



## 98TH GENERAL ASSEMBLY

### State of Illinois

2013 and 2014

HB0021

Introduced 1/9/2013, by Rep. Mary E. Flowers

#### SYNOPSIS AS INTRODUCED:

5 ILCS 375/6.11

55 ILCS 5/5-1069.3

65 ILCS 5/10-4-2.3

215 ILCS 5/356z.22 new

305 ILCS 5/5-16.8

410 ILCS 50/2.04

from Ch. 111 1/2, par. 5402.04

Amends the State Employees Group Insurance Act of 1971, Counties Code, Illinois Municipal Code, Illinois Public Aid Code, and Illinois Insurance Code to provide that accident and health insurance policies and managed care plans shall cover all services ordered by a physician and provided in a hospital that are considered medically necessary. Amends the Medical Patient Rights Act. Includes limited health service organizations and voluntary health services plan in the definition of "insurance company". Effective immediately.

LRB098 00173 RPM 30174 b

FISCAL NOTE ACT  
MAY APPLY

A BILL FOR

1 AN ACT concerning insurance.

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 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 ~~and 356z.19,~~ and 356z.22 of the  
16 Illinois Insurance Code. The program of health benefits must  
17 comply with Sections 155.22a, 155.37, and 356z.19 of the  
18 Illinois Insurance Code.

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

1 whatever reason, is unauthorized.

2 (Source: P.A. 96-139, eff. 1-1-10; 96-328, eff. 8-11-09;  
3 96-639, eff. 1-1-10; 96-1000, eff. 7-2-10; 97-282, eff. 8-9-11;  
4 97-343, eff. 1-1-12; 97-813, eff. 7-13-12.)

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

7 (55 ILCS 5/5-1069.3)

8 Sec. 5-1069.3. Required health benefits. If a county,  
9 including a home rule county, is a self-insurer for purposes of  
10 providing health insurance coverage for its employees, the  
11 coverage shall include coverage for the post-mastectomy care  
12 benefits required to be covered by a policy of accident and  
13 health insurance under Section 356t and the coverage required  
14 under Sections 356g, 356g.5, 356g.5-1, 356u, 356w, 356x,  
15 356z.6, 356z.8, 356z.9, 356z.10, 356z.11, 356z.12, 356z.13,  
16 356z.14, ~~and 356z.15,~~ and 356z.22 of the Illinois Insurance  
17 Code. The coverage shall comply with Sections 155.22a and  
18 356z.19 of the Illinois Insurance Code. The requirement that  
19 health 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 Section  
23 applies must comply with every provision of this Section.

24 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. 96-139, eff. 1-1-10; 96-328, eff. 8-11-09;  
7 96-1000, eff. 7-2-10; 97-282, eff. 8-9-11; 97-343, eff. 1-1-12;  
8 97-813, eff. 7-13-12.)

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

11 (65 ILCS 5/10-4-2.3)

12 Sec. 10-4-2.3. Required health benefits. If a  
13 municipality, including a home rule municipality, is a  
14 self-insurer for purposes of providing health insurance  
15 coverage for its employees, the coverage shall include coverage  
16 for the post-mastectomy care benefits required to be covered by  
17 a policy of accident and health insurance under Section 356t  
18 and the coverage required under Sections 356g, 356g.5,  
19 356g.5-1, 356u, 356w, 356x, 356z.6, 356z.8, 356z.9, 356z.10,  
20 356z.11, 356z.12, 356z.13, 356z.14, ~~and~~ 356z.15, and 356z.22 of  
21 the Illinois Insurance Code. The coverage shall comply with  
22 Sections 155.22a and 356z.19 of the Illinois Insurance Code.  
23 The requirement that health benefits be covered as provided in  
24 this is an exclusive power and function of the State and is a

1 denial and limitation under Article VII, Section 6, subsection  
2 (h) of the Illinois Constitution. A home rule municipality to  
3 which this Section applies must comply with every provision of  
4 this Section.

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

11 (Source: P.A. 96-139, eff. 1-1-10; 96-328, eff. 8-11-09;  
12 96-1000, eff. 7-2-10; 97-282, eff. 8-9-11; 97-343, eff. 1-1-12;  
13 97-813, eff. 7-13-12.)

14 Section 20. The Illinois Insurance Code is amended by  
15 adding Section 356z.22 as follows:

16 (215 ILCS 5/356z.22 new)

17 Sec. 356z.22. Hospital patient assessments. A group or  
18 individual policy of accident and health insurance or managed  
19 care plan amended, delivered, issued, or renewed after the  
20 effective date of this amendatory Act of the 98th General  
21 Assembly that provides coverage for hospital care shall include  
22 in that coverage all services ordered by a physician and  
23 provided in the hospital that are considered medically  
24 necessary for the evaluation, assessment, and diagnosis of the

1 illness or condition that resulted in the hospital stay of the  
2 enrollee or recipient. The services are subject to reasonable  
3 review and utilization standards required by the policy or plan  
4 for all hospital services, as defined by the Department or its  
5 successor agency.

6 Section 25. 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, and  
14 356z.22 of the Illinois Insurance Code and (ii) be subject to  
15 the provisions of Sections 356z.19 and 364.01 of the Illinois  
16 Insurance Code.

17 On and after July 1, 2012, the Department shall reduce any  
18 rate of reimbursement for services or other payments or alter  
19 any methodologies authorized by this Code to reduce any rate of  
20 reimbursement for services or other payments in accordance with  
21 Section 5-5e.

22 (Source: P.A. 97-282, eff. 8-9-11; 97-689, eff. 6-14-12.)

23 Section 30. The Medical Patient Rights Act is amended by

1 changing Section 2.04 as follows:

2 (410 ILCS 50/2.04) (from Ch. 111 1/2, par. 5402.04)

3 Sec. 2.04. "Insurance company" means (1) an insurance  
4 company, fraternal benefit society, and any other insurer  
5 subject to regulation under the Illinois Insurance Code; or (2)  
6 a health maintenance organization, a limited health service  
7 organization under the Limited Health Service Organization  
8 Act, or a voluntary health services plan under the Voluntary  
9 Health Services Plans Act.

10 (Source: P.A. 85-677; 85-679.)

11 Section 99. Effective date. This Act takes effect upon  
12 becoming law.