



## 102ND GENERAL ASSEMBLY

### State of Illinois

### 2021 and 2022

### SB0499

Introduced 2/23/2021, by Sen. Jason A. Barickman

#### 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 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 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 to provide that the medical assistance program and a group accident and health insurance policy providing coverage for hospital, medical, or surgical treatment on an expense-incurred basis shall offer, for an additional premium and subject to the insurer's standard of insurability, optional coverage for the reasonable and necessary medical treatment of temporomandibular joint disorder and craniomandibular disorder.

LRB102 16313 BMS 21699 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, 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, 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, 370c, and 370c.1 and Article XXXIIB of  
20 the Illinois Insurance Code. The Department of Insurance shall  
21 enforce the requirements of this Section with respect to  
22 Sections 370c and 370c.1 of the Illinois Insurance Code; all  
23 other requirements of this Section shall be enforced by the

1 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, 356g, 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, 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, 356g, 356u, 356w, 356x, 356z.6, 356z.8,  
10 356z.9, 356z.10, 356z.11, 356z.12, 356z.13, 356z.14, 356z.15,  
11 356z.22, 356z.25, 356z.26, 356z.29, 356z.30a, 356z.32,  
12 356z.33, 356z.36, and 356z.41 of the Illinois Insurance Code.  
13 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 356g, 356u, 356w, 356x, 356z.6, 356z.8, 356z.9, 356z.11,  
17 356z.12, 356z.13, 356z.14, 356z.15, 356z.22, 356z.25, 356z.26,  
18 356z.29, 356z.30a, 356z.32, 356z.33, 356z.36, and 356z.41 of  
19 the Illinois Insurance Code. Insurance policies shall comply  
20 with Section 356z.19 of the Illinois Insurance Code. The  
21 coverage shall comply with Sections 155.22a, 355b, 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 Health Maintenance Organization Act is  
12 amended by changing Section 5-3 as follows:

13 (215 ILCS 125/5-3) (from Ch. 111 1/2, par. 1411.2)

14 Sec. 5-3. Insurance Code provisions.

15 (a) Health Maintenance Organizations shall be subject to  
16 the provisions of Sections 133, 134, 136, 137, 139, 140,  
17 141.1, 141.2, 141.3, 143, 143c, 147, 148, 149, 151, 152, 153,  
18 154, 154.5, 154.6, 154.7, 154.8, 155.04, 155.22a, 355.2,  
19 355.3, 355b, 356g.5-1, 356m, 356q, 356v, 356w, 356x, 356y,  
20 356z.2, 356z.4, 356z.4a, 356z.5, 356z.6, 356z.8, 356z.9,  
21 356z.10, 356z.11, 356z.12, 356z.13, 356z.14, 356z.15, 356z.17,  
22 356z.18, 356z.19, 356z.21, 356z.22, 356z.25, 356z.26, 356z.29,  
23 356z.30, 356z.30a, 356z.32, 356z.33, 356z.35, 356z.36,  
24 356z.41, 364, 364.01, 367.2, 367.2-5, 367i, 368a, 368b, 368c,

1 368d, 368e, 370c, 370c.1, 401, 401.1, 402, 403, 403A, 408,  
2 408.2, 409, 412, 444, and 444.1, paragraph (c) of subsection  
3 (2) of Section 367, and Articles IIA, VIII 1/2, XII, XII 1/2,  
4 XIII, XIII 1/2, XXV, XXVI, and XXXIIB of the Illinois  
5 Insurance Code.

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

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

12 (2) a corporation organized under the laws of this  
13 State; or

14 (3) a corporation organized under the laws of another  
15 state, 30% or more of the enrollees of which are residents  
16 of this State, except a corporation subject to  
17 substantially the same requirements in its state of  
18 organization as is a "domestic company" under Article VIII  
19 1/2 of the Illinois Insurance Code.

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

23 (1) the Director shall give primary consideration to  
24 the continuation of benefits to enrollees and the  
25 financial conditions of the acquired Health Maintenance  
26 Organization after the merger, consolidation, or other



1 acquisition of control takes effect;

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

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

11 (A) certification by an independent actuary of the  
12 adequacy of the reserves of the Health Maintenance  
13 Organization sought to be acquired;

14 (B) pro forma financial statements reflecting the  
15 combined balance sheets of the acquiring company and  
16 the Health Maintenance Organization sought to be  
17 acquired as of the end of the preceding year and as of  
18 a date 90 days prior to the acquisition, as well as pro  
19 forma financial statements reflecting projected  
20 combined operation for a period of 2 years;

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

25 (D) such other information as the Director shall  
26 require.

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

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

17           (f) Except for small employer groups as defined in the  
18 Small Employer Rating, Renewability and Portability Health  
19 Insurance Act and except for medicare supplement policies as  
20 defined in Section 363 of the Illinois Insurance Code, a  
21 Health Maintenance Organization may by contract agree with a  
22 group or other enrollment unit to effect refunds or charge  
23 additional premiums under the following terms and conditions:

24               (i) the amount of, and other terms and conditions with  
25               respect to, the refund or additional premium are set forth  
26               in the group or enrollment unit contract agreed in advance

1 of the period for which a refund is to be paid or  
2 additional premium is to be charged (which period shall  
3 not be less than one year); and

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

19 The Health Maintenance Organization shall include a  
20 statement in the evidence of coverage issued to each enrollee  
21 describing the possibility of a refund or additional premium,  
22 and upon request of any group or enrollment unit, provide to  
23 the group or enrollment unit a description of the method used  
24 to calculate (1) the Health Maintenance Organization's  
25 profitable experience with respect to the group or enrollment  
26 unit and the resulting refund to the group or enrollment unit

1 or (2) the Health Maintenance Organization's unprofitable  
2 experience with respect to the group or enrollment unit and  
3 the resulting additional premium to be paid by the group or  
4 enrollment unit.

5 In no event shall the Illinois Health Maintenance  
6 Organization Guaranty Association be liable to pay any  
7 contractual obligation of an insolvent organization to pay any  
8 refund authorized under this Section.

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

15 (Source: P.A. 100-24, eff. 7-18-17; 100-138, eff. 8-18-17;  
16 100-863, eff. 8-14-18; 100-1026, eff. 8-22-18; 100-1057, eff.  
17 1-1-19; 100-1102, eff. 1-1-19; 101-13, eff. 6-12-19; 101-81,  
18 eff. 7-12-19; 101-281, eff. 1-1-20; 101-371, eff. 1-1-20;  
19 101-393, eff. 1-1-20; 101-452, eff. 1-1-20; 101-461, eff.  
20 1-1-20; 101-625, eff. 1-1-21.)

21 Section 30. The Limited Health Service Organization Act is  
22 amended by changing Section 4003 as follows:

23 (215 ILCS 130/4003) (from Ch. 73, par. 1504-3)

24 Sec. 4003. Illinois Insurance Code provisions. Limited

1 health service organizations shall be subject to the  
2 provisions of Sections 133, 134, 136, 137, 139, 140, 141.1,  
3 141.2, 141.3, 143, 143c, 147, 148, 149, 151, 152, 153, 154,  
4 154.5, 154.6, 154.7, 154.8, 155.04, 155.37, 355.2, 355.3,  
5 355b, 356q, 356v, 356z.10, 356z.21, 356z.22, 356z.25, 356z.26,  
6 356z.29, 356z.30a, 356z.32, 356z.33, 356z.41, 368a, 401,  
7 401.1, 402, 403, 403A, 408, 408.2, 409, 412, 444, and 444.1 and  
8 Articles IIA, VIII 1/2, XII, XII 1/2, XIII, XIII 1/2, XXV, and  
9 XXVI of the Illinois Insurance Code. For purposes of the  
10 Illinois Insurance Code, except for Sections 444 and 444.1 and  
11 Articles XIII and XIII 1/2, limited health service  
12 organizations in the following categories are deemed to be  
13 domestic companies:

- 14 (1) a corporation under the laws of this State; or  
15 (2) a corporation organized under the laws of another  
16 state, 30% or more of the enrollees of which are residents  
17 of this State, except a corporation subject to  
18 substantially the same requirements in its state of  
19 organization as is a domestic company under Article VIII  
20 1/2 of the Illinois Insurance Code.

21 (Source: P.A. 100-24, eff. 7-18-17; 100-138, eff. 8-18-17;  
22 100-201, eff. 8-18-17; 100-863, eff. 8-14-18; 100-1057, eff.  
23 1-1-19; 100-1102, eff. 1-1-19; 101-81, eff. 7-12-19; 101-281,  
24 eff. 1-1-20; 101-393, eff. 1-1-20; 101-625, eff. 1-1-21.)

25 Section 35. The Voluntary Health Services Plans Act is

1 amended by changing Section 10 as follows:

2 (215 ILCS 165/10) (from Ch. 32, par. 604)

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

16 Rulemaking authority to implement Public Act 95-1045, if  
17 any, is conditioned on the rules being adopted in accordance  
18 with all provisions of the Illinois Administrative Procedure  
19 Act and all rules and procedures of the Joint Committee on  
20 Administrative Rules; any purported rule not so adopted, for  
21 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; 101-393, eff. 1-1-20;

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

2 Section 40. The Illinois Public Aid Code is amended by  
3 changing Section 5-16.8 as follows:

4 (305 ILCS 5/5-16.8)

5 Sec. 5-16.8. Required health benefits. The medical  
6 assistance program shall (i) provide the post-mastectomy care  
7 benefits required to be covered by a policy of accident and  
8 health insurance under Section 356t and the coverage required  
9 under Sections 356g.5, 356g, 356u, 356w, 356x, 356z.6,  
10 356z.26, 356z.29, 356z.32, 356z.33, 356z.34, and 356z.35 of  
11 the Illinois Insurance Code and (ii) be subject to the  
12 provisions of Sections 356z.19, 364.01, 370c, and 370c.1 of  
13 the Illinois Insurance Code.

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

1 post-mastectomy care benefits required under this Section are  
2 no lower than the Medicare reimbursement rate.

3 (Source: P.A. 100-138, eff. 8-18-17; 100-863, eff. 8-14-18;  
4 100-1057, eff. 1-1-19; 100-1102, eff. 1-1-19; 101-81, eff.  
5 7-12-19; 101-218, eff. 1-1-20; 101-281, eff. 1-1-20; 101-371,  
6 eff. 1-1-20; 101-574, eff. 1-1-20; 101-649, eff. 7-7-20.)