



Rep. Mary E. Flowers

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1 AMENDMENT TO HOUSE BILL 566

2 AMENDMENT NO. _____. Amend House Bill 566 by replacing
3 everything after the enacting clause with the following:

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

6 (55 ILCS 5/5-1069.3)

7 Sec. 5-1069.3. Required health benefits. If a county,
8 including a home rule county, is a self-insurer for purposes of
9 providing health insurance coverage for its employees, the
10 coverage shall include coverage for 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, 356g.5, 356g.5-1, 356u, 356w, 356x,
14 356z.6, 356z.8, 356z.9, 356z.10, 356z.11, 356z.12, 356z.13,
15 356z.14, ~~and~~ 356z.15, 356z.22, and 356z.23 of the Illinois
16 Insurance Code. The coverage shall comply with Sections 155.22a

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

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

14 (Source: P.A. 96-139, eff. 1-1-10; 96-328, eff. 8-11-09;
15 96-1000, eff. 7-2-10; 97-282, eff. 8-9-11; 97-343, eff. 1-1-12;
16 97-813, eff. 7-13-12.)

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

19 (65 ILCS 5/10-4-2.3)

20 Sec. 10-4-2.3. Required health benefits. If a
21 municipality, including a home rule municipality, is a
22 self-insurer for purposes of providing health insurance
23 coverage for its employees, the coverage shall include coverage
24 for the post-mastectomy care benefits required to be covered by

1 a policy of accident and health insurance under Section 356t
2 and the coverage required under Sections 356g, 356g.5,
3 356g.5-1, 356u, 356w, 356x, 356z.6, 356z.8, 356z.9, 356z.10,
4 356z.11, 356z.12, 356z.13, 356z.14, ~~and~~ 356z.15, 356z.22, and
5 356z.23 of the Illinois Insurance Code. The coverage shall
6 comply with Sections 155.22a and 356z.19 of the Illinois
7 Insurance Code. The requirement that health benefits be covered
8 as provided in this is an exclusive power and function of the
9 State and is a denial and limitation under Article VII, Section
10 6, subsection (h) of the Illinois Constitution. A home rule
11 municipality to which this Section applies must comply with
12 every provision of this Section.

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. 96-139, eff. 1-1-10; 96-328, eff. 8-11-09;
20 96-1000, eff. 7-2-10; 97-282, eff. 8-9-11; 97-343, eff. 1-1-12;
21 97-813, eff. 7-13-12.)

22 Section 15. The School Code is amended by changing Section
23 10-22.3f as follows:

24 (105 ILCS 5/10-22.3f)

1 Sec. 10-22.3f. Required health benefits. Insurance
2 protection and benefits for employees shall provide the
3 post-mastectomy care benefits required to be covered by a
4 policy of accident and health insurance under Section 356t and
5 the coverage required under Sections 356g, 356g.5, 356g.5-1,
6 356u, 356w, 356x, 356z.6, 356z.8, 356z.9, 356z.11, 356z.12,
7 356z.13, 356z.14, ~~and~~ 356z.15, 356z.22, and 356z.23 of the
8 Illinois Insurance Code. Insurance policies shall comply with
9 Section 356z.19 of the Illinois Insurance Code. The coverage
10 shall comply with Section 155.22a of the Illinois Insurance
11 Code.

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

18 (Source: P.A. 96-139, eff. 1-1-10; 96-328, eff. 8-11-09;
19 96-1000, eff. 7-2-10; 97-282, eff. 8-9-11; 97-343, eff. 1-1-12;
20 97-813, eff. 7-13-12.)

21 Section 20. The Illinois Insurance Code is amended by
22 adding Sections 356z.22 and 356z.23 as follows:

23 (215 ILCS 5/356z.22 new)

24 Sec. 356z.22. Nutritional support and hydration.

1 (a) The General Assembly finds that people who are
2 physically unable to swallow, digest, or absorb food and fluids
3 taken by mouth are at risk of malnutrition and dehydration.
4 Without nutritional support and hydration, such individuals
5 will become increasingly weakened. As their immune system
6 functioning is reduced, they may die from infections before
7 death can occur from malnutrition or dehydration.

8 (b) A group or individual policy of accident and health
9 insurance or managed care plan amended, delivered, issued, or
10 renewed after the effective date of this amendatory Act of the
11 98th General Assembly must provide coverage for intravenous
12 feeding and for enteral or tube feeding. The benefits under
13 this Section shall be at least as favorable as for other
14 coverages under the policy and may be subject to the same
15 dollar amount limits, deductibles, and co-insurance
16 requirements applicable generally to other coverages under the
17 policy.

18 (c) For the purpose of this Section, "enteral or tube
19 feeding" means the process by which nutritional formulas are
20 delivered via a tube into the digestive tract.

21 (215 ILCS 5/356z.23 new)

22 Sec. 356z.23. Prescription nutritional supplements. A
23 group or individual policy of accident and health insurance or
24 managed care plan amended, delivered, issued, or renewed after
25 the effective date of this amendatory Act of the 98th General

1 Assembly that provides coverage for prescription drugs must
2 provide coverage for reimbursement for medically appropriate
3 prescription nutritional supplements, limited to those
4 products that are issued only by a physician's written order,
5 when ordered by a physician licensed to practice medicine in
6 all its branches and the insured suffers from a condition that
7 prevents him or her from taking sufficient oral nourishment to
8 sustain life.

9 Section 25. The Health Maintenance Organization Act is
10 amended by changing Section 5-3 as follows:

11 (215 ILCS 125/5-3) (from Ch. 111 1/2, par. 1411.2)

12 Sec. 5-3. Insurance Code provisions.

13 (a) Health Maintenance Organizations shall be subject to
14 the provisions of Sections 133, 134, 136, 137, 139, 140, 141.1,
15 141.2, 141.3, 143, 143c, 147, 148, 149, 151, 152, 153, 154,
16 154.5, 154.6, 154.7, 154.8, 155.04, 155.22a, 355.2, 355.3,
17 356g.5-1, 356m, 356v, 356w, 356x, 356y, 356z.2, 356z.4, 356z.5,
18 356z.6, 356z.8, 356z.9, 356z.10, 356z.11, 356z.12, 356z.13,
19 356z.14, 356z.15, 356z.17, 356z.18, 356z.19, 356z.21, 356z.22,
20 356z.23, 364.01, 367.2, 367.2-5, 367i, 368a, 368b, 368c, 368d,
21 368e, 370c, 370c.1, 401, 401.1, 402, 403, 403A, 408, 408.2,
22 409, 412, 444, and 444.1, paragraph (c) of subsection (2) of
23 Section 367, and Articles IIA, VIII 1/2, XII, XII 1/2, XIII,
24 XIII 1/2, XXV, and XXVI of the Illinois Insurance Code.

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

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

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

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

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

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

23 (2) (i) the criteria specified in subsection (1) (b) of
24 Section 131.8 of the Illinois Insurance Code shall not
25 apply and (ii) the Director, in making his determination
26 with respect to the merger, consolidation, or other

1 acquisition of control, need not take into account the
2 effect on competition of the merger, consolidation, or
3 other acquisition of control;

4 (3) the Director shall have the power to require the
5 following information:

6 (A) certification by an independent actuary of the
7 adequacy of the reserves of the Health Maintenance
8 Organization sought to be acquired;

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

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

20 (D) such other information as the Director shall
21 require.

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

1 its health care certificates).

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

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

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

25 (ii) the amount of the refund or additional premium
26 shall not exceed 20% of the Health Maintenance

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

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

26 In no event shall the Illinois Health Maintenance

1 Organization Guaranty Association be liable to pay any
2 contractual obligation of an insolvent organization to pay any
3 refund authorized under this Section.

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

10 (Source: P.A. 96-328, eff. 8-11-09; 96-639, eff. 1-1-10;
11 96-833, eff. 6-1-10; 96-1000, eff. 7-2-10; 97-282, eff. 8-9-11;
12 97-343, eff. 1-1-12; 97-437, eff. 8-18-11; 97-486, eff. 1-1-12;
13 97-592, eff. 1-1-12; 97-805, eff. 1-1-13; 97-813, eff.
14 7-13-12.)

15 Section 30. The Voluntary Health Services Plans Act is
16 amended by changing Section 10 as follows:

17 (215 ILCS 165/10) (from Ch. 32, par. 604)

18 Sec. 10. Application of Insurance Code provisions. Health
19 services plan corporations and all persons interested therein
20 or dealing therewith shall be subject to the provisions of
21 Articles IIA and XII 1/2 and Sections 3.1, 133, 136, 139, 140,
22 143, 143c, 149, 155.22a, 155.37, 354, 355.2, 355.3, 356g,
23 356g.5, 356g.5-1, 356r, 356t, 356u, 356v, 356w, 356x, 356y,
24 356z.1, 356z.2, 356z.4, 356z.5, 356z.6, 356z.8, 356z.9,

1 356z.10, 356z.11, 356z.12, 356z.13, 356z.14, 356z.15, 356z.18,
2 356z.19, 356z.21, 356z.22, 356z.23, 364.01, 367.2, 368a, 401,
3 401.1, 402, 403, 403A, 408, 408.2, and 412, and paragraphs (7)
4 and (15) of Section 367 of the Illinois Insurance Code.

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. 96-328, eff. 8-11-09; 96-833, eff. 6-1-10;
12 96-1000, eff. 7-2-10; 97-282, eff. 8-9-11; 97-343, eff. 1-1-12;
13 97-486, eff. 1-1-12; 97-592, eff. 1-1-12; 97-805, eff. 1-1-13;
14 97-813, eff. 7-13-12.)

15 Section 90. The State Mandates Act is amended by adding
16 Section 8.37 as follows:

17 (30 ILCS 805/8.37 new)

18 Sec. 8.37. Exempt mandate. Notwithstanding Sections 6 and 8
19 of this Act, no reimbursement by the State is required for the
20 implementation of any mandate created by this amendatory Act of
21 the 98th General Assembly."