



Sen. James A. DeLeo

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09500HB0415sam001

LRB095 04041 RPM 52058 a

1 AMENDMENT TO HOUSE BILL 415

2 AMENDMENT NO. \_\_\_\_\_. Amend House Bill 415 by replacing  
3 everything after the enacting clause with the following:

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 provide  
9 the post-mastectomy care benefits required to be covered by a  
10 policy of accident and health insurance under Section 356t of  
11 the Illinois Insurance Code. The program of health benefits  
12 shall provide the coverage required under Sections 356g.5,  
13 356u, 356w, 356x, 356z.2, 356z.4, 356z.6, ~~and~~ 356z.9, 356z.10,  
14 and 356z.11 ~~356z.9~~ of the Illinois Insurance Code. The program  
15 of health benefits must comply with Section 155.37 of the  
16 Illinois Insurance Code.

1 (Source: P.A. 95-189, eff. 8-16-07; 95-422, eff. 8-24-07;  
2 95-520, eff. 8-28-07; revised 12-4-07.)

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

5 (55 ILCS 5/5-1069.3)

6 Sec. 5-1069.3. Required health benefits. If a county,  
7 including a home rule county, is a self-insurer for purposes of  
8 providing health insurance coverage for its employees, the  
9 coverage shall include coverage for the post-mastectomy care  
10 benefits required to be covered by a policy of accident and  
11 health insurance under Section 356t and the coverage required  
12 under Sections 356g.5, 356u, 356w, 356x, 356z.6, ~~and~~ 356z.9,  
13 356z.10, and 356z.11 ~~356z.9~~ of the Illinois Insurance Code. The  
14 requirement that health benefits be covered as provided in this  
15 Section is an exclusive power and function of the State and is  
16 a denial and limitation under Article VII, Section 6,  
17 subsection (h) of the Illinois Constitution. A home rule county  
18 to which this Section applies must comply with every provision  
19 of this Section.

20 (Source: P.A. 95-189, eff. 8-16-07; 95-422, eff. 8-24-07;  
21 95-520, eff. 8-28-07; revised 12-4-07.)

22 Section 15. The Illinois Municipal Code is amended by  
23 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 coverage  
6 for the post-mastectomy care benefits required to be covered by  
7 a policy of accident and health insurance under Section 356t  
8 and the coverage required under Sections 356g.5, 356u, 356w,  
9 356x, 356z.6, ~~and 356z.9~~, 356z.10, and 356z.11 ~~356z.9~~ of the  
10 Illinois Insurance Code. The requirement that health benefits  
11 be covered as provided in this is an exclusive power and  
12 function of the State and is a denial and limitation under  
13 Article VII, Section 6, subsection (h) of the Illinois  
14 Constitution. A home rule municipality to which this Section  
15 applies must comply with every provision of this Section.

16 (Source: P.A. 95-189, eff. 8-16-07; 95-422, eff. 8-24-07;  
17 95-520, eff. 8-28-07; revised 12-4-07.)

18 Section 20. The School Code is amended by changing Section  
19 10-22.3f as follows:

20 (105 ILCS 5/10-22.3f)

21 Sec. 10-22.3f. Required health benefits. Insurance  
22 protection and benefits for employees shall provide the  
23 post-mastectomy care benefits required to be covered by a

1 policy of accident and health insurance under Section 356t and  
2 the coverage required under Sections 356g.5, 356u, 356w, 356x,  
3 356z.6, ~~and 356z.9,~~ and 356z.11 of the Illinois Insurance Code.  
4 (Source: P.A. 95-189, eff. 8-16-07; 95-422, eff. 8-24-07;  
5 revised 12-4-07.)

6 Section 25. The Illinois Insurance Code is amended by  
7 adding Section 356z.11 as follows:

8 (215 ILCS 5/356z.11 new)

9 Sec. 356z.11. Autism spectrum disorders.

10 (a) A group or individual policy of accident and health  
11 insurance or managed care plan amended, delivered, issued, or  
12 renewed after the effective date of this amendatory Act of the  
13 95th General Assembly must provide individuals under 21 years  
14 of age coverage for the diagnosis of autism spectrum disorders  
15 and for the treatment of autism spectrum disorders to the  
16 extent that the diagnosis and treatment of autism spectrum  
17 disorders are not already covered by the policy of accident and  
18 health insurance or managed care plan.

19 (b) Coverage provided under this Section shall be subject  
20 to a maximum benefit of \$36,000 per year, but shall not be  
21 subject to any limits on the number of visits to a service  
22 provider. After December 30, 2009, the Director of the Division  
23 of Insurance shall, on an annual basis, adjust the maximum  
24 benefit for inflation using the Medical Care Component of the

1 United States Department of Labor Consumer Price Index for All  
2 Urban Consumers. Payments made by an insurer on behalf of a  
3 covered individual for any care, treatment, intervention,  
4 service, or item, the provision of which was for the treatment  
5 of a health condition not diagnosed as an autism spectrum  
6 disorder, shall not be applied toward any maximum benefit  
7 established under this subsection.

8 (c) Coverage under this Section shall be subject to  
9 co-payment, deductible, and coinsurance provisions of a policy  
10 of accident and health insurance or managed care plan to the  
11 extent that other medical services covered by the policy of  
12 accident and health insurance or managed care plan are subject  
13 to these provisions.

14 (d) This Section shall not be construed as limiting  
15 benefits that are otherwise available to an individual under a  
16 policy of accident and health insurance or managed care plan  
17 and benefits provided under this Section may not be subject to  
18 dollar limits, deductibles, copayments, or coinsurance  
19 provisions that are less favorable to the insured than the  
20 dollar limits, deductibles, or coinsurance provisions that  
21 apply to physical illness generally.

22 (e) An insurer may not deny or refuse to provide otherwise  
23 covered services, or refuse to renew, refuse to reissue, or  
24 otherwise terminate or restrict coverage under an individual  
25 contract to provide services to an individual because the  
26 individual or their dependent is diagnosed with an autism

1 spectrum disorder or due to the individual utilizing benefits  
2 in this Section.

3 (f) Upon request of the reimbursing insurer, a provider of  
4 treatment for autism spectrum disorders shall furnish medical  
5 records, clinical notes, or other necessary data that  
6 substantiate that initial or continued medical treatment is  
7 medically necessary and is resulting in improved clinical  
8 status. When treatment is anticipated to require continued  
9 services to achieve demonstrable progress, the insurer may  
10 request a treatment plan consisting of diagnosis, proposed  
11 treatment by type, frequency, anticipated duration of  
12 treatment, the anticipated outcomes stated as goals, and the  
13 frequency by which the treatment plan will be updated.

14 (g) When making a determination of medical necessity for a  
15 treatment modality for autism spectrum disorders, an insurer  
16 must make the determination in a manner that is consistent with  
17 the manner used to make that determination with respect to  
18 other diseases or illnesses covered under the policy, including  
19 an appeals process. During the appeals process, any challenge  
20 to medical necessity must be viewed as reasonable only if the  
21 review includes a physician with expertise in the most current  
22 and effective treatment modalities for autism spectrum  
23 disorders.

24 (h) Coverage for medically necessary early intervention  
25 services must be delivered by certified early intervention  
26 specialists, as defined in the early intervention operational

1 standards by the Department of Human Services and in accordance  
2 with applicable certification requirements.

3 (i) As used in this Section:

4 "Autism spectrum disorders" means pervasive developmental  
5 disorders as defined in the most recent edition of the  
6 Diagnostic and Statistical Manual of Mental Disorders,  
7 including autism, Asperger's disorder, and pervasive  
8 developmental disorder not otherwise specified.

9 "Diagnosis of autism spectrum disorders" means a diagnosis  
10 of an individual with an autism spectrum disorder by (A) a  
11 physician licensed to practice medicine in all its branches or  
12 (B) a licensed clinical psychologist with expertise in  
13 diagnosing autism spectrum disorders.

14 "Medically necessary" means any care, treatment,  
15 intervention, service or item which will or is reasonably  
16 expected to do any of the following: (i) prevent the onset of  
17 an illness, condition, injury, disease or disability; (ii)  
18 reduce or ameliorate the physical, mental or developmental  
19 effects of an illness, condition, injury, disease or  
20 disability; or (iii) assist to achieve or maintain maximum  
21 functional activity in performing daily activities.

22 "Treatment for autism spectrum disorders" shall include  
23 the following care prescribed, provided, or ordered for an  
24 individual diagnosed with an autism spectrum disorder by (A) a  
25 physician licensed to practice medicine in all its branches or  
26 (B) a certified, registered, or licensed health care

1 professional with expertise in treating effects of autism  
2 spectrum disorders when the care is determined to be medically  
3 necessary and ordered by a physician licensed to practice  
4 medicine in all its branches:

5 (1) Psychiatric care, including diagnostic services.

6 (2) Psychological assessments and treatments.

7 (3) Rehabilitative treatments.

8 (4) Therapeutic care, including behavioral speech,  
9 occupational, and physical therapies that provide  
10 treatment in the following areas: (i) self care and  
11 feeding, (ii) pragmatic, receptive, and expressive  
12 language, (iii) cognitive functioning, (iv) applied  
13 behavior analysis, intervention, and modification, (v)  
14 motor planning, and (vi) sensory processing.

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

17 (215 ILCS 125/5-3) (from Ch. 111 1/2, par. 1411.2)

18 Sec. 5-3. Insurance Code provisions.

19 (a) Health Maintenance Organizations shall be subject to  
20 the provisions of Sections 133, 134, 137, 140, 141.1, 141.2,  
21 141.3, 143, 143c, 147, 148, 149, 151, 152, 153, 154, 154.5,  
22 154.6, 154.7, 154.8, 155.04, 355.2, 356m, 356v, 356w, 356x,  
23 356y, 356z.2, 356z.4, 356z.5, 356z.6, 356z.8, 356z.9, 356z.10  
24 ~~356z.9~~, 356z.11, 364.01, 367.2, 367.2-5, 367i, 368a, 368b,



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

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

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

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

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

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

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

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

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

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

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

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

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

26           (d) The provisions of Article VIII 1/2 of the Illinois

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

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

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

23 (i) the amount of, and other terms and conditions with  
24 respect to, the refund or additional premium are set forth  
25 in the group or enrollment unit contract agreed in advance  
26 of the period for which a refund is to be paid or

1 additional premium is to be charged (which period shall not  
2 be less than one year); and

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

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

1 experience with respect to the group or enrollment unit and the  
2 resulting additional premium to be paid by the group or  
3 enrollment unit.

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

8 (Source: P.A. 94-906, eff. 1-1-07; 94-1076, eff. 12-29-06;  
9 95-422, eff. 8-24-07; 95-520, eff. 8-28-07; revised 12-4-07.)

10 Section 35. The Voluntary Health Services Plans Act is  
11 amended by changing Section 10 as follows:

12 (215 ILCS 165/10) (from Ch. 32, par. 604)

13 Sec. 10. Application of Insurance Code provisions. Health  
14 services plan corporations and all persons interested therein  
15 or dealing therewith shall be subject to the provisions of  
16 Articles IIA and XII 1/2 and Sections 3.1, 133, 140, 143, 143c,  
17 149, 155.37, 354, 355.2, 356g.5, 356r, 356t, 356u, 356v, 356w,  
18 356x, 356y, 356z.1, 356z.2, 356z.4, 356z.5, 356z.6, 356z.8,  
19 356z.9, 356z.10 ~~356z.9~~, 356z.11, 364.01, 367.2, 368a, 401,  
20 401.1, 402, 403, 403A, 408, 408.2, and 412, and paragraphs (7)  
21 and (15) of Section 367 of the Illinois Insurance Code.

22 (Source: P.A. 94-1076, eff. 12-29-06; 95-189, eff. 8-16-07;  
23 95-331, eff. 8-21-07; 95-422, eff. 8-24-07; 95-520, eff.  
24 8-28-07; revised 12-5-07.)

1           Section 99. Effective date. This Act takes effect upon  
2    becoming law.".