

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 adding Section 356z.43 as follows:

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

14 Sec. 356z.43. Coverage for port-wine stain treatment.

15 (a) A group or individual policy of accident and health
16 insurance or managed care plan amended, delivered, issued, or
17 renewed on or after January 1, 2022 shall provide coverage for
18 treatment to eliminate or provide maximum feasible treatment
19 of nevus flammeus, also known as port-wine stains, including,
20 but not limited to, port-wine stains caused by Sturge-Weber
21 syndrome. For purposes of this Section, treatment or maximum
22 feasible treatment shall include early intervention treatment,
23 including topical, intralesional, or systemic medical therapy
24 and surgery, and laser treatments approved by the U.S. Food

1 and Drug Administration in children aged 18 years and younger
2 that are intended to prevent functional impairment related to
3 vision function, oral function, inflammation, bleeding,
4 infection, and other medical complications associated with
5 port-wine stains.

6 (b) Coverage for treatment required under this Section
7 shall not include treatment solely for cosmetic purposes.

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

10 (215 ILCS 125/5-3) (from Ch. 111 1/2, par. 1411.2)

11 Sec. 5-3. Insurance Code provisions.

12 (a) Health Maintenance Organizations shall be subject to
13 the provisions of Sections 133, 134, 136, 137, 139, 140,
14 141.1, 141.2, 141.3, 143, 143c, 147, 148, 149, 151, 152, 153,
15 154, 154.5, 154.6, 154.7, 154.8, 155.04, 155.22a, 355.2,
16 355.3, 355b, 356g.5-1, 356m, 356v, 356w, 356x, 356y, 356z.2,
17 356z.4, 356z.4a, 356z.5, 356z.6, 356z.8, 356z.9, 356z.10,
18 356z.11, 356z.12, 356z.13, 356z.14, 356z.15, 356z.17, 356z.18,
19 356z.19, 356z.21, 356z.22, 356z.25, 356z.26, 356z.29, 356z.30,
20 356z.30a, 356z.32, 356z.33, 356z.35, 356z.36, 356z.41,
21 356z.43, 364, 364.01, 367.2, 367.2-5, 367i, 368a, 368b, 368c,
22 368d, 368e, 370c, 370c.1, 401, 401.1, 402, 403, 403A, 408,
23 408.2, 409, 412, 444, and 444.1, paragraph (c) of subsection
24 (2) of Section 367, and Articles IIA, VIII 1/2, XII, XII 1/2,

1 XIII, XIII 1/2, XXV, XXVI, and XXXIIB of the Illinois
2 Insurance Code.

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

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

9 (2) a corporation organized under the laws of this
10 State; or

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

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

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

25 (2) (i) the criteria specified in subsection (1) (b) of
26 Section 131.8 of the Illinois Insurance Code shall not

1 apply and (ii) the Director, in making his determination
2 with respect to the merger, consolidation, or other
3 acquisition of control, need not take into account the
4 effect on competition of the merger, consolidation, or
5 other acquisition of control;

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

8 (A) certification by an independent actuary of the
9 adequacy of the reserves of the Health Maintenance
10 Organization sought to be acquired;

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

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

22 (D) such other information as the Director shall
23 require.

24 (d) The provisions of Article VIII 1/2 of the Illinois
25 Insurance Code and this Section 5-3 shall apply to the sale by
26 any health maintenance organization of greater than 10% of its

1 enrollee population (including without limitation the health
2 maintenance organization's right, title, and interest in and
3 to its health care certificates).

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

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

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

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

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

1 enrollment unit.

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

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

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

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

20 (215 ILCS 130/4003) (from Ch. 73, par. 1504-3)

21 Sec. 4003. Illinois Insurance Code provisions. Limited
22 health service organizations shall be subject to the
23 provisions of Sections 133, 134, 136, 137, 139, 140, 141.1,
24 141.2, 141.3, 143, 143c, 147, 148, 149, 151, 152, 153, 154,

1 154.5, 154.6, 154.7, 154.8, 155.04, 155.37, 355.2, 355.3,
2 355b, 356v, 356z.10, 356z.21, 356z.22, 356z.25, 356z.26,
3 356z.29, 356z.30a, 356z.32, 356z.33, 356z.41, 356z.43, 368a,
4 401, 401.1, 402, 403, 403A, 408, 408.2, 409, 412, 444, and
5 444.1 and Articles IIA, VIII 1/2, XII, XII 1/2, XIII, XIII 1/2,
6 XXV, and XXVI of the Illinois Insurance Code. For purposes of
7 the Illinois Insurance Code, except for Sections 444 and 444.1
8 and Articles XIII and XIII 1/2, limited health service
9 organizations in the following categories are deemed to be
10 domestic companies:

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

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

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

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

24 (215 ILCS 165/10) (from Ch. 32, par. 604)

1 Sec. 10. Application of Insurance Code provisions. Health
2 services plan corporations and all persons interested therein
3 or dealing therewith shall be subject to the provisions of
4 Articles IIA and XII 1/2 and Sections 3.1, 133, 136, 139, 140,
5 143, 143c, 149, 155.22a, 155.37, 354, 355.2, 355.3, 355b,
6 356g, 356g.5, 356g.5-1, 356r, 356t, 356u, 356v, 356w, 356x,
7 356y, 356z.1, 356z.2, 356z.4, 356z.4a, 356z.5, 356z.6, 356z.8,
8 356z.9, 356z.10, 356z.11, 356z.12, 356z.13, 356z.14, 356z.15,
9 356z.18, 356z.19, 356z.21, 356z.22, 356z.25, 356z.26, 356z.29,
10 356z.30, 356z.30a, 356z.32, 356z.33, 356z.41, 356z.43, 364.01,
11 367.2, 368a, 401, 401.1, 402, 403, 403A, 408, 408.2, and 412,
12 and paragraphs (7) and (15) of Section 367 of the Illinois
13 Insurance Code.

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

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

25 Section 45. The Illinois Public Aid Code is amended by

1 changing Section 5-16.8 as follows:

2 (305 ILCS 5/5-16.8)

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

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

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

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

25 (Source: P.A. 100-138, eff. 8-18-17; 100-863, eff. 8-14-18;

1 100-1057, eff. 1-1-19; 100-1102, eff. 1-1-19; 101-81, eff.
2 7-12-19; 101-218, eff. 1-1-20; 101-281, eff. 1-1-20; 101-371,
3 eff. 1-1-20; 101-574, eff. 1-1-20; 101-649, eff. 7-7-20.)