



104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

HB2440

Introduced 2/4/2025, by Rep. Mary Beth Canty

SYNOPSIS AS INTRODUCED:

215 ILCS 5/513b8 new
215 ILCS 5/513b9 new

Amends the Illinois Insurance Code. Requires any pharmacy benefit manager or health insurer to provide notice of a change in prescription drug coverage or pricing, including instructions on appeals and exceptions, to beneficiaries of health plans in the State who would be affected by the change. Provides that any pharmacy benefit manager or health insurer must, on or before July 30, 2026, submit to the Department for approval a plan by which beneficiaries may appeal, or request an exception to, a contemplated change in coverage. Provides that this process must allow beneficiaries to present evidence for their appeal or exception. Provides that if the Department of Insurance determines that the processes for requesting appeals or exceptions are insufficient, or do not adequately rely on medical necessity, the Department shall set forth required changes to the process within 90 days of receipt. Provides that if the pharmacy benefit manager or health insurer disputes the changes, a hearing may be requested within 10 days after receipt of the changes, and the Department shall enter a final written decision within 5 days of the hearing.

LRB104 06171 BAB 16205 b

1 AN ACT concerning regulation.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Illinois Insurance Code is amended by
5 adding Sections 513b8 and 513b9 as follows:

6 (215 ILCS 5/513b8 new)

7 Sec. 513b8. Prescription drug pricing transparency.

8 (a) As used in this Section:

9 "Cost-sharing information" means the amount a covered
10 individual is required to pay to receive a drug that is covered
11 under the covered individual's health plan.

12 "Coverage" means health care services to which a covered
13 individual is entitled under the terms of the health plan.

14 (b) Any pharmacy benefit manager or health insurer must,
15 before making any changes in prescription drug coverage or
16 pricing that would impact a health plan in the State, provide
17 notice of the contemplated change in coverage to any
18 beneficiaries who would be affected. Within 90 days before any
19 decision is finalized, written notice must be provided and
20 sent by first class mail or email to all beneficiaries that
21 would be affected. The notice must include all relevant
22 cost-sharing information, any changes in coverage being
23 contemplated, and instructions on how to appeal a change in

1 coverage or request an exception specified in Section 513b9 of
2 this Code.

3 (215 ILCS 5/513b9 new)

4 Sec. 513b9. Price change appeals and exceptions.

5 (a) Any pharmacy benefit manager or health insurer must,
6 on or before July 30, 2026, submit to the Department for
7 approval a plan containing processes by which beneficiaries
8 may appeal or request an exception to a contemplated change in
9 coverage. The appeals process must allow beneficiaries to
10 present evidence of why new coverage would not be as effective
11 and why medical necessity should prevent a change in coverage.
12 The exception process must allow beneficiaries to present
13 evidence as to why their specific medical needs require an
14 exception.

15 (b) If the Department determines the plan for appeals or
16 requesting an exception is insufficient, or does not
17 adequately rely on medical necessity, the Department shall set
18 forth required changes to the plan within 90 days after
19 receipt of the plan. If the pharmacy benefit manager or health
20 insurer disputes the Department's changes, a hearing before
21 the Department may be requested within 10 calendar days after
22 receipt of the changes. A final written decision shall be
23 issued by the Department within 5 days after the hearing.