



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.24 of the
16 Illinois Insurance Code. The program of health benefits must

1 comply with Sections 155.22a, 155.37, 355b, 356z.19, 370c, and
2 370c.1 of the 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. 98-189, eff. 1-1-14; 98-1091, eff. 1-1-15;
10 99-480, eff. 9-9-15.)

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.24 of the Illinois
23 Insurance Code. The coverage shall comply with Sections
24 155.22a, 355b, 356z.19, and 370c of the Illinois Insurance

1 Code. The requirement that health benefits be covered as
2 provided in this Section is an exclusive power and function of
3 the State and is a denial and limitation under Article VII,
4 Section 6, subsection (h) of the Illinois Constitution. A home
5 rule county to which this Section applies must comply with
6 every provision 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. 98-189, eff. 1-1-14; 98-1091, eff. 1-1-15;
14 99-480, eff. 9-9-15.)

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.24 of the Illinois Insurance Code. The coverage shall
4 comply with Sections 155.22a, 355b, 356z.19, and 370c of the
5 Illinois Insurance Code. The requirement that health benefits
6 be covered as provided in this is an exclusive power and
7 function of the State and is a denial and limitation under
8 Article VII, Section 6, subsection (h) of the Illinois
9 Constitution. A home rule municipality to which this Section
10 applies must comply with 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. 98-189, eff. 1-1-14; 98-1091, eff. 1-1-15;
18 99-480, eff. 9-9-15.)

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.24 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.24 as follows:

19 (215 ILCS 5/356z.24 new)

20 Sec. 356z.24. 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.

6 "Health insurer" means all entities or companies licensed
7 or authorized by the State to sell health insurance policies or
8 that provide health care coverage, including any pharmacy
9 benefit managers that administer the pharmacy benefit for an
10 entity or company.

11 "Opioid analgesic drug product" means a drug product in the
12 opioid analgesic drug class prescribed to treat moderate to
13 severe pain or other conditions, whether in immediate-release
14 or extended-release and long-acting form and whether or not
15 combined with other drug substances to form a single drug
16 product or dosage form.

17 (b) On or after the effective date of this amendatory Act
18 of the 99th General Assembly, any health insurer that amends,
19 delivers, issues, or renews group accident and health policies
20 providing coverage for prescription drugs shall:

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

25 (2) not require that a covered individual first use an
26 opioid analgesic drug product without abuse-deterrence

1 labeling claims before providing coverage for an
2 abuse-deterrent opioid analgesic product.

3 (c) This Section shall not be construed to prevent an
4 insurer or health plan from applying prior authorization
5 requirements to abuse-deterrent opioid analgesic drug
6 products, provided those requirements are applied to all opioid
7 analgesic drug products with the same type of drug release,
8 immediate or extended.

9 Section 30. 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 355b, 356g.5-1, 356m, 356v, 356w, 356x, 356y, 356z.2, 356z.4,
18 356z.5, 356z.6, 356z.8, 356z.9, 356z.10, 356z.11, 356z.12,
19 356z.13, 356z.14, 356z.15, 356z.17, 356z.18, 356z.19, 356z.21,
20 356z.22, 356z.24, 364.01, 367.2, 367.2-5, 367i, 368a, 368b,
21 368c, 368d, 368e, 370c, 370c.1, 401, 401.1, 402, 403, 403A,
22 408, 408.2, 409, 412, 444, and 444.1, paragraph (c) of
23 subsection (2) of Section 367, and Articles IIA, VIII 1/2, XII,
24 XII 1/2, XIII, XIII 1/2, XXV, and XXVI of the Illinois

1 Insurance Code.

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

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

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

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

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

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

24 (2) (i) the criteria specified in subsection (1) (b) of
25 Section 131.8 of the Illinois Insurance Code shall not
26 apply and (ii) the Director, in making his determination

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

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

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

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

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

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

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

1 maintenance organization's right, title, and interest in and to
2 its health care certificates).

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

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

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

26 (ii) the amount of the refund or additional premium

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

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

1 In no event shall the Illinois Health Maintenance
2 Organization Guaranty Association be liable to pay any
3 contractual obligation of an insolvent organization to pay any
4 refund authorized under this Section.

5 (g) Rulemaking authority to implement Public Act 95-1045,
6 if 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. 97-282, eff. 8-9-11; 97-343, eff. 1-1-12; 97-437,
12 eff. 8-18-11; 97-486, eff. 1-1-12; 97-592, eff. 1-1-12; 97-805,
13 eff. 1-1-13; 97-813, eff. 7-13-12; 98-189, eff. 1-1-14;
14 98-1091, eff. 1-1-15.)

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

17 (215 ILCS 130/4003) (from Ch. 73, par. 1504-3)

18 Sec. 4003. Illinois Insurance Code provisions. Limited
19 health service organizations shall be subject to the provisions
20 of Sections 133, 134, 136, 137, 139, 140, 141.1, 141.2, 141.3,
21 143, 143c, 147, 148, 149, 151, 152, 153, 154, 154.5, 154.6,
22 154.7, 154.8, 155.04, 155.37, 355.2, 355.3, 355b, 356v,
23 356z.10, 356z.21, 356z.22, 356z.24, 368a, 401, 401.1, 402, 403,
24 403A, 408, 408.2, 409, 412, 444, and 444.1 and Articles IIA,

1 VIII 1/2, XII, XII 1/2, XIII, XIII 1/2, XXV, and XXVI of the
2 Illinois Insurance Code. For purposes of the Illinois Insurance
3 Code, except for Sections 444 and 444.1 and Articles XIII and
4 XIII 1/2, limited health service organizations in the following
5 categories are deemed to be domestic companies:

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

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

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

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

18 (215 ILCS 165/10) (from Ch. 32, par. 604)

19 Sec. 10. Application of Insurance Code provisions. Health
20 services plan corporations and all persons interested therein
21 or dealing therewith shall be subject to the provisions of
22 Articles IIA and XII 1/2 and Sections 3.1, 133, 136, 139, 140,
23 143, 143c, 149, 155.22a, 155.37, 354, 355.2, 355.3, 355b, 356g,
24 356g.5, 356g.5-1, 356r, 356t, 356u, 356v, 356w, 356x, 356y,

1 356z.1, 356z.2, 356z.4, 356z.5, 356z.6, 356z.8, 356z.9,
2 356z.10, 356z.11, 356z.12, 356z.13, 356z.14, 356z.15, 356z.18,
3 356z.19, 356z.21, 356z.22, 356z.24, 364.01, 367.2, 368a, 401,
4 401.1, 402, 403, 403A, 408, 408.2, and 412, and paragraphs (7)
5 and (15) of Section 367 of the Illinois Insurance Code.

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

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

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

17 (305 ILCS 5/5-16.8)

18 Sec. 5-16.8. Required health benefits. The medical
19 assistance program shall (i) provide the post-mastectomy care
20 benefits required to be covered by a policy of accident and
21 health insurance under Section 356t and the coverage required
22 under Sections 356g.5, 356u, 356w, 356x, ~~and~~ 356z.6, and
23 356z.24 of the Illinois Insurance Code and (ii) be subject to
24 the provisions of Sections 356z.19, 364.01, 370c, and 370c.1 of

1 the Illinois Insurance Code.

2 On and after July 1, 2012, the Department shall reduce any
3 rate of reimbursement for services or other payments or alter
4 any methodologies authorized by this Code to reduce any rate of
5 reimbursement for services or other payments in accordance with
6 Section 5-5e.

7 To ensure full access to the benefits set forth in this
8 Section, on and after January 1, 2016, the Department shall
9 ensure that provider and hospital reimbursement for
10 post-mastectomy care benefits required under this Section are
11 no lower than the Medicare reimbursement rate.

12 (Source: P.A. 99-433, eff. 8-21-15; 99-480, eff. 9-9-15;
13 revised 10-21-15.)".