



1 MOTION

2 I move to accept the specific recommendations of the
3 Governor as to House Bill 4255 in manner and form as follows:

4 AMENDMENT TO HOUSE BILL 4255

5 IN ACCEPTANCE OF GOVERNOR'S RECOMMENDATIONS

6 Amend House Bill 4255 as follows:

7 on page 1, line 14, by replacing "and 356z.10" with "356z.10,
8 and 356z.12 ~~and~~"; and

9 on page 2, line 8, by replacing "and 356z.10" with "356z.10,
10 and 356z.12 ~~and~~"; and

11 on page 3, line 3, by replacing "and 356z.10" with "356z.10,
12 and 356z.12 ~~and~~"; and

13 on page 3, line 20, by replacing "and 356z.9", with "~~and~~
14 356z.9, and 356z.12"; and

15 on page 3, below line 22, by inserting the following:

16 "Section 25. The Illinois Insurance Code is amended by
17 adding Section 356z.12 as follows:

18 (215 ILCS 5/356z.12 new)

1 Sec. 356z.12. Autism spectrum disorders.

2 (a) A group or individual policy of accident and health
3 insurance or managed care plan amended, delivered, issued, or
4 renewed after the effective date of this amendatory Act of the
5 95th General Assembly must provide individuals under 21 years
6 of age coverage for the diagnosis of autism spectrum disorders
7 and for the treatment of autism spectrum disorders to the
8 extent that the diagnosis and treatment of autism spectrum
9 disorders are not already covered by the policy of accident and
10 health insurance or managed care plan.

11 (b) Coverage provided under this Section shall be subject
12 to a maximum benefit of \$36,000 per year, but shall not be
13 subject to any limits on the number of visits to a service
14 provider. After December 30, 2009, the Director of the Division
15 of Insurance shall, on an annual basis, adjust the maximum
16 benefit for inflation using the Medical Care Component of the
17 United States Department of Labor Consumer Price Index for All
18 Urban Consumers. Payments made by an insurer on behalf of a
19 covered individual for any care, treatment, intervention,
20 service, or item, the provision of which was for the treatment
21 of a health condition not diagnosed as an autism spectrum
22 disorder, shall not be applied toward any maximum benefit
23 established under this subsection.

24 (c) Coverage under this Section shall be subject to
25 co-payment, deductible, and coinsurance provisions of a policy
26 of accident and health insurance or managed care plan to the

1 extent that other medical services covered by the policy of
2 accident and health insurance or managed care plan are subject
3 to these provisions.

4 (d) This Section shall not be construed as limiting
5 benefits that are otherwise available to an individual under a
6 policy of accident and health insurance or managed care plan
7 and benefits provided under this Section may not be subject to
8 dollar limits, deductibles, copayments, or coinsurance
9 provisions that are less favorable to the insured than the
10 dollar limits, deductibles, or coinsurance provisions that
11 apply to physical illness generally.

12 (e) An insurer may not deny or refuse to provide otherwise
13 covered services, or refuse to renew, refuse to reissue, or
14 otherwise terminate or restrict coverage under an individual
15 contract to provide services to an individual because the
16 individual or their dependent is diagnosed with an autism
17 spectrum disorder or due to the individual utilizing benefits
18 in this Section.

19 (f) Upon request of the reimbursing insurer, a provider of
20 treatment for autism spectrum disorders shall furnish medical
21 records, clinical notes, or other necessary data that
22 substantiate that initial or continued medical treatment is
23 medically necessary and is resulting in improved clinical
24 status. When treatment is anticipated to require continued
25 services to achieve demonstrable progress, the insurer may
26 request a treatment plan consisting of diagnosis, proposed

1 treatment by type, frequency, anticipated duration of
2 treatment, the anticipated outcomes stated as goals, and the
3 frequency by which the treatment plan will be updated.

4 (g) When making a determination of medical necessity for a
5 treatment modality for autism spectrum disorders, an insurer
6 must make the determination in a manner that is consistent with
7 the manner used to make that determination with respect to
8 other diseases or illnesses covered under the policy, including
9 an appeals process. During the appeals process, any challenge
10 to medical necessity must be viewed as reasonable only if the
11 review includes a physician with expertise in the most current
12 and effective treatment modalities for autism spectrum
13 disorders.

14 (h) Coverage for medically necessary early intervention
15 services must be delivered by certified early intervention
16 specialists, as defined in the early intervention operational
17 standards by the Department of Human Services and in accordance
18 with applicable certification requirements.

19 (i) As used in this Section:

20 "Autism spectrum disorders" means pervasive developmental
21 disorders as defined in the most recent edition of the
22 Diagnostic and Statistical Manual of Mental Disorders,
23 including autism, Asperger's disorder, and pervasive
24 developmental disorder not otherwise specified.

25 "Diagnosis of autism spectrum disorders" means a diagnosis
26 of an individual with an autism spectrum disorder by (A) a

1 physician licensed to practice medicine in all its branches or
2 (B) a licensed clinical psychologist with expertise in
3 diagnosing autism spectrum disorders.

4 "Medically necessary" means any care, treatment,
5 intervention, service or item which will or is reasonably
6 expected to do any of the following: (i) prevent the onset of
7 an illness, condition, injury, disease or disability; (ii)
8 reduce or ameliorate the physical, mental or developmental
9 effects of an illness, condition, injury, disease or
10 disability; or (iii) assist to achieve or maintain maximum
11 functional activity in performing daily activities.

12 "Treatment for autism spectrum disorders" shall include
13 the following care prescribed, provided, or ordered for an
14 individual diagnosed with an autism spectrum disorder by (A) a
15 physician licensed to practice medicine in all its branches or
16 (B) a certified, registered, or licensed health care
17 professional with expertise in treating effects of autism
18 spectrum disorders when the care is determined to be medically
19 necessary and ordered by a physician licensed to practice
20 medicine in all its branches:

21 (1) Psychiatric care, including diagnostic services.

22 (2) Psychological assessments and treatments.

23 (3) Rehabilitative treatments.

24 (4) Therapeutic care, including behavioral speech,
25 occupational, and physical therapies that provide
26 treatment in the following areas: (i) self care and

1 feeding, (ii) pragmatic, receptive, and expressive
2 language, (iii) cognitive functioning, (iv) applied
3 behavior analysis, intervention, and modification, (v)
4 motor planning, and (vi) sensory processing.

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

7 (215 ILCS 125/5-3) (from Ch. 111 1/2, par. 1411.2)

8 Sec. 5-3. Insurance Code provisions.

9 (a) Health Maintenance Organizations shall be subject to
10 the provisions of Sections 133, 134, 137, 140, 141.1, 141.2,
11 141.3, 143, 143c, 147, 148, 149, 151, 152, 153, 154, 154.5,
12 154.6, 154.7, 154.8, 155.04, 355.2, 356m, 356v, 356w, 356x,
13 356y, 356z.2, 356z.4, 356z.5, 356z.6, 356z.8, 356z.9, 356z.10,
14 356z.12 ~~356z.9~~, 364.01, 367.2, 367.2-5, 367i, 368a, 368b, 368c,
15 368d, 368e, 370c, 401, 401.1, 402, 403, 403A, 408, 408.2, 409,
16 412, 444, and 444.1, paragraph (c) of subsection (2) of Section
17 367, and Articles IIA, VIII 1/2, XII, XII 1/2, XIII, XIII 1/2,
18 XXV, and XXVI of the Illinois Insurance Code.

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

23 (1) a corporation authorized under the Dental Service

1 Plan Act or the Voluntary Health Services Plans Act;

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

4 (3) a corporation organized under the laws of another
5 state, 30% or more of the enrollees of which are residents
6 of this State, except a corporation subject to
7 substantially the same requirements in its state of
8 organization as is a "domestic company" under Article VIII
9 1/2 of the Illinois Insurance Code.

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

13 (1) the Director shall give primary consideration to
14 the continuation of benefits to enrollees and the financial
15 conditions of the acquired Health Maintenance Organization
16 after the merger, consolidation, or other acquisition of
17 control takes effect;

18 (2) (i) the criteria specified in subsection (1) (b) of
19 Section 131.8 of the Illinois Insurance Code shall not
20 apply and (ii) the Director, in making his determination
21 with respect to the merger, consolidation, or other
22 acquisition of control, need not take into account the
23 effect on competition of the merger, consolidation, or
24 other acquisition of control;

25 (3) the Director shall have the power to require the
26 following information:

1 (A) certification by an independent actuary of the
2 adequacy of the reserves of the Health Maintenance
3 Organization sought to be acquired;

4 (B) pro forma financial statements reflecting the
5 combined balance sheets of the acquiring company and
6 the Health Maintenance Organization sought to be
7 acquired as of the end of the preceding year and as of
8 a date 90 days prior to the acquisition, as well as pro
9 forma financial statements reflecting projected
10 combined operation for a period of 2 years;

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

15 (D) such other information as the Director shall
16 require.

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

23 (e) In considering any management contract or service
24 agreement subject to Section 141.1 of the Illinois Insurance
25 Code, the Director (i) shall, in addition to the criteria
26 specified in Section 141.2 of the Illinois Insurance Code, take

1 into account the effect of the management contract or service
2 agreement on the continuation of benefits to enrollees and the
3 financial condition of the health maintenance organization to
4 be managed or serviced, and (ii) need not take into account the
5 effect of the management contract or service agreement on
6 competition.

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

14 (i) the amount of, and other terms and conditions with
15 respect to, the refund or additional premium are set forth
16 in the group or enrollment unit contract agreed in advance
17 of the period for which a refund is to be paid or
18 additional premium is to be charged (which period shall not
19 be less than one year); and

20 (ii) the amount of the refund or additional premium
21 shall not exceed 20% of the Health Maintenance
22 Organization's profitable or unprofitable experience with
23 respect to the group or other enrollment unit for the
24 period (and, for purposes of a refund or additional
25 premium, the profitable or unprofitable experience shall
26 be calculated taking into account a pro rata share of the

1 Health Maintenance Organization's administrative and
2 marketing expenses, but shall not include any refund to be
3 made or additional premium to be paid pursuant to this
4 subsection (f)). The Health Maintenance Organization and
5 the group or enrollment unit may agree that the profitable
6 or unprofitable experience may be calculated taking into
7 account the refund period and the immediately preceding 2
8 plan years.

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

21 In no event shall the Illinois Health Maintenance
22 Organization Guaranty Association be liable to pay any
23 contractual obligation of an insolvent organization to pay any
24 refund authorized under this Section.

25 (Source: P.A. 94-906, eff. 1-1-07; 94-1076, eff. 12-29-06;
26 95-422, eff. 8-24-07; 95-520, eff. 8-28-07; revised 12-4-07.)

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

3 (215 ILCS 165/10) (from Ch. 32, par. 604)

4 Sec. 10. Application of Insurance Code provisions. Health
5 services plan corporations and all persons interested therein
6 or dealing therewith shall be subject to the provisions of
7 Articles IIA and XII 1/2 and Sections 3.1, 133, 140, 143, 143c,
8 149, 155.37, 354, 355.2, 356g.5, 356r, 356t, 356u, 356v, 356w,
9 356x, 356y, 356z.1, 356z.2, 356z.4, 356z.5, 356z.6, 356z.8,
10 356z.9, 356z.10, 356z.12 ~~356z.9~~, 364.01, 367.2, 368a, 401,
11 401.1, 402, 403, 403A, 408, 408.2, and 412, and paragraphs (7)
12 and (15) of Section 367 of the Illinois Insurance Code.

13 (Source: P.A. 94-1076, eff. 12-29-06; 95-189, eff. 8-16-07;
14 95-331, eff. 8-21-07; 95-422, eff. 8-24-07; 95-520, eff.
15 8-28-07; revised 12-5-07.)".

16 Date: _____, 2008 _____