



Sen. M. Maggie Crotty

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1 AMENDMENT TO SENATE BILL 2499

2 AMENDMENT NO. \_\_\_\_\_. Amend Senate Bill 2499 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.5,  
13 356u, 356w, 356x, 356z.2, 356z.4, 356z.6, ~~and~~ 356z.9, 356z.10,  
14 and 356z.11 ~~and 356z.9~~ of the Illinois Insurance Code. The  
15 program of health benefits must comply with Section 155.37 of  
16 the Illinois Insurance Code.

1 (Source: P.A. 95-189, eff. 8-16-07; 95-422, eff. 8-24-07;  
2 95-520, eff. 8-28-07; revised 12-4-07.)

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

5 (55 ILCS 5/5-1069.3)

6 Sec. 5-1069.3. Required health benefits. If a county,  
7 including a home rule county, is a self-insurer for purposes of  
8 providing health insurance coverage for its employees, the  
9 coverage shall include coverage for the post-mastectomy care  
10 benefits required to be covered by a policy of accident and  
11 health insurance under Section 356t and the coverage required  
12 under Sections 356g.5, 356u, 356w, 356x, 356z.6, ~~and~~ 356z.9,  
13 356z.10, and 356z.11 ~~and 356z.9~~ of the Illinois Insurance Code.  
14 The requirement that health benefits be covered as provided in  
15 this Section is an exclusive power and function of the State  
16 and is a denial and limitation under Article VII, Section 6,  
17 subsection (h) of the Illinois Constitution. A home rule county  
18 to which this Section applies must comply with every provision  
19 of this Section.

20 (Source: P.A. 95-189, eff. 8-16-07; 95-422, eff. 8-24-07;  
21 95-520, eff. 8-28-07; revised 12-4-07.)

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

1 (65 ILCS 5/10-4-2.3)

2 Sec. 10-4-2.3. Required health benefits. If a  
3 municipality, including a home rule municipality, is a  
4 self-insurer for purposes of providing health insurance  
5 coverage for its employees, the coverage shall include coverage  
6 for the post-mastectomy care benefits required to be covered by  
7 a policy of accident and health insurance under Section 356t  
8 and the coverage required under Sections 356g.5, 356u, 356w,  
9 356x, 356z.6, ~~and 356z.9~~, 356z.10, and 356z.11 ~~and 356z.9~~ of  
10 the Illinois Insurance Code. The requirement that health  
11 benefits be covered as provided in this is an exclusive power  
12 and function of the State and is a denial and limitation under  
13 Article VII, Section 6, subsection (h) of the Illinois  
14 Constitution. A home rule municipality to which this Section  
15 applies must comply with every provision of this Section.

16 (Source: P.A. 95-189, eff. 8-16-07; 95-422, eff. 8-24-07;  
17 95-520, eff. 8-28-07; revised 12-4-07.)

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

20 (105 ILCS 5/10-22.3f)

21 Sec. 10-22.3f. Required health benefits. Insurance  
22 protection and benefits for employees shall provide the  
23 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.5, 356u, 356w, 356x,  
3 356z.6, ~~and 356z.9,~~ and 356z.11 of the Illinois Insurance Code.  
4 (Source: P.A. 95-189, eff. 8-16-07; 95-422, eff. 8-24-07;  
5 revised 12-4-07.)

6 Section 25. The Illinois Insurance Code is amended by  
7 adding Section 356z.11 as follows:

8 (215 ILCS 5/356z.11 new)

9 Sec. 356z.11. Habilitative services for children.

10 (a) As used in this Section, "habilitative services" means  
11 occupational therapy, physical therapy, speech therapy, and  
12 other services prescribed by the insured's treating physician  
13 pursuant to a treatment plan to enhance the ability of a child  
14 to function with a congenital, genetic, or early acquired  
15 disorder. A congenital or genetic disorder includes, but is not  
16 limited to, hereditary disorders. An early acquired disorder  
17 refers to a disorder resulting from illness, trauma, injury, or  
18 some other event or condition suffered by a child prior to that  
19 child developing functional life skills such as, but not  
20 limited to, walking, talking, or self-help skills. Congenital,  
21 genetic, and early acquired disorders may include, but are not  
22 limited to, autism or an autism spectrum disorder, cerebral  
23 palsy, and other disorders resulting from early childhood  
24 illness, trauma, or injury.

1       (b) A group or individual policy of accident and health  
2 insurance or managed care plan amended, delivered, issued, or  
3 renewed after the effective date of this amendatory Act of the  
4 95th General Assembly must provide coverage for habilitative  
5 services for children under 19 years of age with a congenital,  
6 genetic, or early acquired disorder so long as all of the  
7 following conditions are met:

8           (1) A physician licensed to practice medicine in all  
9 its branches has:

10               (A) diagnosed the child's congenital, genetic, or  
11 early acquired disorder; and

12               (B) determined the treatment to be therapeutic and  
13 not solely experimental or investigational.

14           (2) The treatment is administered under the  
15 supervision of a physician licensed to practice medicine in  
16 all its branches.

17       (c) The coverage required by this Section shall be subject  
18 to other general exclusions and limitations of the policy,  
19 including coordination of benefits, participating provider  
20 requirements, restrictions on services provided by family or  
21 household members, utilization review of health care services,  
22 including review of medical necessity, case management,  
23 experimental, and investigational treatments, and other  
24 managed care provisions.

25       (d) Upon request of the reimbursing insurer, the provider  
26 under whose supervision the habilitative services are being

1 provided shall furnish medical records, clinical notes, or  
2 other necessary data to allow the insurer to substantiate that  
3 initial or continued medical treatment is medically necessary  
4 and that the patient's condition is clinically improving. When  
5 the treating provider anticipates that continued treatment is  
6 or will be required to permit the patient to achieve  
7 demonstrable progress, the insurer may request that the  
8 provider furnish a treatment plan consisting of diagnosis,  
9 proposed treatment by type, frequency, anticipated duration of  
10 treatment, the anticipated goals of treatment, and how  
11 frequently the treatment plan will be updated.

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

14 (215 ILCS 125/5-3) (from Ch. 111 1/2, par. 1411.2)

15 Sec. 5-3. Insurance Code provisions.

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

1 XXV, and XXVI of the Illinois 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           (Source: P.A. 94-906, eff. 1-1-07; 94-1076, eff. 12-29-06;  
6 95-422, eff. 8-24-07; 95-520, eff. 8-28-07; revised 12-4-07.)

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

9           (215 ILCS 165/10) (from Ch. 32, par. 604)

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

19          (Source: P.A. 94-1076, eff. 12-29-06; 95-189, eff. 8-16-07;  
20 95-331, eff. 8-21-07; 95-422, eff. 8-24-07; 95-520, eff.  
21 8-28-07; revised 12-5-07.)

22          Section 90. The State Mandates Act is amended by adding  
23 Section 8.32 as follows:

1 (30 ILCS 805/8.32 new)

2 Sec. 8.32. Exempt mandate. Notwithstanding Sections 6 and 8  
3 of this Act, no reimbursement by the State is required for the  
4 implementation of any mandate created by this amendatory Act of  
5 the 95th General Assembly."