



102ND GENERAL ASSEMBLY

State of Illinois

2021 and 2022

HB5762

Introduced 11/16/2022, by Rep. Natalie A. Manley

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.53 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. Provides that a group or individual policy of accident and health insurance or a managed care plan that is amended, delivered, issued, or renewed on or after the effective date of the amendatory Act shall provide coverage for basic fitness center membership costs for individuals 65 years of age and older. 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 27692 BMS 39486 b

STATE MANDATES
ACT MAY REQUIRE
REIMBURSEMENT

A BILL FOR

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, 356q, 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, 356z.40, 356z.41, 356z.45, 356z.46, 356z.47, 356z.51,
18 and 356z.53 ~~and 356z.43~~ of the Illinois Insurance Code. The
19 program of health benefits must comply with Sections 155.22a,
20 155.37, 355b, 356z.19, 370c, and 370c.1 and Article XXXIIB of
21 the Illinois Insurance Code. The Department of Insurance shall
22 enforce the requirements of this Section with respect to
23 Sections 370c and 370c.1 of the Illinois Insurance Code; all

1 other requirements of this Section shall be enforced by the
2 Department of Central Management Services.

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

9 (Source: P.A. 101-13, eff. 6-12-19; 101-281, eff. 1-1-20;
10 101-393, eff. 1-1-20; 101-452, eff. 1-1-20; 101-461, eff.
11 1-1-20; 101-625, eff. 1-1-21; 102-30, eff. 1-1-22; 102-103,
12 eff. 1-1-22; 102-203, eff. 1-1-22; 102-306, eff. 1-1-22;
13 102-642, eff. 1-1-22; 102-665, eff. 10-8-21; revised
14 10-26-21.)

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

17 (55 ILCS 5/5-1069.3)

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

1 356z.6, 356z.8, 356z.9, 356z.10, 356z.11, 356z.12, 356z.13,
2 356z.14, 356z.15, 356z.22, 356z.25, 356z.26, 356z.29,
3 356z.30a, 356z.32, 356z.33, 356z.36, 356z.40, 356z.41,
4 356z.45, 356z.46, 356z.47, 356z.48, 356z.51, and 356z.53 ~~and~~
5 ~~356z.43~~ of the Illinois Insurance Code. The coverage shall
6 comply with Sections 155.22a, 355b, 356z.19, and 370c of the
7 Illinois Insurance Code. The Department of Insurance shall
8 enforce the requirements of this Section. The requirement that
9 health benefits be covered as provided in this Section is an
10 exclusive power and function of the State and is a denial and
11 limitation under Article VII, Section 6, subsection (h) of the
12 Illinois Constitution. A home rule county to which this
13 Section applies must comply with every provision of this
14 Section.

15 Rulemaking authority to implement Public Act 95-1045, if
16 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. 101-81, eff. 7-12-19; 101-281, eff. 1-1-20;
22 101-393, eff. 1-1-20; 101-461, eff. 1-1-20; 101-625, eff.
23 1-1-21; 102-30, eff. 1-1-22; 102-103, eff. 1-1-22; 102-203,
24 eff. 1-1-22; 102-306, eff. 1-1-22; 102-443, eff. 1-1-22;
25 102-642, eff. 1-1-22; 102-665, eff. 10-8-21; revised
26 10-26-21.)

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
8 coverage for the post-mastectomy care benefits required to be
9 covered by a policy of accident and health insurance under
10 Section 356t and the coverage required under Sections 356g,
11 356g.5, 356g.5-1, 356q, 356u, 356w, 356x, 356z.6, 356z.8,
12 356z.9, 356z.10, 356z.11, 356z.12, 356z.13, 356z.14, 356z.15,
13 356z.22, 356z.25, 356z.26, 356z.29, 356z.30a, 356z.32,
14 356z.33, 356z.36, 356z.40, 356z.41, 356z.45, 356z.46, 356z.47,
15 356z.48, 356z.51, and 356z.53 ~~and 356z.43~~ of the Illinois
16 Insurance Code. The coverage shall comply with Sections
17 155.22a, 355b, 356z.19, and 370c of the Illinois Insurance
18 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 is an exclusive power
21 and function of the State and is a denial and limitation under
22 Article VII, Section 6, subsection (h) of the Illinois
23 Constitution. A home rule municipality to which this Section
24 applies 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. 101-81, eff. 7-12-19; 101-281, eff. 1-1-20;
8 101-393, eff. 1-1-20; 101-461, eff. 1-1-20; 101-625, eff.
9 1-1-21; 102-30, eff. 1-1-22; 102-103, eff. 1-1-22; 102-203,
10 eff. 1-1-22; 102-306, eff. 1-1-22; 102-443, eff. 1-1-22;
11 102-642, eff. 1-1-22; 102-665, eff. 10-8-21; revised
12 10-26-21.)

13 Section 20. The School Code is amended by changing Section
14 10-22.3f as follows:

15 (105 ILCS 5/10-22.3f)

16 Sec. 10-22.3f. Required health benefits. Insurance
17 protection and benefits for employees shall provide the
18 post-mastectomy care benefits required to be covered by a
19 policy of accident and health insurance under Section 356t and
20 the coverage required under Sections 356g, 356g.5, 356g.5-1,
21 356q, 356u, 356w, 356x, 356z.6, 356z.8, 356z.9, 356z.11,
22 356z.12, 356z.13, 356z.14, 356z.15, 356z.22, 356z.25, 356z.26,
23 356z.29, 356z.30a, 356z.32, 356z.33, 356z.36, 356z.40,
24 356z.41, 356z.45, 356z.46, 356z.47, 356z.51, and 356z.53 and

1 ~~356z.43~~ of the Illinois Insurance Code. Insurance policies
2 shall comply with Section 356z.19 of the Illinois Insurance
3 Code. The coverage shall comply with Sections 155.22a, 355b,
4 and 370c of the Illinois Insurance Code. The Department of
5 Insurance shall enforce the 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. 101-81, eff. 7-12-19; 101-281, eff. 1-1-20;
13 101-393, eff. 1-1-20; 101-461, eff. 1-1-20; 101-625, eff.
14 1-1-21; 102-30, eff. 1-1-22; 102-103, eff. 1-1-22; 102-203,
15 eff. 1-1-22; 102-306, eff. 1-1-22; 102-642, eff. 1-1-22;
16 102-665, eff. 10-8-21; revised 10-27-21.)

17 Section 25. The Illinois Insurance Code is amended by
18 adding Section 356z.53 as follows:

19 (215 ILCS 5/356z.53 new)

20 Sec. 356z.53. Senior fitness membership coverage. A group
21 or individual policy of accident and health insurance or a
22 managed care plan that is amended, delivered, issued, or
23 renewed on or after the effective date of this amendatory Act
24 of the 102nd General Assembly shall provide coverage for basic

1 fitness center membership costs for individuals 65 years of
2 age and older.

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

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

6 Sec. 5-3. Insurance Code provisions.

7 (a) Health Maintenance Organizations shall be subject to
8 the provisions of Sections 133, 134, 136, 137, 139, 140,
9 141.1, 141.2, 141.3, 143, 143c, 147, 148, 149, 151, 152, 153,
10 154, 154.5, 154.6, 154.7, 154.8, 155.04, 155.22a, 355.2,
11 355.3, 355b, 356g.5-1, 356m, 356q, 356v, 356w, 356x, 356y,
12 356z.2, 356z.4, 356z.4a, 356z.5, 356z.6, 356z.8, 356z.9,
13 356z.10, 356z.11, 356z.12, 356z.13, 356z.14, 356z.15, 356z.17,
14 356z.18, 356z.19, 356z.21, 356z.22, 356z.25, 356z.26, 356z.29,
15 356z.30, 356z.30a, 356z.32, 356z.33, 356z.35, 356z.36,
16 356z.40, 356z.41, 356z.43, 356z.46, 356z.47, 356z.48, 356z.50,
17 356z.51, 356z.53, 364, 364.01, 367.2, 367.2-5, 367i, 368a,
18 368b, 368c, 368d, 368e, 370c, 370c.1, 401, 401.1, 402, 403,
19 403A, 408, 408.2, 409, 412, 444, and 444.1, paragraph (c) of
20 subsection (2) of Section 367, and Articles IIA, VIII 1/2,
21 XII, XII 1/2, XIII, XIII 1/2, XXV, XXVI, and XXXIIB of the
22 Illinois Insurance Code.

23 (b) For purposes of the Illinois Insurance Code, except
24 for Sections 444 and 444.1 and Articles XIII and XIII 1/2,

1 Health Maintenance Organizations in the following categories
2 are deemed to be "domestic companies":

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

5 (2) a corporation organized under the laws of this
6 State; or

7 (3) a corporation organized under the laws of another
8 state, 30% or more of the enrollees of which are residents
9 of this State, except a corporation subject to
10 substantially the same requirements in its state of
11 organization as is a "domestic company" under Article VIII
12 1/2 of the Illinois Insurance Code.

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

16 (1) the Director shall give primary consideration to
17 the continuation of benefits to enrollees and the
18 financial conditions of the acquired Health Maintenance
19 Organization after the merger, consolidation, or other
20 acquisition of control takes effect;

21 (2) (i) the criteria specified in subsection (1) (b) of
22 Section 131.8 of the Illinois Insurance Code shall not
23 apply and (ii) the Director, in making his determination
24 with respect to the merger, consolidation, or other
25 acquisition of control, need not take into account the
26 effect on competition of the merger, consolidation, or

1 other acquisition of control;

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

4 (A) certification by an independent actuary of the
5 adequacy of the reserves of the Health Maintenance
6 Organization sought to be acquired;

7 (B) pro forma financial statements reflecting the
8 combined balance sheets of the acquiring company and
9 the Health Maintenance Organization sought to be
10 acquired as of the end of the preceding year and as of
11 a date 90 days prior to the acquisition, as well as pro
12 forma financial statements reflecting projected
13 combined operation for a period of 2 years;

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

18 (D) such other information as the Director shall
19 require.

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

26 (e) In considering any management contract or service

1 agreement subject to Section 141.1 of the Illinois Insurance
2 Code, the Director (i) shall, in addition to the criteria
3 specified in Section 141.2 of the Illinois Insurance Code,
4 take into account the effect of the management contract or
5 service agreement on the continuation of benefits to enrollees
6 and the financial condition of the health maintenance
7 organization to be managed or serviced, and (ii) need not take
8 into account the effect of the management contract or service
9 agreement on competition.

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

17 (i) the amount of, and other terms and conditions with
18 respect to, the refund or additional premium are set forth
19 in the group or enrollment unit contract agreed in advance
20 of the period for which a refund is to be paid or
21 additional premium is to be charged (which period shall
22 not be less than one year); and

23 (ii) the amount of the refund or additional premium
24 shall not exceed 20% of the Health Maintenance
25 Organization's profitable or unprofitable experience with
26 respect to the group or other enrollment unit for the

1 period (and, for purposes of a refund or additional
2 premium, the profitable or unprofitable experience shall
3 be calculated taking into account a pro rata share of the
4 Health Maintenance Organization's administrative and
5 marketing expenses, but shall not include any refund to be
6 made or additional premium to be paid pursuant to this
7 subsection (f)). The Health Maintenance Organization and
8 the group or enrollment unit may agree that the profitable
9 or unprofitable experience may be calculated taking into
10 account the refund period and the immediately preceding 2
11 plan years.

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

24 In no event shall the Illinois Health Maintenance
25 Organization Guaranty Association be liable to pay any
26 contractual obligation of an insolvent organization to pay any

1 refund authorized under this Section.

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

8 (Source: P.A. 101-13, eff. 6-12-19; 101-81, eff. 7-12-19;
9 101-281, eff. 1-1-20; 101-371, eff. 1-1-20; 101-393, eff.
10 1-1-20; 101-452, eff. 1-1-20; 101-461, eff. 1-1-20; 101-625,
11 eff. 1-1-21; 102-30, eff. 1-1-22; 102-34, eff. 6-25-21;
12 102-203, eff. 1-1-22; 102-306, eff. 1-1-22; 102-443, eff.
13 1-1-22; 102-589, eff. 1-1-22; 102-642, eff. 1-1-22; 102-665,
14 eff. 10-8-21; revised 10-27-21.)

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

17 (215 ILCS 130/4003) (from Ch. 73, par. 1504-3)

18 Sec. 4003. Illinois Insurance Code provisions. Limited
19 health service organizations shall be subject to the
20 provisions of Sections 133, 134, 136, 137, 139, 140, 141.1,
21 141.2, 141.3, 143, 143c, 147, 148, 149, 151, 152, 153, 154,
22 154.5, 154.6, 154.7, 154.8, 155.04, 155.37, 355.2, 355.3,
23 355b, 356q, 356v, 356z.10, 356z.21, 356z.22, 356z.25, 356z.26,
24 356z.29, 356z.30a, 356z.32, 356z.33, 356z.41, 356z.46,

1 356z.47, 356z.51, 356z.53, ~~356z.43,~~ 368a, 401, 401.1, 402,
2 403, 403A, 408, 408.2, 409, 412, 444, and 444.1 and Articles
3 IIA, VIII 1/2, XII, XII 1/2, XIII, XIII 1/2, XXV, and XXVI of
4 the Illinois Insurance Code. For purposes of the Illinois
5 Insurance Code, except for Sections 444 and 444.1 and Articles
6 XIII and XIII 1/2, limited health service organizations in the
7 following categories are deemed to be domestic companies:

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

9 (2) a corporation organized under the laws of another
10 state, 30% or more of the enrollees of which are residents
11 of this State, except a corporation subject to
12 substantially the same requirements in its state of
13 organization as is a domestic company under Article VIII
14 1/2 of the Illinois Insurance Code.

15 (Source: P.A. 101-81, eff. 7-12-19; 101-281, eff. 1-1-20;
16 101-393, eff. 1-1-20; 101-625, eff. 1-1-21; 102-30, eff.
17 1-1-22; 102-203, eff. 1-1-22; 102-306, eff. 1-1-22; 102-642,
18 eff. 1-1-22; revised 10-27-21.)

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

21 (215 ILCS 165/10) (from Ch. 32, par. 604)

22 Sec. 10. Application of Insurance Code provisions. Health
23 services plan corporations and all persons interested therein
24 or dealing therewith shall be subject to the provisions of

1 Articles IIA and XII 1/2 and Sections 3.1, 133, 136, 139, 140,
2 143, 143c, 149, 155.22a, 155.37, 354, 355.2, 355.3, 355b,
3 356g, 356g.5, 356g.5-1, 356q, 356r, 356t, 356u, 356v, 356w,
4 356x, 356y, 356z.1, 356z.2, 356z.4, 356z.4a, 356z.5, 356z.6,
5 356z.8, 356z.9, 356z.10, 356z.11, 356z.12, 356z.13, 356z.14,
6 356z.15, 356z.18, 356z.19, 356z.21, 356z.22, 356z.25, 356z.26,
7 356z.29, 356z.30, 356z.30a, 356z.32, 356z.33, 356z.40,
8 356z.41, 356z.46, 356z.47, 356z.51, 356z.53 ~~356z.43~~, 364.01,
9 367.2, 368a, 401, 401.1, 402, 403, 403A, 408, 408.2, and 412,
10 and paragraphs (7) and (15) of Section 367 of the Illinois
11 Insurance Code.

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

18 (Source: P.A. 101-13, eff. 6-12-19; 101-81, eff. 7-12-19;
19 101-281, eff. 1-1-20; 101-393, eff. 1-1-20; 101-625, eff.
20 1-1-21; 102-30, eff. 1-1-22; 102-203, eff. 1-1-22; 102-306,
21 eff. 1-1-22; 102-642, eff. 1-1-22; 102-665, eff. 10-8-21;
22 revised 10-27-21.)

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

1 (305 ILCS 5/5-16.8)

2 Sec. 5-16.8. Required health benefits. The medical
3 assistance program shall (i) provide the post-mastectomy care
4 benefits required to be covered by a policy of accident and
5 health insurance under Section 356t and the coverage required
6 under Sections 356g.5, 356q, 356u, 356w, 356x, 356z.6,
7 356z.26, 356z.29, 356z.32, 356z.33, 356z.34, 356z.35, 356z.46,
8 356z.47, 356z.51, and 356z.53 ~~and 356z.43~~ of the Illinois
9 Insurance Code, (ii) be subject to the provisions of Sections
10 356z.19, ~~356z.43,~~ 356z.44, 356z.49, 364.01, 370c, and 370c.1
11 of the Illinois Insurance Code, and (iii) be subject to the
12 provisions of subsection (d-5) of Section 10 of the Network
13 Adequacy and Transparency Act.

14 The Department, by rule, shall adopt a model similar to
15 the requirements of Section 356z.39 of the Illinois Insurance
16 Code.

17 On and after July 1, 2012, the Department shall reduce any
18 rate of reimbursement for services or other payments or alter
19 any methodologies authorized by this Code to reduce any rate
20 of reimbursement for services or other payments in accordance
21 with Section 5-5e.

22 To ensure full access to the benefits set forth in this
23 Section, on and after January 1, 2016, the Department shall
24 ensure that provider and hospital reimbursement for
25 post-mastectomy care benefits required under this Section are
26 no lower than the Medicare reimbursement rate.

1 (Source: P.A. 101-81, eff. 7-12-19; 101-218, eff. 1-1-20;
2 101-281, eff. 1-1-20; 101-371, eff. 1-1-20; 101-574, eff.
3 1-1-20; 101-649, eff. 7-7-20; 102-30, eff. 1-1-22; 102-144,
4 eff. 1-1-22; 102-203, eff. 1-1-22; 102-306, eff. 1-1-22;
5 102-530, eff. 1-1-22; 102-642, eff. 1-1-22; revised 10-27-21.)