



Rep. Robyn Gabel

**Filed: 3/23/2023**

10300HB0579ham002

LRB103 04164 BMS 59881 a

1 AMENDMENT TO HOUSE BILL 579

2 AMENDMENT NO. \_\_\_\_\_. Amend House Bill 579 by replacing  
3 everything after the enacting clause with the following:

4 "Section 5. The Illinois Administrative Procedure Act is  
5 amended by adding Section 5-45.35 as follows:

6 (5 ILCS 100/5-45.35 new)

7 Sec. 5-45.35. Emergency rulemaking; Illinois Health  
8 Benefits Exchange Law. To provide for the expeditious and  
9 timely implementation of Section 5-23 of the Illinois Health  
10 Benefits Exchange Law, emergency rules implementing Section  
11 5-23 of the Illinois Health Benefits Exchange Law may be  
12 adopted in accordance with Section 5-45 of this Act by the  
13 Department of Insurance and the Department of Healthcare and  
14 Family Services. The adoption of emergency rules authorized by  
15 Section 5-45 and this Section is deemed to be necessary for the  
16 public interest, safety, and welfare.

1       This Section is repealed January 1, 2025.

2           Section 10. The Illinois Health Benefits Exchange Law is  
3 amended by changing Section 5-5 and by adding Sections 5-21,  
4 5-22, 5-23, and 5-24 as follows:

5           (215 ILCS 122/5-5)

6           Sec. 5-5. State health benefits exchange. It is declared  
7 that this State, beginning October 1, 2013, in accordance with  
8 Section 1311 of the federal Patient Protection and Affordable  
9 Care Act, shall establish a State health benefits exchange to  
10 be known as the Illinois Health Benefits Exchange in order to  
11 help individuals and small employers with no more than 50  
12 employees shop for, select, and enroll in qualified,  
13 affordable private health plans that fit their needs at  
14 competitive prices. The Exchange shall separate coverage pools  
15 for individuals and small employers and shall supplement and  
16 not supplant any existing private health insurance market for  
17 individuals and small employers. The Department of Insurance  
18 shall operate the Illinois Health Benefits Exchange as a  
19 State-based exchange using the federal platform by plan year  
20 2025 and as a State-based exchange by plan year 2026. The  
21 Director of Insurance may require that all plans in the  
22 individual and small group markets, other than grandfathered  
23 health plans, be made available for comparison on the Illinois  
24 Health Benefits Exchange, but may not require that all plans

1 in the individual and small group markets be purchased  
2 exclusively on the Illinois Health Benefits Exchange. The  
3 Director of Insurance may require that plans offered on the  
4 exchange conform with standardized plan designs that provide  
5 for standardized cost sharing for covered health services.  
6 Except when it is inconsistent with State law, the Department  
7 of Insurance shall enforce the coverage requirements under the  
8 federal Patient Protection and Affordable Care Act, including  
9 the coverage of all United States Preventive Services Task  
10 Force Grade A & B preventive services without cost sharing  
11 notwithstanding any federal overturning or repeal of 42 U.S.C.  
12 300gg-13(a)(1), that apply to the individual and small group  
13 markets. The Director of Insurance may elect to add a small  
14 business health options program to the Illinois Health  
15 Benefits Exchange to help small employers enroll their  
16 employees in qualified health plans in the small group market.  
17 The General Assembly shall appropriate funds to establish the  
18 Illinois Health Benefits Exchange.

19 (Source: P.A. 97-142, eff. 7-14-11.)

20 (215 ILCS 122/5-21 new)

21 Sec. 5-21. Monthly assessments.

22 (a) The Director of Insurance may apply a monthly  
23 assessment to each health benefits plan sold on the Illinois  
24 Health Benefits Exchange. The assessment shall be paid by the  
25 issuer and to the Department of Insurance and shall be used

1 only for the purpose of supporting the exchange through  
2 exchange operations, outreach, enrollment, and other means of  
3 supporting the exchange, including any efforts that may  
4 increase market stabilization and that may result in a net  
5 benefit to policyholders. The assessment may be applied at a  
6 rate of:

7 (1) 0.5% of the total monthly premium charged by an  
8 issuer for each health benefits plan during any period  
9 that the State is on a State-based exchange using the  
10 federal platform; or

11 (2) 2.75% of the total monthly premium charged by an  
12 issuer for each health benefits plan during any period  
13 that the State is on the State-based exchange. The  
14 Director of Insurance shall adjust this rate to ensure  
15 that the Illinois Health Benefits Exchange is fully  
16 funded, but in no case shall the assessment be applied at a  
17 rate that exceeds 4% of the total monthly premium charged  
18 by a carrier. If the Director determines it is necessary  
19 to adjust the rate pursuant to this paragraph, the  
20 Director shall, in advance of the adjustment, post on the  
21 Department's website a report describing the reasons and  
22 justifications for the adjustment, which shall be  
23 consistent with the purposes of supporting the Illinois  
24 Health Benefits Exchange as provided in this Section.

25 (b) The Director of Insurance shall notify an issuer of  
26 its assessment rate for the subsequent year. Issuers must

1 remit the assessment due in monthly installments to the  
2 Department of Insurance.

3 (c) The assessment described in this Section shall be  
4 considered a special purpose obligation and may not be applied  
5 by issuers to vary premium rates at the plan level.

6 (d) There is created a revolving fund to be known as the  
7 Illinois Health Benefits Exchange Fund, to be held by the  
8 Department of Insurance. The Illinois Health Benefits Exchange  
9 Fund shall be the repository for moneys collected pursuant to  
10 fees or assessments on exchange issuers, federal financial  
11 participation as appropriate, and other moneys received as  
12 grants or otherwise appropriated for the purposes of  
13 supporting health insurance outreach, enrollment efforts, and  
14 plan management operations through an exchange. All moneys in  
15 the Fund shall be used only for the purpose of supporting the  
16 exchange through exchange operations, outreach, enrollment,  
17 and other means of supporting the exchange, including any  
18 efforts that may increase market stabilization and that may  
19 result in a net benefit to policyholders.

20 (215 ILCS 122/5-22 new)

21 Sec. 5-22. State medical assistance program coordination.

22 (a) The Department of Insurance and the Department of  
23 Healthcare and Family Services shall coordinate the operations  
24 of the exchange with the operations of State medical  
25 assistance programs. The Department of Healthcare and Family

1 Services shall oversee and operate the exchange eligibility  
2 rules engine to ensure accurate assessments and determinations  
3 of exchange and State medical assistance program eligibility.

4 (b) The exchange may determine eligibility for State  
5 medical assistance programs that use the modified adjusted  
6 gross income methodology.

7 (c) The exchange may be used for enrollment into State  
8 medical assistance program health plans.

9 (d) The Department of Healthcare and Family Services shall  
10 request federal financial participation funds from the Centers  
11 for Medicare and Medicaid Services for any integrated  
12 eligibility and enrollment functions of the exchange.

13 (215 ILCS 122/5-23 new)

14 Sec. 5-23. Department of Insurance and Department of  
15 Healthcare and Family Services authority.

16 (a) The Department of Insurance and the Department of  
17 Healthcare and Family Services, in addition to the powers  
18 granted under the Illinois Insurance Code and the Illinois  
19 Public Aid Code, have the power necessary to establish and  
20 operate the Illinois Health Benefits Exchange, including, but  
21 not limited to, the authority to:

22 (1) adopt rules deemed necessary by the departments to  
23 implement this Law;

24 (2) employ or retain sufficient personnel to provide  
25 administration, staffing, and necessary related support

1       required to adequately discharge the duties described in  
2       this Law from funds held in the Illinois Health Benefits  
3       Exchange Fund;

4           (3) procure services, including a call center, and  
5       goods for the purpose of establishing the Illinois Health  
6       Benefits Exchange as emergency purchases as set forth in  
7       Section 20-30 of the Illinois Procurement Code;

8           (4) require any exchange vendor to have experience  
9       operating a State-based exchange in another state; and

10          (5) implement programs that increase the affordability  
11       of or access to health insurance coverage, including for  
12       populations currently not eligible to enroll in the  
13       Illinois Health Benefits Exchange, through Section 1332  
14       waivers under the federal Patient Protection and  
15       Affordable Care Act or other available federal waivers and  
16       authorities.

17       (b) The Department of Insurance has the authority to  
18       employ a Chief Operating Officer of the Illinois Health  
19       Benefits Exchange. The Chief Operating Officer shall be  
20       subject to confirmation by the Senate.

21           (215 ILCS 122/5-24 new)

22       Sec. 5-24. Illinois Health Benefits Exchange Advisory  
23       Committee.

24       (a) The Director of Insurance shall establish the Illinois  
25       Health Benefits Exchange Advisory Committee no later than

1 December 31, 2023. The Illinois Health Benefits Exchange  
2 Advisory Committee shall be tasked with making recommendations  
3 to the Chief Operating Officer of the Illinois Health Benefits  
4 Exchange concerning the operation of the exchange, and the  
5 Committee shall hold its first meeting no later than 90 days  
6 following the establishment of the Committee and shall meet  
7 quarterly thereafter. The Chief Operating Officer shall make a  
8 quarterly report to the Committee.

9 (b) The Department of Insurance shall present regular and  
10 timely reports to the Illinois Health Benefits Exchange  
11 Advisory Committee regarding the progress in the development  
12 of the Illinois Health Benefits Exchange before its  
13 establishment by plan year 2026. The reports shall be posted  
14 to the Department of Insurance's website and include  
15 information on the Department of Insurance's progress toward  
16 establishing and maintaining the Illinois Health Benefits  
17 Exchange with the goal of ensuring an effective and efficient  
18 transition from the federal platform to the State-based  
19 exchange for individuals, employers, and health insurance  
20 issuers while mitigating loss of health insurance coverage for  
21 any potential consumer. The Department of Insurance's progress  
22 reports shall include information regarding transparency, user  
23 understandability, plan compliance, outreach and education,  
24 and systems operations. The Department of Insurance shall  
25 gather stakeholder input in developing operational plans and  
26 preparing the reports for the Illinois Health Benefits



1 Exchange Advisory Committee.

2 (c) The Illinois Health Benefits Exchange Advisory  
3 Committee shall include 9 members, as follows:

4 (1) The Director of Insurance, or the Director's  
5 designee, who shall serve ex officio and as co-chair;

6 (2) The Director of Healthcare and Family Services, or  
7 the Director's designee, who shall serve ex officio and as  
8 co-chair;

9 (3) The Secretary of Human Services, or the  
10 Secretary's designee, who shall serve ex officio; and

11 (4) 6 public members, who shall be residents of the  
12 State, appointed by the Director of Insurance. The  
13 Director shall consider the diversity of this State in the  
14 selection of the committee members. Each public member  
15 shall have demonstrated experience in one or more of the  
16 following areas: health insurance consumer advocacy;  
17 enrollment and consumer assistance; individual health  
18 insurance coverage; providing health care services; or  
19 academic or professional research relating to health  
20 insurance.

21 (d) Members of the Illinois Health Benefits Exchange  
22 Advisory Committee shall serve for a term of 2 years, shall  
23 serve without compensation, and shall not be entitled to  
24 reimbursement. The Department of Insurance shall provide  
25 administrative support to the Illinois Health Benefits  
26 Exchange Advisory Committee.

1           (e) The Committee's quarterly meetings shall be open to  
2           the public and subject to the Open Meetings Act.

3           Section 99. Effective date. This Act takes effect upon  
4           becoming law.".