

SB2671



103RD GENERAL ASSEMBLY

State of Illinois

2023 and 2024

SB2671

Introduced 1/10/2024, by Sen. Laura M. Murphy

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.71 new
215 ILCS 125/5-3

from Ch. 111 1/2, par. 1411.2

Amends the Illinois Insurance Code. Provides that a group or individual policy of accident and health insurance or managed care plan that is amended, delivered, issued, or renewed after the effective date of the amendatory Act shall provide coverage for hippotherapy and other forms of therapeutic riding. Makes conforming changes in the State Employees Group Insurance Act of 1971, the Counties Code, the Illinois Municipal Code, the School Code, and the Health Maintenance Organization Act.

LRB103 35940 RPS 66027 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 356z.53, 356z.54, 356z.55, 356z.56, 356z.57, 356z.59, 356z.60,
19 ~~and~~ 356z.61, ~~and~~ 356z.62, 356z.64, 356z.67, 356z.68, 356z.70,
20 and 356z.71 of the Illinois Insurance Code. The program of
21 health benefits must comply with Sections 155.22a, 155.37,
22 355b, 356z.19, 370c, and 370c.1 and Article XXXIIB of the
23 Illinois Insurance Code. The program of health benefits shall

1 provide the coverage required under Section 356m of the
2 Illinois Insurance Code and, for the employees of the State
3 Employee Group Insurance Program only, the coverage as also
4 provided in Section 6.11B of this Act. The Department of
5 Insurance shall enforce the requirements of this Section with
6 respect to Sections 370c and 370c.1 of the Illinois Insurance
7 Code; all other requirements of this Section shall be enforced
8 by the Department of Central Management Services.

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

15 (Source: P.A. 102-30, eff. 1-1-22; 102-103, eff. 1-1-22;
16 102-203, eff. 1-1-22; 102-306, eff. 1-1-22; 102-642, eff.
17 1-1-22; 102-665, eff. 10-8-21; 102-731, eff. 1-1-23; 102-768,
18 eff. 1-1-24; 102-804, eff. 1-1-23; 102-813, eff. 5-13-22;
19 102-816, eff. 1-1-23; 102-860, eff. 1-1-23; 102-1093, eff.
20 1-1-23; 102-1117, eff. 1-13-23; 103-8, eff. 1-1-24; 103-84,
21 eff. 1-1-24; 103-91, eff. 1-1-24; 103-420, eff. 1-1-24;
22 103-445, eff. 1-1-24; 103-535, eff. 8-11-23; 103-551, eff.
23 8-11-23; revised 8-29-23.)

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

1 (55 ILCS 5/5-1069.3)

2 Sec. 5-1069.3. Required health benefits. If a county,
3 including a home rule county, is a self-insurer for purposes
4 of providing health insurance coverage for its employees, the
5 coverage shall include coverage for the post-mastectomy care
6 benefits required to be covered by a policy of accident and
7 health insurance under Section 356t and the coverage required
8 under Sections 356g, 356g.5, 356g.5-1, 356q, 356u, 356w, 356x,
9 356z.4, 356z.4a, 356z.6, 356z.8, 356z.9, 356z.10, 356z.11,
10 356z.12, 356z.13, 356z.14, 356z.15, 356z.22, 356z.25, 356z.26,
11 356z.29, 356z.30a, 356z.32, 356z.33, 356z.36, 356z.40,
12 356z.41, 356z.45, 356z.46, 356z.47, 356z.48, 356z.51, 356z.53,
13 356z.54, 356z.56, 356z.57, 356z.59, 356z.60, ~~and~~ 356z.61, ~~and~~
14 356z.62, 356z.64, 356z.67, 356z.68, 356z.70, and 356z.71 of
15 the Illinois Insurance Code. The coverage shall comply with
16 Sections 155.22a, 355b, 356z.19, and 370c of the Illinois
17 Insurance Code. The Department of Insurance shall enforce the
18 requirements of this Section. The requirement that health
19 benefits be covered as provided in this Section is an
20 exclusive power and function of the State and is a denial and
21 limitation under Article VII, Section 6, subsection (h) of the
22 Illinois Constitution. A home rule county to which this
23 Section applies must comply with every provision of this
24 Section.

25 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. 102-30, eff. 1-1-22; 102-103, eff. 1-1-22;
7 102-203, eff. 1-1-22; 102-306, eff. 1-1-22; 102-443, eff.
8 1-1-22; 102-642, eff. 1-1-22; 102-665, eff. 10-8-21; 102-731,
9 eff. 1-1-23; 102-804, eff. 1-1-23; 102-813, eff. 5-13-22;
10 102-816, eff. 1-1-23; 102-860, eff. 1-1-23; 102-1093, eff.
11 1-1-23; 102-1117, eff. 1-13-23; 103-84, eff. 1-1-24; 103-91,
12 eff. 1-1-24; 103-420, eff. 1-1-24; 103-445, eff. 1-1-24;
13 103-535, eff. 8-11-23; 103-551, eff. 8-11-23; revised
14 8-29-23.)

15 Section 15. The Illinois Municipal Code is amended by
16 changing Section 10-4-2.3 as follows:

17 (65 ILCS 5/10-4-2.3)

18 Sec. 10-4-2.3. Required health benefits. If a
19 municipality, including a home rule municipality, is a
20 self-insurer for purposes of providing health insurance
21 coverage for its employees, the coverage shall include
22 coverage for the post-mastectomy care benefits required to be
23 covered by a policy of accident and health insurance under
24 Section 356t and the coverage required under Sections 356g,

1 356g.5, 356g.5-1, 356q, 356u, 356w, 356x, 356z.4, 356z.4a,
2 356z.6, 356z.8, 356z.9, 356z.10, 356z.11, 356z.12, 356z.13,
3 356z.14, 356z.15, 356z.22, 356z.25, 356z.26, 356z.29,
4 356z.30a, 356z.32, 356z.33, 356z.36, 356z.40, 356z.41,
5 356z.45, 356z.46, 356z.47, 356z.48, 356z.51, 356z.53, 356z.54,
6 356z.56, 356z.57, 356z.59, 356z.60, ~~and~~ 356z.61, ~~and~~ 356z.62,
7 356z.64, 356z.67, 356z.68, 356z.70, and 356z.71 of the
8 Illinois Insurance Code. The coverage shall comply with
9 Sections 155.22a, 355b, 356z.19, and 370c of the Illinois
10 Insurance Code. The Department of Insurance shall enforce the
11 requirements of this Section. The requirement that health
12 benefits be covered as provided in this is an exclusive power
13 and function of the State and is a denial and limitation under
14 Article VII, Section 6, subsection (h) of the Illinois
15 Constitution. A home rule municipality to which this Section
16 applies must comply with every provision of this Section.

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

23 (Source: P.A. 102-30, eff. 1-1-22; 102-103, eff. 1-1-22;
24 102-203, eff. 1-1-22; 102-306, eff. 1-1-22; 102-443, eff.
25 1-1-22; 102-642, eff. 1-1-22; 102-665, eff. 10-8-21; 102-731,
26 eff. 1-1-23; 102-804, eff. 1-1-23; 102-813, eff. 5-13-22;

1 102-816, eff. 1-1-23; 102-860, eff. 1-1-23; 102-1093, eff.
2 1-1-23; 102-1117, eff. 1-13-23; 103-84, eff. 1-1-24; 103-91,
3 eff. 1-1-24; 103-420, eff. 1-1-24; 103-445, eff. 1-1-24;
4 103-535, eff. 8-11-23; 103-551, eff. 8-11-23; revised
5 8-29-23.)

6 Section 20. The School Code is amended by changing Section
7 10-22.3f as follows:

8 (105 ILCS 5/10-22.3f)

9 Sec. 10-22.3f. Required health benefits. Insurance
10 protection and benefits for employees shall provide the
11 post-mastectomy care benefits required to be covered by a
12 policy of accident and health insurance under Section 356t and
13 the coverage required under Sections 356g, 356g.5, 356g.5-1,
14 356q, 356u, 356w, 356x, 356z.4, 356z.4a, 356z.6, 356z.8,
15 356z.9, 356z.11, 356z.12, 356z.13, 356z.14, 356z.15, 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 356z.53, 356z.54, 356z.56, 356z.57, 356z.59, 356z.60, ~~and~~
19 356z.61, ~~and~~ 356z.62, 356z.64, 356z.67, 356z.68, 356z.70, and
20 356z.71 of the Illinois Insurance Code. Insurance policies
21 shall comply with Section 356z.19 of the Illinois Insurance
22 Code. The coverage shall comply with Sections 155.22a, 355b,
23 and 370c of the Illinois Insurance Code. The Department of
24 Insurance shall enforce the requirements 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. 102-30, eff. 1-1-22; 102-103, eff. 1-1-22;
8 102-203, eff. 1-1-22; 102-306, eff. 1-1-22; 102-642, eff.
9 1-1-22; 102-665, eff. 10-8-21; 102-731, eff. 1-1-23; 102-804,
10 eff. 1-1-23; 102-813, eff. 5-13-22; 102-816, eff. 1-1-23;
11 102-860, eff. 1-1-23; 102-1093, eff. 1-1-23; 102-1117, eff.
12 1-13-23; 103-84, eff. 1-1-24; 103-91, eff. 1-1-24; 103-420,
13 eff. 1-1-24; 103-445, eff. 1-1-24; 103-535, eff. 8-11-23;
14 103-551, eff. 8-11-23; revised 8-29-23.)

15 Section 25. The Illinois Insurance Code is amended by
16 adding Section 356z.71 as follows:

17 (215 ILCS 5/356z.71 new)

18 Sec. 356z.71. Coverage for hippotherapy and therapeutic
19 riding.

20 (a) As used in this Section:

21 "Disability" means a determinable physical or mental
22 characteristic of a person, including, but not limited to, a
23 determinable physical characteristic that necessitates the
24 person's use of a guide, hearing, or support dog, that may

1 result from a disease, injury, or congenital condition of
2 birth or a functional disorder.

3 "Hippotherapy" means physical, occupational, or speech
4 therapy, prescribed by a physician and delivered by a licensed
5 occupational therapist, physical therapist, or speech-language
6 pathologist, in conjunction with a professional horse handler
7 and a therapy horse.

8 "Therapeutic riding" means horseback riding lessons
9 adapted to an individual with a disability, delivered by a
10 professional horse handler and a therapy horse.

11 (b) A group or individual policy of accident and health
12 insurance or managed care plan that is amended, delivered,
13 issued, or renewed after the effective date of this amendatory
14 Act of the 103rd General Assembly shall provide coverage for
15 hippotherapy and other forms of therapeutic riding.

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

18 (215 ILCS 125/5-3) (from Ch. 111 1/2, par. 1411.2)

19 Sec. 5-3. Insurance Code provisions.

20 (a) Health Maintenance Organizations shall be subject to
21 the provisions of Sections 133, 134, 136, 137, 139, 140,
22 141.1, 141.2, 141.3, 143, 143c, 147, 148, 149, 151, 152, 153,
23 154, 154.5, 154.6, 154.7, 154.8, 155.04, 155.22a, 155.49,
24 355.2, 355.3, 355b, 355c, 356f, 356g.5-1, 356m, 356q, 356v,

1 356w, 356x, 356z.2, 356z.3a, 356z.4, 356z.4a, 356z.5, 356z.6,
2 356z.8, 356z.9, 356z.10, 356z.11, 356z.12, 356z.13, 356z.14,
3 356z.15, 356z.17, 356z.18, 356z.19, 356z.20, 356z.21, 356z.22,
4 356z.23, 356z.24, 356z.25, 356z.26, 356z.28, 356z.29, 356z.30,
5 356z.30a, 356z.31, 356z.32, 356z.33, 356z.34, 356z.35,
6 356z.36, 356z.37, 356z.38, 356z.39, 356z.40, 356z.41, 356z.44,
7 356z.45, 356z.46, 356z.47, 356z.48, 356z.49, 356z.50, 356z.51,
8 356z.53, 356z.54, 356z.55, 356z.56, 356z.57, 356z.58, 356z.59,
9 356z.60, 356z.61, 356z.62, 356z.64, 356z.65, 356z.67, 356z.68,
10 356z.71, 364, 364.01, 364.3, 367.2, 367.2-5, 367i, 368a, 368b,
11 368c, 368d, 368e, 370c, 370c.1, 401, 401.1, 402, 403, 403A,
12 408, 408.2, 409, 412, 444, and 444.1, paragraph (c) of
13 subsection (2) of Section 367, and Articles IIA, VIII 1/2,
14 XII, XII 1/2, XIII, XIII 1/2, XXV, XXVI, and XXXIIB of the
15 Illinois Insurance Code.

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

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

22 (2) a corporation organized under the laws of this
23 State; or

24 (3) a corporation organized under the laws of another
25 state, 30% or more of the enrollees of which are residents
26 of this State, except a corporation subject to

1 substantially the same requirements in its state of
2 organization as is a "domestic company" under Article VIII
3 1/2 of the Illinois Insurance Code.

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

7 (1) the Director shall give primary consideration to
8 the continuation of benefits to enrollees and the
9 financial conditions of the acquired Health Maintenance
10 Organization after the merger, consolidation, or other
11 acquisition of control takes effect;

12 (2) (i) the criteria specified in subsection (1) (b) of
13 Section 131.8 of the Illinois Insurance Code shall not
14 apply and (ii) the Director, in making his determination
15 with respect to the merger, consolidation, or other
16 acquisition of control, need not take into account the
17 effect on competition of the merger, consolidation, or
18 other acquisition of control;

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

21 (A) certification by an independent actuary of the
22 adequacy of the reserves of the Health Maintenance
23 Organization sought to be acquired;

24 (B) pro forma financial statements reflecting the
25 combined balance sheets of the acquiring company and
26 the Health Maintenance Organization sought to be

1 acquired as of the end of the preceding year and as of
2 a date 90 days prior to the acquisition, as well as pro
3 forma financial statements reflecting projected
4 combined operation for a period of 2 years;

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

9 (D) such other information as the Director shall
10 require.

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

17 (e) In considering any management contract or service
18 agreement subject to Section 141.1 of the Illinois Insurance
19 Code, the Director (i) shall, in addition to the criteria
20 specified in Section 141.2 of the Illinois Insurance Code,
21 take into account the effect of the management contract or
22 service agreement on the continuation of benefits to enrollees
23 and the financial condition of the health maintenance
24 organization to be managed or serviced, and (ii) need not take
25 into account the effect of the management contract or service
26 agreement on competition.

1 (f) Except for small employer groups as defined in the
2 Small Employer Rating, Renewability and Portability Health
3 Insurance Act and except for medicare supplement policies as
4 defined in Section 363 of the Illinois Insurance Code, a
5 Health Maintenance Organization may by contract agree with a
6 group or other enrollment unit to effect refunds or charge
7 additional premiums under the following terms and conditions:

8 (i) the amount of, and other terms and conditions with
9 respect to, the refund or additional premium are set forth
10 in the group or enrollment unit contract agreed in advance
11 of the period for which a refund is to be paid or
12 additional premium is to be charged (which period shall
13 not be less than one year); and

14 (ii) the amount of the refund or additional premium
15 shall not exceed 20% of the Health Maintenance
16 Organization's profitable or unprofitable experience with
17 respect to the group or other enrollment unit for the
18 period (and, for purposes of a refund or additional
19 premium, the profitable or unprofitable experience shall
20 be calculated taking into account a pro rata share of the
21 Health Maintenance Organization's administrative and
22 marketing expenses, but shall not include any refund to be
23 made or additional premium to be paid pursuant to this
24 subsection (f)). The Health Maintenance Organization and
25 the group or enrollment unit may agree that the profitable
26 or unprofitable experience may be calculated taking into

1 account the refund period and the immediately preceding 2
2 plan years.

3 The Health Maintenance Organization shall include a
4 statement in the evidence of coverage issued to each enrollee
5 describing the possibility of a refund or additional premium,
6 and upon request of any group or enrollment unit, provide to
7 the group or enrollment unit a description of the method used
8 to calculate (1) the Health Maintenance Organization's
9 profitable experience with respect to the group or enrollment
10 unit and the resulting refund to the group or enrollment unit
11 or (2) the Health Maintenance Organization's unprofitable
12 experience with respect to the group or enrollment unit and
13 the resulting additional premium to be paid by the group or
14 enrollment unit.

15 In no event shall the Illinois Health Maintenance
16 Organization Guaranty Association be liable to pay any
17 contractual obligation of an insolvent organization to pay any
18 refund authorized under this Section.

19 (g) Rulemaking authority to implement Public Act 95-1045,
20 if any, is conditioned on the rules being adopted in
21 accordance with all provisions of the Illinois Administrative
22 Procedure Act and all rules and procedures of the Joint
23 Committee on Administrative Rules; any purported rule not so
24 adopted, for whatever reason, is unauthorized.

25 (Source: P.A. 102-30, eff. 1-1-22; 102-34, eff. 6-25-21;
26 102-203, eff. 1-1-22; 102-306, eff. 1-1-22; 102-443, eff.

1 1-1-22; 102-589, eff. 1-1-22; 102-642, eff. 1-1-22; 102-665,
2 eff. 10-8-21; 102-731, eff. 1-1-23; 102-775, eff. 5-13-22;
3 102-804, eff. 1-1-23; 102-813, eff. 5-13-22; 102-816, eff.
4 1-1-23; 102-860, eff. 1-1-23; 102-901, eff. 7-1-22; 102-1093,
5 eff. 1-1-23; 102-1117, eff. 1-13-23; 103-84, eff. 1-1-24;
6 103-91, eff. 1-1-24; 103-123, eff. 1-1-24; 103-154, eff.
7 6-30-23; 103-420, eff. 1-1-24; 103-426, eff. 8-4-23; 103-445,
8 eff. 1-1-24; 103-551, eff. 8-11-23; revised 8-29-23.)