



Sen. Kimberly A. Lightford

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09700HB3039sam001

LRB097 06869 RPM 55601 a

1 AMENDMENT TO HOUSE BILL 3039

2 AMENDMENT NO. \_\_\_\_\_. Amend House Bill 3039 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,  
13 356g.5, 356g.5-1, 356m, 356u, 356w, 356x, 356z.2, 356z.4,  
14 356z.6, 356z.8, 356z.9, 356z.10, 356z.11, 356z.12, 356z.13,  
15 356z.14, 356z.15, and 356z.17 of the Illinois Insurance Code.  
16 The program of health benefits must comply with Sections

1 ~~Section~~ 155.37 and 356z.19 of the Illinois Insurance Code.

2 Rulemaking authority to implement Public Act 95-1045, if  
3 any, is conditioned on the rules being adopted in accordance  
4 with all provisions of the Illinois Administrative Procedure  
5 Act and all rules and procedures of the Joint Committee on  
6 Administrative Rules; any purported rule not so adopted, for  
7 whatever reason, is unauthorized.

8 (Source: P.A. 95-189, eff. 8-16-07; 95-422, eff. 8-24-07;  
9 95-520, eff. 8-28-07; 95-876, eff. 8-21-08; 95-958, eff.  
10 6-1-09; 95-978, eff. 1-1-09; 95-1005, eff. 12-12-08; 95-1044,  
11 eff. 3-26-09; 95-1045, eff. 3-27-09; 95-1049, eff. 1-1-10;  
12 96-139, eff. 1-1-10; 96-328, eff. 8-11-09; 96-639, eff. 1-1-10;  
13 96-1000, eff. 7-2-10.)

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

16 (55 ILCS 5/5-1069.3)

17 Sec. 5-1069.3. Required health benefits. If a county,  
18 including a home rule county, is a self-insurer for purposes of  
19 providing health insurance coverage for its employees, the  
20 coverage shall include coverage for the post-mastectomy care  
21 benefits required to be covered by a policy of accident and  
22 health insurance under Section 356t and the coverage required  
23 under Sections 356g, 356g.5, 356g.5-1, 356u, 356w, 356x,  
24 356z.6, 356z.8, 356z.9, 356z.10, 356z.11, 356z.12, 356z.13,

1 356z.14, and 356z.15 of the Illinois Insurance Code. The  
2 coverage shall comply with Section 356z.19 of the Illinois  
3 Insurance Code. The requirement that health benefits be covered  
4 as provided in this Section is an exclusive power and function  
5 of the State and is a denial and limitation under Article VII,  
6 Section 6, subsection (h) of the Illinois Constitution. A home  
7 rule county to which this Section applies must comply with  
8 every provision of this Section.

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. 95-189, eff. 8-16-07; 95-422, eff. 8-24-07;  
16 95-520, eff. 8-28-07; 95-876, eff. 8-21-08; 95-958, eff.  
17 6-1-09; 95-978, eff. 1-1-09; 95-1005, eff. 12-12-08; 95-1045,  
18 eff. 3-27-09; 95-1049, eff. 1-1-10; 96-139, eff. 1-1-10;  
19 96-328, eff. 8-11-09; 96-1000, eff. 7-2-10.)

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

22 (65 ILCS 5/10-4-2.3)

23 Sec. 10-4-2.3. Required health benefits. If a  
24 municipality, including a home rule municipality, is a

1 self-insurer for purposes of providing health insurance  
2 coverage for its employees, the coverage shall include coverage  
3 for the post-mastectomy care benefits required to be covered by  
4 a policy of accident and health insurance under Section 356t  
5 and the coverage required under Sections 356g, 356g.5,  
6 356g.5-1, 356u, 356w, 356x, 356z.6, 356z.8, 356z.9, 356z.10,  
7 356z.11, 356z.12, 356z.13, 356z.14, and 356z.15 of the Illinois  
8 Insurance Code. The coverage shall comply with Section 356z.19  
9 of the Illinois Insurance Code. The requirement that health  
10 benefits be covered as provided in this is an exclusive power  
11 and function of the State and is a denial and limitation under  
12 Article VII, Section 6, subsection (h) of the Illinois  
13 Constitution. A home rule municipality to which this Section  
14 applies must comply with every provision of this Section.

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

21 (Source: P.A. 95-189, eff. 8-16-07; 95-422, eff. 8-24-07;  
22 95-520, eff. 8-28-07; 95-876, eff. 8-21-08; 95-958, eff.  
23 6-1-09; 95-978, eff. 1-1-09; 95-1005, eff. 12-12-08; 95-1045,  
24 eff. 3-27-09; 95-1049, eff. 1-1-10; 96-139, eff. 1-1-10;  
25 96-328, eff. 8-11-09; 96-1000, eff. 7-2-10.)

1 Section 20. The School Code is amended by changing Section  
2 10-22.3f as follows:

3 (105 ILCS 5/10-22.3f)

4 Sec. 10-22.3f. Required health benefits. Insurance  
5 protection and benefits for employees shall provide the  
6 post-mastectomy care benefits required to be covered by a  
7 policy of accident and health insurance under Section 356t and  
8 the coverage required under Sections 356g, 356g.5, 356g.5-1,  
9 356u, 356w, 356x, 356z.6, 356z.8, 356z.9, 356z.11, 356z.12,  
10 356z.13, 356z.14, and 356z.15 of the Illinois Insurance Code.  
11 Insurance policies shall comply with Section 356z.19 of the  
12 Illinois Insurance Code.

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

19 (Source: P.A. 95-189, eff. 8-16-07; 95-422, eff. 8-24-07;  
20 95-876, eff. 8-21-08; 95-958, eff. 6-1-09; 95-978, eff. 1-1-09;  
21 95-1005, 12-12-08; 95-1045, eff. 3-27-09; 95-1049, eff.  
22 1-1-10; 96-139, eff. 1-1-10; 96-328, eff. 8-11-09; 96-1000,  
23 eff. 7-2-10.)

24 Section 25. The Illinois Insurance Code is amended by

1 adding Section 356z.19 as follows:

2 (215 ILCS 5/356z.19 new)

3 Sec. 356z.19. Cardiovascular disease. Because  
4 cardiovascular disease is a leading cause of death and  
5 disability, entities providing group or individual policies of  
6 accident and health insurance or managed care plans shall  
7 annually notify adult enrollees about the importance and value  
8 of early detection and proactive management of cardiovascular  
9 disease; advise these enrollees about personal behavior that  
10 can affect cardiovascular health outcomes; and further advise  
11 these enrollees that they should consult with their personal  
12 physician about their health status and any symptoms that may  
13 cause the personal physician to prescribe screening,  
14 diagnostic testing, or referral to specialty care related to  
15 cardiovascular disease. The notice required by this Section may  
16 be included as an attachment to the plan or policy issued to  
17 the enrollee, as an attachment to a renewal or any amendment of  
18 the plan or policy, or in a separate notice delivered by  
19 personal mail. Nothing in this Section affects any change in  
20 the terms, conditions, or benefits of the policies and plans,  
21 nor the criteria, standards, and procedures related to the  
22 application for, enrollment in, or renewal of coverage or  
23 conditions of participation of enrollees in the health plans or  
24 policies subject to this Code.

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

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

4 Sec. 5-3. Insurance Code provisions.

5 (a) Health Maintenance Organizations shall be subject to  
6 the provisions of Sections 133, 134, 137, 140, 141.1, 141.2,  
7 141.3, 143, 143c, 147, 148, 149, 151, 152, 153, 154, 154.5,  
8 154.6, 154.7, 154.8, 155.04, 355.2, 356g.5-1, 356m, 356v, 356w,  
9 356x, 356y, 356z.2, 356z.4, 356z.5, 356z.6, 356z.8, 356z.9,  
10 356z.10, 356z.11, 356z.12, 356z.13, 356z.14, 356z.15, 356z.17,  
11 356z.18, 356z.19, 364.01, 367.2, 367.2-5, 367i, 368a, 368b,  
12 368c, 368d, 368e, 370c, 401, 401.1, 402, 403, 403A, 408, 408.2,  
13 409, 412, 444, and 444.1, paragraph (c) of subsection (2) of  
14 Section 367, and Articles IIA, VIII 1/2, XII, XII 1/2, XIII,  
15 XIII 1/2, XXV, and XXVI of the Illinois Insurance Code.

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

1 of this State, except a corporation subject to  
2 substantially the same requirements in its state of  
3 organization as is a "domestic company" under Article VIII  
4 1/2 of the Illinois Insurance Code.

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

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

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

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

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

25 (B) pro forma financial statements reflecting the  
26 combined balance sheets of the acquiring company and



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

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

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

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

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

1 competition.

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

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

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

1 or unprofitable experience may be calculated taking into  
2 account the refund period and the immediately preceding 2  
3 plan years.

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

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

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

26 (Source: P.A. 95-422, eff. 8-24-07; 95-520, eff. 8-28-07;

1 95-876, eff. 8-21-08; 95-958, eff. 6-1-09; 95-978, eff. 1-1-09;  
2 95-1005, eff. 12-12-08; 95-1045, eff. 3-27-09; 95-1049, eff.  
3 1-1-10; 96-328, eff. 8-11-09; 96-639, eff. 1-1-10; 96-833, eff.  
4 6-1-10; 96-1000, eff. 7-2-10.)

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

7 (215 ILCS 165/10) (from Ch. 32, par. 604)

8 Sec. 10. Application of Insurance Code provisions. Health  
9 services plan corporations and all persons interested therein  
10 or dealing therewith shall be subject to the provisions of  
11 Articles IIA and XII 1/2 and Sections 3.1, 133, 140, 143, 143c,  
12 149, 155.37, 354, 355.2, 356g, 356g.5, 356g.5-1, 356r, 356t,  
13 356u, 356v, 356w, 356x, 356y, 356z.1, 356z.2, 356z.4, 356z.5,  
14 356z.6, 356z.8, 356z.9, 356z.10, 356z.11, 356z.12, 356z.13,  
15 356z.14, 356z.15, 356z.18, 356z.19, 364.01, 367.2, 368a, 401,  
16 401.1, 402, 403, 403A, 408, 408.2, and 412, and paragraphs (7)  
17 and (15) of Section 367 of the Illinois Insurance Code.

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

24 (Source: P.A. 95-189, eff. 8-16-07; 95-331, eff. 8-21-07;

1 95-422, eff. 8-24-07; 95-520, eff. 8-28-07; 95-876, eff.  
2 8-21-08; 95-958, eff. 6-1-09; 95-978, eff. 1-1-09; 95-1005,  
3 eff. 12-12-08; 95-1045, eff. 3-27-09; 95-1049, eff. 1-1-10;  
4 96-328, eff. 8-11-09; 96-833, eff. 6-1-10; 96-1000, eff.  
5 7-2-10.)

6 Section 40. The Illinois Public Aid Code is amended by  
7 changing Section 5-16.8 as follows:

8 (305 ILCS 5/5-16.8)

9 Sec. 5-16.8. Required health benefits. The medical  
10 assistance program shall (i) provide the post-mastectomy care  
11 benefits required to be covered by a policy of accident and  
12 health insurance under Section 356t and the coverage required  
13 under Sections 356g.5, 356u, 356w, 356x, and 356z.6 of the  
14 Illinois Insurance Code and (ii) be subject to the provisions  
15 of Sections 356z.19 and Section 364.01 of the Illinois  
16 Insurance Code.

17 (Source: P.A. 95-189, eff. 8-16-07; 95-331, eff. 8-21-07.)

18 Section 99. Effective date. This Act takes effect upon  
19 becoming law."