



97TH GENERAL ASSEMBLY

State of Illinois

2011 and 2012

HB1577

Introduced 2/15/2011, by Rep. Frank J. Mautino

SYNOPSIS AS INTRODUCED:

New Act
20 ILCS 4045/Act rep.

Creates the Illinois Health Benefits Exchange Act. Provides that beginning January 1, 2014 and in accordance with the federal Patient Protection and Affordable Care Act, the State shall establish a State health benefits exchange to be known as the Illinois Health Benefits Exchange in order to help individuals and small employers with no more than 50 employees shop for, select, and enroll in qualified, affordable private health plans. Sets forth provisions concerning Exchange functions, the Legislative Study Committee, Committee studies, and federal action. Repeals the Health Care Justice Act. Effective immediately.

LRB097 09798 RPM 49945 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning health.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 1. Short title. This Act may be cited as the
5 Illinois Health Benefits Exchange Act.

6 Section 3. Legislative intent. The General Assembly finds
7 the health benefits exchanges authorized by the federal Patient
8 Protection and Affordable Care Act represent one of a number of
9 ways in which the State can address coverage gaps and provide
10 individual consumers and small employers access to greater
11 coverage options. The General Assembly also finds that the
12 State is best-positioned to implement an exchange that is
13 sensitive to the coverage gaps and market landscape unique to
14 this State.

15 The purpose of this Act is to ensure that the State is
16 making sufficient progress towards establishing an exchange
17 within the guidelines outlined by the federal law and to
18 protect Illinoisans from undue federal regulation. Although
19 the federal law imposes a number of core requirements on
20 state-level exchanges, the State has significant flexibility
21 in the design and operation of a State exchange that make it
22 prudent for the State to carefully analyze, plan, and prepare
23 for the exchange. The General Assembly finds that in order for

1 the State to craft a tenable exchange that meets the
2 fundamental goals outlined by the Patient Protection and
3 Affordable Care Act of expanding access to affordable coverage
4 and improving the quality of care, the implementation process
5 should (1) provide for broad stakeholder representation; (2)
6 foster a robust and competitive marketplace, both inside and
7 outside of the exchange; and (3) provide for a broad-based
8 approach to the fiscal solvency of the exchange.

9 Section 5. State health benefits exchange. It is declared
10 that this State, beginning January 1, 2014, in accordance with
11 Section 1311 of the federal Patient Protection and Affordable
12 Care Act, shall establish a State health benefits exchange to
13 be known as the Illinois Health Benefits Exchange in order to
14 help individuals and small employers with no more than 50
15 employees shop for, select, and enroll in qualified, affordable
16 private health plans that fit their needs at competitive
17 prices. The Exchange shall separate coverage pools for
18 individuals and small employers and shall supplement and not
19 supplant any existing private health insurance market for
20 individuals and small employers.

21 Section 10. Exchange functions. The Illinois Health
22 Benefits Exchange shall meet the core functions identified by
23 Section 1311 of the Patient Protection and Affordable Care Act
24 and subsequent federal guidance and regulations.

1 Section 15. Illinois Health Benefits Exchange Legislative
2 Study Committee.

3 (a) There is created an Illinois Health Benefits Exchange
4 Legislative Study Committee to conduct a study regarding State
5 implementation and establishment of the Illinois Health
6 Benefits Exchange.

7 (b) Members of the Legislative Study Committee shall be
8 appointed as follows: 3 members of the Senate shall be
9 appointed by the President of the Senate; 3 members of the
10 Senate shall be appointed by the Minority Leader of the Senate;
11 3 members of the House of Representatives shall be appointed by
12 the Speaker of the House of Representatives; and 3 members of
13 the House of Representatives shall be appointed by the Minority
14 Leader of the House of Representatives. Each legislative leader
15 shall select one member to serve as co-chair of the committee.

16 (c) Members of the Legislative Study Committee shall be
17 appointed within 30 days after the effective date of this Act.
18 The co-chairs shall convene the first meeting of the committee
19 no later than 45 days after the effective date of this Act.

20 Section 20. Committee study. No later than December 31,
21 2011, the Committee shall report all findings concerning the
22 implementation and establishment of the Illinois Health
23 Benefits Exchange to the executive and legislative branches.
24 The Committee study shall also include recommendations

1 concerning prospective action on behalf of the General Assembly
2 as it relates to the establishment of the Exchange in 2011,
3 2012, 2013, and 2014.

4 Section 25. Federal action. This Act shall be null and
5 void if Congress and the President take action to repeal or
6 replace, or both, Section 1311 of the Affordable Care Act.

7 (20 ILCS 4045/Act rep.)

8 Section 30. The Health Care Justice Act is repealed.

9 Section 99. Effective date. This Act takes effect upon
10 becoming law.