



Rep. Emily McAsey

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1 AMENDMENT TO HOUSE BILL 2743

2 AMENDMENT NO. _____. Amend House Bill 2743 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, 356z.17, ~~and~~ 356z.22, and 356z.23 of the
16 Illinois Insurance Code. The program of health benefits must

1 comply with Sections 155.22a, 155.37, 355b, and 356z.19 of the
2 Illinois Insurance Code.

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

9 (Source: P.A. 97-282, eff. 8-9-11; 97-343, eff. 1-1-12; 97-813,
10 eff. 7-13-12; 98-189, eff. 1-1-14; 98-1091, eff. 1-1-15.)

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

13 (55 ILCS 5/5-1069.3)

14 Sec. 5-1069.3. Required health benefits. If a county,
15 including a home rule county, is a self-insurer for purposes of
16 providing health insurance coverage for its employees, the
17 coverage shall include coverage for the post-mastectomy care
18 benefits required to be covered by a policy of accident and
19 health insurance under Section 356t and the coverage required
20 under Sections 356g, 356g.5, 356g.5-1, 356u, 356w, 356x,
21 356z.6, 356z.8, 356z.9, 356z.10, 356z.11, 356z.12, 356z.13,
22 356z.14, 356z.15, ~~and~~ 356z.22, and 356z.23 of the Illinois
23 Insurance Code. The coverage shall comply with Sections
24 155.22a, 355b, and 356z.19 of the Illinois Insurance Code. The

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

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

13 (Source: P.A. 97-282, eff. 8-9-11; 97-343, eff. 1-1-12; 97-813,
14 eff. 7-13-12; 98-189, eff. 1-1-14; 98-1091, eff. 1-1-15.)

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

17 (65 ILCS 5/10-4-2.3)

18 Sec. 10-4-2.3. Required health benefits. If a
19 municipality, including a home rule municipality, is a
20 self-insurer for purposes of providing health insurance
21 coverage for its employees, the coverage shall include coverage
22 for the post-mastectomy care benefits required to be covered by
23 a policy of accident and health insurance under Section 356t
24 and the coverage required under Sections 356g, 356g.5,

1 356g.5-1, 356u, 356w, 356x, 356z.6, 356z.8, 356z.9, 356z.10,
2 356z.11, 356z.12, 356z.13, 356z.14, 356z.15, ~~and~~ 356z.22, and
3 356z.23 of the Illinois Insurance Code. The coverage shall
4 comply with Sections 155.22a, 355b, and 356z.19 of the Illinois
5 Insurance Code. The requirement that health benefits be covered
6 as provided in this is an exclusive power and function of the
7 State and is a denial and limitation under Article VII, Section
8 6, subsection (h) of the Illinois Constitution. A home rule
9 municipality to which this Section applies must comply with
10 every provision of this Section.

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

17 (Source: P.A. 97-282, eff. 8-9-11; 97-343, eff. 1-1-12; 97-813,
18 eff. 7-13-12; 98-189, eff. 1-1-14; 98-1091, eff. 1-1-15.)

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

21 (105 ILCS 5/10-22.3f)

22 Sec. 10-22.3f. Required health benefits. Insurance
23 protection and benefits for employees shall provide the
24 post-mastectomy care benefits required to be covered by a

1 policy of accident and health insurance under Section 356t and
2 the coverage required under Sections 356g, 356g.5, 356g.5-1,
3 356u, 356w, 356x, 356z.6, 356z.8, 356z.9, 356z.11, 356z.12,
4 356z.13, 356z.14, 356z.15, ~~and 356z.22,~~ and 356z.23 of the
5 Illinois Insurance Code. Insurance policies shall comply with
6 Section 356z.19 of the Illinois Insurance Code. The coverage
7 shall comply with Sections 155.22a and 355b of the Illinois
8 Insurance Code.

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. 97-282, eff. 8-9-11; 97-343, eff. 1-1-12; 97-813,
16 eff. 7-13-12; 98-189, eff. 1-1-14; 98-1091, eff. 1-1-15.)

17 Section 25. The Illinois Insurance Code is amended by
18 adding Section 356z.23 as follows:

19 (215 ILCS 5/356z.23 new)

20 Sec. 356z.23. Access to opioid analgesics with
21 abuse-deterrent properties.

22 (a) For purposes of this Section:

23 "Abuse-deterrent opioid analgesic drug product" means a
24 brand or generic opioid analgesic drug product approved by the

1 U.S. Food and Drug Administration with abuse-deterrence
2 labeling claims that indicate the drug product is expected to
3 result in a meaningful reduction in abuse.

4 "Covered individual" means an individual covered by an
5 individual or group policy of accident and health insurance, as
6 well as a beneficiary of any government health programs who is
7 intended to be covered by the law.

8 "Government health program" means all relevant government
9 health care programs providing coverage for prescription drugs
10 to beneficiaries.

11 "Health insurer" means all entities or companies licensed
12 or authorized by the State to sell health insurance policies or
13 that provide health care coverage, including any pharmacy
14 benefit managers that administer the pharmacy benefit for an
15 entity or company.

16 "Opioid analgesic drug product" means a drug product in the
17 opioid analgesic drug class prescribed to treat moderate to
18 severe pain or other conditions, whether in immediate-release
19 or extended-release and long-acting form and whether or not
20 combined with other drug substances to form a single drug
21 product or dosage form.

22 (b) On or after the effective date of this amendatory Act
23 of the 99th General Assembly, any government program and any
24 health insurer that amends, delivers, issues, or renews group
25 accident and health policies providing coverage for
26 prescription drugs shall:

1 (1) provide coverage for at least one abuse-deterrent
2 opioid analgesic drug product per opioid analgesic active
3 ingredient on their formulary, drug list, or other lists of
4 similar construct; and

5 (2) not require that a covered individual first use an
6 opioid analgesic drug product without abuse-deterrence
7 labeling claims before providing coverage for an
8 abuse-deterrent opioid analgesic product.

9 (c) This Section shall not be construed to prevent an
10 insurer or health plan from applying prior authorization
11 requirements to abuse-deterrent opioid analgesic drug
12 products, provided those requirements are applied to all opioid
13 analgesic drug products with the same type of drug release,
14 immediate or extended.

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

17 (215 ILCS 125/5-3) (from Ch. 111 1/2, par. 1411.2)

18 Sec. 5-3. Insurance Code provisions.

19 (a) Health Maintenance Organizations shall be subject to
20 the provisions of Sections 133, 134, 136, 137, 139, 140, 141.1,
21 141.2, 141.3, 143, 143c, 147, 148, 149, 151, 152, 153, 154,
22 154.5, 154.6, 154.7, 154.8, 155.04, 155.22a, 355.2, 355.3,
23 355b, 356g.5-1, 356m, 356v, 356w, 356x, 356y, 356z.2, 356z.4,
24 356z.5, 356z.6, 356z.8, 356z.9, 356z.10, 356z.11, 356z.12,

1 356z.13, 356z.14, 356z.15, 356z.17, 356z.18, 356z.19, 356z.21,
2 356z.22, 356z.23, 364.01, 367.2, 367.2-5, 367i, 368a, 368b,
3 368c, 368d, 368e, 370c, 370c.1, 401, 401.1, 402, 403, 403A,
4 408, 408.2, 409, 412, 444, and 444.1, paragraph (c) of
5 subsection (2) of Section 367, and Articles IIA, VIII 1/2, XII,
6 XII 1/2, XIII, XIII 1/2, XXV, and XXVI of the Illinois
7 Insurance Code.

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

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

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

16 (3) a corporation organized under the laws of another
17 state, 30% or more of the enrollees of which are residents
18 of this State, except a corporation subject to
19 substantially the same requirements in its state of
20 organization as is a "domestic company" under Article VIII
21 1/2 of the Illinois Insurance Code.

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

25 (1) the Director shall give primary consideration to
26 the continuation of benefits to enrollees and the financial

1 conditions of the acquired Health Maintenance Organization
2 after the merger, consolidation, or other acquisition of
3 control takes effect;

4 (2) (i) the criteria specified in subsection (1) (b) of
5 Section 131.8 of the Illinois Insurance Code shall not
6 apply and (ii) the Director, in making his determination
7 with respect to the merger, consolidation, or other
8 acquisition of control, need not take into account the
9 effect on competition of the merger, consolidation, or
10 other acquisition of control;

11 (3) the Director shall have the power to require the
12 following information:

13 (A) certification by an independent actuary of the
14 adequacy of the reserves of the Health Maintenance
15 Organization sought to be acquired;

16 (B) pro forma financial statements reflecting the
17 combined balance sheets of the acquiring company and
18 the Health Maintenance Organization sought to be
19 acquired as of the end of the preceding year and as of
20 a date 90 days prior to the acquisition, as well as pro
21 forma financial statements reflecting projected
22 combined operation for a period of 2 years;

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

1 (D) such other information as the Director shall
2 require.

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

9 (e) In considering any management contract or service
10 agreement subject to Section 141.1 of the Illinois Insurance
11 Code, the Director (i) shall, in addition to the criteria
12 specified in Section 141.2 of the Illinois Insurance Code, take
13 into account the effect of the management contract or service
14 agreement on the continuation of benefits to enrollees and the
15 financial condition of the health maintenance organization to
16 be managed or serviced, and (ii) need not take into account the
17 effect of the management contract or service agreement on
18 competition.

19 (f) Except for small employer groups as defined in the
20 Small Employer Rating, Renewability and Portability Health
21 Insurance Act and except for medicare supplement policies as
22 defined in Section 363 of the Illinois Insurance Code, a Health
23 Maintenance Organization may by contract agree with a group or
24 other enrollment unit to effect refunds or charge additional
25 premiums under the following terms and conditions:

26 (i) the amount of, and other terms and conditions with

1 respect to, the refund or additional premium are set forth
2 in the group or enrollment unit contract agreed in advance
3 of the period for which a refund is to be paid or
4 additional premium is to be charged (which period shall not
5 be less than one year); and

6 (ii) the amount of the refund or additional premium
7 shall not exceed 20% of the Health Maintenance
8 Organization's profitable or unprofitable experience with
9 respect to the group or other enrollment unit for the
10 period (and, for purposes of a refund or additional
11 premium, the profitable or unprofitable experience shall
12 be calculated taking into account a pro rata share of the
13 Health Maintenance Organization's administrative and
14 marketing expenses, but shall not include any refund to be
15 made or additional premium to be paid pursuant to this
16 subsection (f)). The Health Maintenance Organization and
17 the group or enrollment unit may agree that the profitable
18 or unprofitable experience may be calculated taking into
19 account the refund period and the immediately preceding 2
20 plan years.

21 The Health Maintenance Organization shall include a
22 statement in the evidence of coverage issued to each enrollee
23 describing the possibility of a refund or additional premium,
24 and upon request of any group or enrollment unit, provide to
25 the group or enrollment unit a description of the method used
26 to calculate (1) the Health Maintenance Organization's

1 profitable experience with respect to the group or enrollment
2 unit and the resulting refund to the group or enrollment unit
3 or (2) the Health Maintenance Organization's unprofitable
4 experience with respect to the group or enrollment unit and the
5 resulting additional premium to be paid by the group or
6 enrollment unit.

7 In no event shall the Illinois Health Maintenance
8 Organization Guaranty Association be liable to pay any
9 contractual obligation of an insolvent organization to pay any
10 refund authorized under this Section.

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

17 (Source: P.A. 97-282, eff. 8-9-11; 97-343, eff. 1-1-12; 97-437,
18 eff. 8-18-11; 97-486, eff. 1-1-12; 97-592, eff. 1-1-12; 97-805,
19 eff. 1-1-13; 97-813, eff. 7-13-12; 98-189, eff. 1-1-14;
20 98-1091, eff. 1-1-15.)

21 Section 35. The Limited Health Service Organization Act is
22 amended by changing Section 4003 as follows:

23 (215 ILCS 130/4003) (from Ch. 73, par. 1504-3)

24 Sec. 4003. Illinois Insurance Code provisions. Limited

1 health service organizations shall be subject to the provisions
2 of Sections 133, 134, 136, 137, 139, 140, 141.1, 141.2, 141.3,
3 143, 143c, 147, 148, 149, 151, 152, 153, 154, 154.5, 154.6,
4 154.7, 154.8, 155.04, 155.37, 355.2, 355.3, 355b, 356v,
5 356z.10, 356z.21, 356z.22, 356z.23, 368a, 401, 401.1, 402, 403,
6 403A, 408, 408.2, 409, 412, 444, and 444.1 and Articles IIA,
7 VIII 1/2, XII, XII 1/2, XIII, XIII 1/2, XXV, and XXVI of the
8 Illinois Insurance Code. For purposes of the Illinois Insurance
9 Code, except for Sections 444 and 444.1 and Articles XIII and
10 XIII 1/2, limited health service organizations in the following
11 categories are deemed to be domestic companies:

12 (1) a corporation under the laws of this State; or

13 (2) a corporation organized under the laws of another
14 state, 30% of more of the enrollees of which are residents
15 of this State, except a corporation subject to
16 substantially the same requirements in its state of
17 organization as is a domestic company under Article VIII
18 1/2 of the Illinois Insurance Code.

19 (Source: P.A. 97-486, eff. 1-1-12; 97-592, 1-1-12; 97-805, eff.
20 1-1-13; 97-813, eff. 7-13-12; 98-189, eff. 1-1-14; 98-1091,
21 eff. 1-1-15.)

22 Section 40. The Voluntary Health Services Plans Act is
23 amended by changing Section 10 as follows:

24 (215 ILCS 165/10) (from Ch. 32, par. 604)

1 Sec. 10. Application of Insurance Code provisions. Health
2 services plan corporations and all persons interested therein
3 or dealing therewith shall be subject to the provisions of
4 Articles IIA and XII 1/2 and Sections 3.1, 133, 136, 139, 140,
5 143, 143c, 149, 155.22a, 155.37, 354, 355.2, 355.3, 355b, 356g,
6 356g.5, 356g.5-1, 356r, 356t, 356u, 356v, 356w, 356x, 356y,
7 356z.1, 356z.2, 356z.4, 356z.5, 356z.6, 356z.8, 356z.9,
8 356z.10, 356z.11, 356z.12, 356z.13, 356z.14, 356z.15, 356z.18,
9 356z.19, 356z.21, 356z.22, 356z.23, 364.01, 367.2, 368a, 401,
10 401.1, 402, 403, 403A, 408, 408.2, and 412, and paragraphs (7)
11 and (15) of Section 367 of the Illinois Insurance 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. 97-282, eff. 8-9-11; 97-343, eff. 1-1-12; 97-486,
19 eff. 1-1-12; 97-592, eff. 1-1-12; 97-805, eff. 1-1-13; 97-813,
20 eff. 7-13-12; 98-189, eff. 1-1-14; 98-1091, eff. 1-1-15.)

21 Section 45. The Illinois Public Aid Code is amended by
22 changing Section 5-16.8 as follows:

23 (305 ILCS 5/5-16.8)

24 Sec. 5-16.8. Required health benefits. The medical

1 assistance program shall (i) provide the post-mastectomy care
2 benefits required to be covered by a policy of accident and
3 health insurance under Section 356t and the coverage required
4 under Sections 356g.5, 356u, 356w, 356x, ~~and~~ 356z.6, and
5 356z.23 of the Illinois Insurance Code and (ii) be subject to
6 the provisions of Sections 356z.19 and 364.01 of the Illinois
7 Insurance Code.

8 On and after July 1, 2012, the Department shall reduce any
9 rate of reimbursement for services or other payments or alter
10 any methodologies authorized by this Code to reduce any rate of
11 reimbursement for services or other payments in accordance with
12 Section 5-5e.

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