



Rep. Dan Brady

Filed: 3/10/2015

09900HB2711ham001

LRB099 04229 MLM 31491 a

1 AMENDMENT TO HOUSE BILL 2711

2 AMENDMENT NO. _____. Amend House Bill 2711 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 of the Illinois
16 Insurance Code. The program of health benefits must comply with

1 Sections 155.22a, 155.37, 355b, ~~and~~ 356z.19, and 370b.1 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 of the Illinois Insurance Code.
23 The coverage shall comply with Sections 155.22a, 355b, ~~and~~
24 356z.19, and 370b.1 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 of the
3 Illinois Insurance Code. The coverage shall comply with
4 Sections 155.22a, 355b, ~~and~~ 356z.19, and 370b.1 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 of the Illinois
5 Insurance Code. Insurance policies shall comply with Section
6 356z.19 of the Illinois Insurance Code. The coverage shall
7 comply with Sections 155.22a, ~~and 355b,~~ and 370b.1 of the
8 Illinois 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 370b.1 as follows:

19 (215 ILCS 5/370b.1 new)

20 Sec. 370b.1. Patient access to eye care.

21 (a) For purposes of this Section, "eye care" means those
22 health care services and materials related to the care of the
23 eye and related structures and vision care services which an
24 insurer is obligated to pay for or provide to covered persons.

1 (b) An individual or group policy of accident and health
2 insurance amended, delivered, issued, or renewed in this State
3 after the effective date of this amendatory Act of the 99th
4 General Assembly that provides coverage for eye care, including
5 benefits offered by managed care companies, limited health
6 services organizations, and other similar entities:

7 (1) shall not set professional fees or reimbursement
8 for the same eye care services as defined by established
9 current procedural terminology codes in a manner that
10 discriminates against an individual eye care provider or a
11 class of eye care providers;

12 (2) shall not preclude a covered person who seeks eye
13 care from obtaining such service directly from a provider
14 affiliated with an insurer's plan who is licensed to
15 provide eye care;

16 (3) shall not promote or recommend any class of
17 providers to the detriment of any other class of providers
18 for the same eye care service;

19 (4) shall ensure that all eye care providers affiliated
20 with an insurer's plan are included on any publicly
21 accessible list of participating providers for the plan;

22 (5) shall include optometrists and ophthalmologists on
23 the list of participating providers for the plan in a
24 manner that ensures plan enrollees timely access and
25 geographic access;

26 (6) shall allow each eye care provider affiliated with

1 an insurer's plan, without discrimination between classes
2 of eye care providers, to furnish covered eye care goods
3 and services to covered persons to the extent permitted by
4 such provider's licensure;

5 (7) shall not require any eye care provider to hold
6 hospital privileges or impose any other condition or
7 restriction for initial admittance to an insurer's plan not
8 necessary for the delivery of eye care upon such providers
9 which would have the effect of excluding an individual eye
10 care provider or class of eye care providers from
11 participation on the insurer's plan;

12 (8) shall not require any eye care provider or patient
13 to order or purchase covered goods, including, but not
14 limited to, ophthalmic lenses, from any source owned by,
15 controlled by, or in a common ownership scheme with the
16 benefits provider; and

17 (9) shall not set or create a policy which interferes
18 with the doctor-patient relationship, including the manner
19 in which a provider performs eye care services or chooses
20 to obtain covered eye care goods from commercially
21 reasonable vendors.

22 (c) A person adversely affected by a violation of this
23 Section by an insurer may bring an action in a court of
24 competent jurisdiction for injunctive relief against the
25 insurer and, upon prevailing, in addition to any injunctive
26 relief that may be granted, shall recover from the insurer

1 attorney's fees and costs.

2 (d) Nothing in this Section requires an individual or group
3 policy of accident and health insurance to include eye care
4 benefits.

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

7 (215 ILCS 125/5-3) (from Ch. 111 1/2, par. 1411.2)

8 Sec. 5-3. Insurance Code provisions.

9 (a) Health Maintenance Organizations shall be subject to
10 the provisions of Sections 133, 134, 136, 137, 139, 140, 141.1,
11 141.2, 141.3, 143, 143c, 147, 148, 149, 151, 152, 153, 154,
12 154.5, 154.6, 154.7, 154.8, 155.04, 155.22a, 355.2, 355.3,
13 355b, 356g.5-1, 356m, 356v, 356w, 356x, 356y, 356z.2, 356z.4,
14 356z.5, 356z.6, 356z.8, 356z.9, 356z.10, 356z.11, 356z.12,
15 356z.13, 356z.14, 356z.15, 356z.17, 356z.18, 356z.19, 356z.21,
16 356z.22, 364.01, 367.2, 367.2-5, 367i, 368a, 368b, 368c, 368d,
17 368e, 370b.1, 370c, 370c.1, 401, 401.1, 402, 403, 403A, 408,
18 408.2, 409, 412, 444, and 444.1, paragraph (c) of subsection
19 (2) of Section 367, and Articles IIA, VIII 1/2, XII, XII 1/2,
20 XIII, XIII 1/2, XXV, and XXVI of the Illinois Insurance Code.

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

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

3 (2) a corporation organized under the laws of this
4 State; or

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

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

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

19 (2) (i) the criteria specified in subsection (1) (b) of
20 Section 131.8 of the Illinois Insurance Code shall not
21 apply and (ii) the Director, in making his determination
22 with respect to the merger, consolidation, or other
23 acquisition of control, need not take into account the
24 effect on competition of the merger, consolidation, or
25 other acquisition of control;

26 (3) the Director shall have the power to require the

1 following information:

2 (A) certification by an independent actuary of the
3 adequacy of the reserves of the Health Maintenance
4 Organization sought to be acquired;

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

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

16 (D) such other information as the Director shall
17 require.

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

24 (e) In considering any management contract or service
25 agreement subject to Section 141.1 of the Illinois Insurance
26 Code, the Director (i) shall, in addition to the criteria

1 specified in Section 141.2 of the Illinois Insurance Code, take
2 into account the effect of the management contract or service
3 agreement on the continuation of benefits to enrollees and the
4 financial condition of the health maintenance organization to
5 be managed or serviced, and (ii) need not take into account the
6 effect of the management contract or service agreement on
7 competition.

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

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

21 (ii) the amount of the refund or additional premium
22 shall not exceed 20% of the Health Maintenance
23 Organization's profitable or unprofitable experience with
24 respect to the group or other enrollment unit for the
25 period (and, for purposes of a refund or additional
26 premium, the profitable or unprofitable experience shall

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

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

22 In no event shall the Illinois Health Maintenance
23 Organization Guaranty Association be liable to pay any
24 contractual obligation of an insolvent organization to pay any
25 refund authorized under this Section.

26 (g) Rulemaking authority to implement Public Act 95-1045,

1 if 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. 97-282, eff. 8-9-11; 97-343, eff. 1-1-12; 97-437,
7 eff. 8-18-11; 97-486, eff. 1-1-12; 97-592, eff. 1-1-12; 97-805,
8 eff. 1-1-13; 97-813, eff. 7-13-12; 98-189, eff. 1-1-14;
9 98-1091, eff. 1-1-15.)

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

12 (215 ILCS 130/4003) (from Ch. 73, par. 1504-3)

13 Sec. 4003. Illinois Insurance Code provisions. Limited
14 health service organizations shall be subject to the provisions
15 of Sections 133, 134, 136, 137, 139, 140, 141.1, 141.2, 141.3,
16 143, 143c, 147, 148, 149, 151, 152, 153, 154, 154.5, 154.6,
17 154.7, 154.8, 155.04, 155.37, 355.2, 355.3, 355b, 356v,
18 356z.10, 356z.21, 356z.22, 368a, 370b.1, 401, 401.1, 402, 403,
19 403A, 408, 408.2, 409, 412, 444, and 444.1 and Articles IIA,
20 VIII 1/2, XII, XII 1/2, XIII, XIII 1/2, XXV, and XXVI of the
21 Illinois Insurance Code. For purposes of the Illinois Insurance
22 Code, except for Sections 444 and 444.1 and Articles XIII and
23 XIII 1/2, limited health service organizations in the following
24 categories are deemed to be domestic companies:

- 1 (1) a corporation under the laws of this State; or
2 (2) a corporation organized under the laws of another
3 state, 30% of more of the enrollees of which are residents
4 of this State, except a corporation subject to
5 substantially the same requirements in its state of
6 organization as is a domestic company under Article VIII
7 1/2 of the Illinois Insurance Code.

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

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

13 (215 ILCS 165/10) (from Ch. 32, par. 604)

14 Sec. 10. Application of Insurance Code provisions. Health
15 services plan corporations and all persons interested therein
16 or dealing therewith shall be subject to the provisions of
17 Articles IIA and XII 1/2 and Sections 3.1, 133, 136, 139, 140,
18 143, 143c, 149, 155.22a, 155.37, 354, 355.2, 355.3, 355b, 356g,
19 356g.5, 356g.5-1, 356r, 356t, 356u, 356v, 356w, 356x, 356y,
20 356z.1, 356z.2, 356z.4, 356z.5, 356z.6, 356z.8, 356z.9,
21 356z.10, 356z.11, 356z.12, 356z.13, 356z.14, 356z.15, 356z.18,
22 356z.19, 356z.21, 356z.22, 364.01, 367.2, 368a, 370b.1, 401,
23 401.1, 402, 403, 403A, 408, 408.2, and 412, and paragraphs (7)
24 and (15) of Section 367 of the Illinois Insurance Code.

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

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

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

12 (305 ILCS 5/5-16.8)

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

21 On and after July 1, 2012, the Department shall reduce any
22 rate of reimbursement for services or other payments or alter
23 any methodologies authorized by this Code to reduce any rate of
24 reimbursement for services or other payments in accordance with

1 Section 5-5e.

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