



103RD GENERAL ASSEMBLY

State of Illinois

2023 and 2024

SB1422

Introduced 2/7/2023, by Sen. Patrick J. Joyce

SYNOPSIS AS INTRODUCED:

215 ILCS 5/370g

from Ch. 73, par. 982g

215 ILCS 5/370u new

Amends the Illinois Insurance Code. Provides that if the policies, agreements, or arrangements of an insurer operate unreasonably in restricting an insured individual's ability to obtain home medical equipment, then an insurer is required to reasonably reimburse its insured for expenses incurred due to the unreasonable restriction. Defines "arrangement".

LRB103 27645 BMS 54021 b

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 Illinois Insurance Code is amended by
5 changing Section 370g and by adding Section 370u as follows:

6 (215 ILCS 5/370g) (from Ch. 73, par. 982g)

7 Sec. 370g. Definitions. As used in this Article, the
8 following definitions apply:

9 (a) "Health care services" means health care services or
10 products rendered or sold by a provider within the scope of the
11 provider's license or legal authorization. The term includes,
12 but is not limited to, hospital, medical, surgical, dental,
13 vision and pharmaceutical services or products.

14 (b) "Insurer" means an insurance company or a health
15 service corporation authorized in this State to issue policies
16 or subscriber contracts which reimburse for expenses of health
17 care services.

18 (c) "Insured" means an individual entitled to
19 reimbursement for expenses of health care services under a
20 policy or subscriber contract issued or administered by an
21 insurer.

22 (d) "Provider" means an individual or entity duly licensed
23 or legally authorized to provide health care services.

1 (e) "Noninstitutional provider" means any person licensed
2 under the Medical Practice Act of 1987, as now or hereafter
3 amended.

4 (f) "Beneficiary" means an individual entitled to
5 reimbursement for expenses of or the discount of provider fees
6 for health care services under a program where the beneficiary
7 has an incentive to utilize the services of a provider which
8 has entered into an agreement or arrangement with an
9 administrator.

10 (g) "Administrator" means any person, partnership or
11 corporation, other than an insurer or health maintenance
12 organization holding a certificate of authority under the
13 "Health Maintenance Organization Act", as now or hereafter
14 amended, that arranges, contracts with, or administers
15 contracts with a provider whereby beneficiaries are provided
16 an incentive to use the services of such provider.

17 (h) "Emergency medical condition" has the meaning given to
18 that term in Section 10 of the Managed Care Reform and Patient
19 Rights Act.

20 (i) "Arrangement" means a scheme between insurers and
21 health care service providers to supply health care products,
22 including, but not limited to, a provider's maintenance of
23 supplies to adequately fulfill its obligations under the
24 scheme.

25 (Source: P.A. 102-409, eff. 1-1-22.)

1 (215 ILCS 5/370u new)

2 Sec. 370u. Reimbursement; home medical equipment. If the
3 policies, agreements, or arrangements of an insurer operate
4 unreasonably in restricting an insured individual's ability to
5 obtain home medical equipment, as defined in Section 10 of the
6 Home Medical Equipment and Services Provider License Act, then
7 the insurer is required to reasonably reimburse its insured
8 for expenses incurred due to the unreasonable restriction.