356z.10, 356z.11, 356z.12, 356z.13, 356z.14, 356z.15,  
17          356z.18, 356z.19, 356z.21, 356z.22, 356z.25, 356z.26, 356z.29,  
18          356z.30, 356z.30a, 356z.32, 356z.33, 356z.41, 356z.43, 364.01,  
19          367.2, 368a, 401, 401.1, 402, 403, 403A, 408, 408.2, and 412,  
20          and paragraphs (7) and (15) of Section 367 of the Illinois  
21          Insurance Code.

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

1 Act and all rules and procedures of the Joint Committee on  
2 Administrative Rules; any purported rule not so adopted, for  
3 whatever reason, is unauthorized.

4 (Source: P.A. 100-24, eff. 7-18-17; 100-138, eff. 8-18-17;  
5 100-863, eff. 8-14-18; 100-1026, eff. 8-22-18; 100-1057, eff.  
6 1-1-19; 100-1102, eff. 1-1-19; 101-13, eff. 6-12-19; 101-81,  
7 eff. 7-12-19; 101-281, eff. 1-1-20; 101-393, eff. 1-1-20;  
8 101-625, eff. 1-1-21.)

9 Section 99. Effective date. This Act takes effect January  
10 1, 2022.