



Rep. Lilian Jiménez

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10400HB3248ham001

LRB104 08344 BAB 24123 a

1 AMENDMENT TO HOUSE BILL 3248

2 AMENDMENT NO. \_\_\_\_\_. Amend House Bill 3248 by replacing  
3 everything after the enacting clause with the following:

4 "Section 5. The State Employees Group Insurance Act of  
5 1971 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  
9 provide the post-mastectomy care benefits required to be  
10 covered by a policy of accident and health insurance under  
11 Section 356t of the Illinois Insurance Code. The program of  
12 health benefits shall provide the coverage required under  
13 Sections 356g, 356g.5, 356g.5-1, 356m, 356q, 356u, 356u.10,  
14 356w, 356x, 356z.2, 356z.4, 356z.4a, 356z.5, 356z.6, 356z.8,  
15 356z.9, 356z.10, 356z.11, 356z.12, 356z.13, 356z.14, 356z.15,  
16 356z.17, 356z.22, 356z.25, 356z.26, 356z.29, 356z.30, 356z.32,

1 356z.33, 356z.36, 356z.40, 356z.41, 356z.45, 356z.46, 356z.47,  
2 356z.51, 356z.53, 356z.54, 356z.55, 356z.56, 356z.57, 356z.59,  
3 356z.60, 356z.61, 356z.62, 356z.64, 356z.67, 356z.68, ~~and~~  
4 356z.70, ~~and~~ 356z.71, 356z.74, 356z.76, 356z.77, and 356z.80  
5 of the Illinois Insurance Code. The program of health benefits  
6 must comply with Sections 155.22a, 155.37, 355b, 356z.19,  
7 370c, and 370c.1 and Article XXXIIB of the Illinois Insurance  
8 Code. The program of health benefits shall provide the  
9 coverage required under Section 356m of the Illinois Insurance  
10 Code and, for the employees of the State Employee Group  
11 Insurance Program only, the coverage as also provided in  
12 Section 6.11B of this Act. The Department of Insurance shall  
13 enforce the requirements of this Section with respect to  
14 Sections 370c and 370c.1 of the Illinois Insurance Code; all  
15 other requirements of this Section shall be enforced by the  
16 Department of Central Management Services.

17 Rulemaking authority to implement Public Act 95-1045, if  
18 any, is conditioned on the rules being adopted in accordance  
19 with all provisions of the Illinois Administrative Procedure  
20 Act and all rules and procedures of the Joint Committee on  
21 Administrative Rules; any purported rule not so adopted, for  
22 whatever reason, is unauthorized.

23 (Source: P.A. 102-30, eff. 1-1-22; 102-103, eff. 1-1-22;  
24 102-203, eff. 1-1-22; 102-306, eff. 1-1-22; 102-642, eff.  
25 1-1-22; 102-665, eff. 10-8-21; 102-731, eff. 1-1-23; 102-768,  
26 eff. 1-1-24; 102-804, eff. 1-1-23; 102-813, eff. 5-13-22;

1 102-816, eff. 1-1-23; 102-860, eff. 1-1-23; 102-1093, eff.  
2 1-1-23; 102-1117, eff. 1-13-23; 103-8, eff. 1-1-24; 103-84,  
3 eff. 1-1-24; 103-91, eff. 1-1-24; 103-420, eff. 1-1-24;  
4 103-445, eff. 1-1-24; 103-535, eff. 8-11-23; 103-551, eff.  
5 8-11-23; 103-605, eff. 7-1-24; 103-718, eff. 7-19-24; 103-751,  
6 eff. 8-2-24; 103-870, eff. 1-1-25; 103-914, eff. 1-1-25;  
7 103-918, eff. 1-1-25; 103-951, eff. 1-1-25; 103-1024, eff.  
8 1-1-25; revised 11-26-24.)

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

11 (55 ILCS 5/5-1069.3)

12 Sec. 5-1069.3. Required health benefits. If a county,  
13 including a home rule county, is a self-insurer for purposes  
14 of providing health insurance coverage for its employees, the  
15 coverage shall include coverage for the post-mastectomy care  
16 benefits required to be covered by a policy of accident and  
17 health insurance under Section 356t and the coverage required  
18 under Sections 356g, 356g.5, 356g.5-1, 356m, 356q, 356u,  
19 356u.10, 356w, 356x, 356z.4, 356z.4a, 356z.6, 356z.8, 356z.9,  
20 356z.10, 356z.11, 356z.12, 356z.13, 356z.14, 356z.15, 356z.22,  
21 356z.25, 356z.26, 356z.29, 356z.30, 356z.32, 356z.33, 356z.36,  
22 356z.40, 356z.41, 356z.45, 356z.46, 356z.47, 356z.48, 356z.51,  
23 356z.53, 356z.54, 356z.56, 356z.57, 356z.59, 356z.60, 356z.61,  
24 356z.62, 356z.64, 356z.67, 356z.68, ~~and~~ 356z.70, ~~and~~ 356z.71, and

1 356z.74, 356z.77, and 356z.80 of the Illinois Insurance Code.  
2 The coverage shall comply with Sections 155.22a, 355b,  
3 356z.19, and 370c of the Illinois Insurance Code. The  
4 Department of Insurance shall enforce the requirements of this  
5 Section. The requirement that health benefits be covered as  
6 provided in this Section is an exclusive power and function of  
7 the State and is a denial and limitation under Article VII,  
8 Section 6, subsection (h) of the Illinois Constitution. A home  
9 rule county 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. 102-30, eff. 1-1-22; 102-103, eff. 1-1-22;  
18 102-203, eff. 1-1-22; 102-306, eff. 1-1-22; 102-443, eff.  
19 1-1-22; 102-642, eff. 1-1-22; 102-665, eff. 10-8-21; 102-731,  
20 eff. 1-1-23; 102-804, eff. 1-1-23; 102-813, eff. 5-13-22;  
21 102-816, eff. 1-1-23; 102-860, eff. 1-1-23; 102-1093, eff.  
22 1-1-23; 102-1117, eff. 1-13-23; 103-84, eff. 1-1-24; 103-91,  
23 eff. 1-1-24; 103-420, eff. 1-1-24; 103-445, eff. 1-1-24;  
24 103-535, eff. 8-11-23; 103-551, eff. 8-11-23; 103-605, eff.  
25 7-1-24; 103-718, eff. 7-19-24; 103-751, eff. 8-2-24; 103-914,  
26 eff. 1-1-25; 103-918, eff. 1-1-25; 103-1024, eff. 1-1-25;

1 revised 11-26-24.)

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

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

5 Sec. 10-4-2.3. Required health benefits. If a  
6 municipality, including a home rule municipality, is a  
7 self-insurer for purposes of providing health insurance  
8 coverage for its employees, the coverage shall include  
9 coverage for the post-mastectomy care benefits required to be  
10 covered by a policy of accident and health insurance under  
11 Section 356t and the coverage required under Sections 356g,  
12 356g.5, 356g.5-1, 356m, 356q, 356u, 356u.10, 356w, 356x,  
13 356z.4, 356z.4a, 356z.6, 356z.8, 356z.9, 356z.10, 356z.11,  
14 356z.12, 356z.13, 356z.14, 356z.15, 356z.22, 356z.25, 356z.26,  
15 356z.29, 356z.30, 356z.32, 356z.33, 356z.36, 356z.40, 356z.41,  
16 356z.45, 356z.46, 356z.47, 356z.48, 356z.51, 356z.53, 356z.54,  
17 356z.56, 356z.57, 356z.59, 356z.60, 356z.61, 356z.62, 356z.64,  
18 356z.67, 356z.68, ~~and~~ 356z.70, ~~and~~ 356z.71, 356z.74, 356z.77,  
19 and 356z.80 of the Illinois Insurance Code. The coverage shall  
20 comply with Sections 155.22a, 355b, 356z.19, and 370c of the  
21 Illinois Insurance Code. The Department of Insurance shall  
22 enforce the requirements of this Section. The requirement that  
23 health benefits be covered as provided in this is an exclusive  
24 power and function of the State and is a denial and limitation

1 under Article VII, Section 6, subsection (h) of the Illinois  
2 Constitution. A home rule municipality to which this Section  
3 applies must comply with every provision of this Section.

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

10 (Source: P.A. 102-30, eff. 1-1-22; 102-103, eff. 1-1-22;  
11 102-203, eff. 1-1-22; 102-306, eff. 1-1-22; 102-443, eff.  
12 1-1-22; 102-642, eff. 1-1-22; 102-665, eff. 10-8-21; 102-731,  
13 eff. 1-1-23; 102-804, eff. 1-1-23; 102-813, eff. 5-13-22;  
14 102-816, eff. 1-1-23; 102-860, eff. 1-1-23; 102-1093, eff.  
15 1-1-23; 102-1117, eff. 1-13-23; 103-84, eff. 1-1-24; 103-91,  
16 eff. 1-1-24; 103-420, eff. 1-1-24; 103-445, eff. 1-1-24;  
17 103-535, eff. 8-11-23; 103-551, eff. 8-11-23; 103-605, eff.  
18 7-1-24; 103-718, eff. 7-19-24; 103-751, eff. 8-2-24; 103-914,  
19 eff. 1-1-25; 103-918, eff. 1-1-25; 103-1024, eff. 1-1-25;  
20 revised 11-26-24.)

21 Section 20. The School Code is amended by changing Section  
22 10-22.3f as follows:

23 (105 ILCS 5/10-22.3f)

24 Sec. 10-22.3f. Required health benefits. Insurance

1 protection and benefits for employees shall provide the  
2 post-mastectomy care benefits required to be covered by a  
3 policy of accident and health insurance under Section 356t and  
4 the coverage required under Sections 356g, 356g.5, 356g.5-1,  
5 356m, 356q, 356u, 356u.10, 356w, 356x, 356z.4, 356z.4a,  
6 356z.6, 356z.8, 356z.9, 356z.11, 356z.12, 356z.13, 356z.14,  
7 356z.15, 356z.22, 356z.25, 356z.26, 356z.29, 356z.30, 356z.32,  
8 356z.33, 356z.36, 356z.40, 356z.41, 356z.45, 356z.46, 356z.47,  
9 356z.51, 356z.53, 356z.54, 356z.56, 356z.57, 356z.59, 356z.60,  
10 356z.61, 356z.62, 356z.64, 356z.67, 356z.68, ~~and~~ 356z.70, ~~and~~  
11 356z.71, 356z.74, 356z.77, and 356z.80 of the Illinois  
12 Insurance Code. Insurance policies shall comply with Section  
13 356z.19 of the Illinois Insurance Code. The coverage shall  
14 comply with Sections 155.22a, 355b, and 370c of the Illinois  
15 Insurance Code. The Department of Insurance shall enforce the  
16 requirements of this Section.

17 Rulemaking authority to implement Public Act 95-1045, if  
18 any, is conditioned on the rules being adopted in accordance  
19 with all provisions of the Illinois Administrative Procedure  
20 Act and all rules and procedures of the Joint Committee on  
21 Administrative Rules; any purported rule not so adopted, for  
22 whatever reason, is unauthorized.

23 (Source: P.A. 102-30, eff. 1-1-22; 102-103, eff. 1-1-22;  
24 102-203, eff. 1-1-22; 102-306, eff. 1-1-22; 102-642, eff.  
25 1-1-22; 102-665, eff. 10-8-21; 102-731, eff. 1-1-23; 102-804,  
26 eff. 1-1-23; 102-813, eff. 5-13-22; 102-816, eff. 1-1-23;

1 102-860, eff. 1-1-23; 102-1093, eff. 1-1-23; 102-1117, eff.  
2 1-13-23; 103-84, eff. 1-1-24; 103-91, eff. 1-1-24; 103-420,  
3 eff. 1-1-24; 103-445, eff. 1-1-24; 103-535, eff. 8-11-23;  
4 103-551, eff. 8-11-23; 103-605, eff. 7-1-24; 103-718, eff.  
5 7-19-24; 103-751, eff. 8-2-24; 103-914, eff. 1-1-25; 103-918,  
6 eff. 1-1-25; 103-1024, eff. 1-1-25; revised 11-26-24.)

7 Section 25. The Illinois Insurance Code is amended by  
8 adding Section 356z.80 as follows:

9 (215 ILCS 5/356z.80 new)

10 Sec. 356z.80. Laser hair removal. Any group or individual  
11 policy of accident or health insurance or a managed care plan  
12 that is amended, delivered, issued, or renewed after January  
13 1, 2027 shall provide coverage for medically necessary laser  
14 hair removal if the procedure is a prescribed medical  
15 treatment in accordance with generally accepted standards of  
16 medical care.

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

19 (215 ILCS 125/5-3) (from Ch. 111 1/2, par. 1411.2)

20 (Text of Section before amendment by P.A. 103-808)

21 Sec. 5-3. Insurance Code provisions.

22 (a) Health Maintenance Organizations shall be subject to

1 the provisions of Sections 133, 134, 136, 137, 139, 140,  
2 141.1, 141.2, 141.3, 143, 143.31, 143c, 147, 148, 149, 151,  
3 152, 153, 154, 154.5, 154.6, 154.7, 154.8, 155.04, 155.22a,  
4 155.49, 352c, 355.2, 355.3, 355.6, 355b, 355c, 356f, 356g.5-1,  
5 356m, 356q, 356u.10, 356v, 356w, 356x, 356z.2, 356z.3a,  
6 356z.4, 356z.4a, 356z.5, 356z.6, 356z.8, 356z.9, 356z.10,  
7 356z.11, 356z.12, 356z.13, 356z.14, 356z.15, 356z.17, 356z.18,  
8 356z.19, 356z.20, 356z.21, 356z.22, 356z.23, 356z.24, 356z.25,  
9 356z.26, 356z.28, 356z.29, 356z.30, 356z.31, 356z.32, 356z.33,  
10 356z.34, 356z.35, 356z.36, 356z.37, 356z.38, 356z.39, 356z.40,  
11 356z.40a, 356z.41, 356z.44, 356z.45, 356z.46, 356z.47,  
12 356z.48, 356z.49, 356z.50, 356z.51, 356z.53, 356z.54, 356z.55,  
13 356z.56, 356z.57, 356z.58, 356z.59, 356z.60, 356z.61, 356z.62,  
14 356z.63, 356z.64, 356z.65, 356z.66, 356z.67, 356z.68, 356z.69,  
15 356z.70, 356z.71, 356z.72, 356z.73, 356z.74, 356z.75, 356z.77,  
16 356z.80, 364, 364.01, 364.3, 367.2, 367.2-5, 367i, 368a, 368b,  
17 368c, 368d, 368e, 370c, 370c.1, 401, 401.1, 402, 403, 403A,  
18 408, 408.2, 409, 412, 444, and 444.1, paragraph (c) of  
19 subsection (2) of Section 367, and Articles IIA, VIII 1/2,  
20 XII, XII 1/2, XIII, XIII 1/2, XXV, XXVI, and XXXIIB of the  
21 Illinois Insurance Code.

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

26 (1) a corporation authorized under the Dental Service

1 Plan Act or the Voluntary Health Services Plans Act;

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

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

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

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

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

25 (3) the Director shall have the power to require the  
26 following information:

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

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

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

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

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

23          (e) In considering any management contract or service  
24          agreement subject to Section 141.1 of the Illinois Insurance  
25          Code, the Director (i) shall, in addition to the criteria  
26          specified in Section 141.2 of the Illinois Insurance Code,

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

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

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

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

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

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

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

25 (g) Rulemaking authority to implement Public Act 95-1045,  
26 if any, is conditioned on the rules being adopted in

1 accordance with all provisions of the Illinois Administrative  
2 Procedure Act and all rules and procedures of the Joint  
3 Committee on Administrative Rules; any purported rule not so  
4 adopted, for whatever reason, is unauthorized.

5 (Source: P.A. 102-30, eff. 1-1-22; 102-34, eff. 6-25-21;  
6 102-203, eff. 1-1-22; 102-306, eff. 1-1-22; 102-443, eff.  
7 1-1-22; 102-589, eff. 1-1-22; 102-642, eff. 1-1-22; 102-665,  
8 eff. 10-8-21; 102-731, eff. 1-1-23; 102-775, eff. 5-13-22;  
9 102-804, eff. 1-1-23; 102-813, eff. 5-13-22; 102-816, eff.  
10 1-1-23; 102-860, eff. 1-1-23; 102-901, eff. 7-1-22; 102-1093,  
11 eff. 1-1-23; 102-1117, eff. 1-13-23; 103-84, eff. 1-1-24;  
12 103-91, eff. 1-1-24; 103-123, eff. 1-1-24; 103-154, eff.  
13 6-30-23; 103-420, eff. 1-1-24; 103-426, eff. 8-4-23; 103-445,  
14 eff. 1-1-24; 103-551, eff. 8-11-23; 103-605, eff. 7-1-24;  
15 103-618, eff. 1-1-25; 103-649, eff. 1-1-25; 103-656, eff.  
16 1-1-25; 103-700, eff. 1-1-25; 103-718, eff. 7-19-24; 103-751,  
17 eff. 8-2-24; 103-753, eff. 8-2-24; 103-758, eff. 1-1-25;  
18 103-777, eff. 8-2-24; 103-914, eff. 1-1-25; 103-918, eff.  
19 1-1-25; 103-1024, eff. 1-1-25; revised 9-26-24.)

20 (Text of Section after amendment by P.A. 103-808)

21 Sec. 5-3. Insurance Code provisions.

22 (a) Health Maintenance Organizations shall be subject to  
23 the provisions of Sections 133, 134, 136, 137, 139, 140,  
24 141.1, 141.2, 141.3, 143, 143.31, 143c, 147, 148, 149, 151,  
25 152, 153, 154, 154.5, 154.6, 154.7, 154.8, 155.04, 155.22a,

1 155.49, 352c, 355.2, 355.3, 355.6, 355b, 355c, 356f, 356g,  
2 356g.5-1, 356m, 356q, 356u.10, 356v, 356w, 356x, 356z.2,  
3 356z.3a, 356z.4, 356z.4a, 356z.5, 356z.6, 356z.8, 356z.9,  
4 356z.10, 356z.11, 356z.12, 356z.13, 356z.14, 356z.15, 356z.17,  
5 356z.18, 356z.19, 356z.20, 356z.21, 356z.22, 356z.23, 356z.24,  
6 356z.25, 356z.26, 356z.28, 356z.29, 356z.30, 356z.31, 356z.32,  
7 356z.33, 356z.34, 356z.35, 356z.36, 356z.37, 356z.38, 356z.39,  
8 356z.40, 356z.40a, 356z.41, 356z.44, 356z.45, 356z.46,  
9 356z.47, 356z.48, 356z.49, 356z.50, 356z.51, 356z.53, 356z.54,  
10 356z.55, 356z.56, 356z.57, 356z.58, 356z.59, 356z.60, 356z.61,  
11 356z.62, 356z.63, 356z.64, 356z.65, 356z.66, 356z.67, 356z.68,  
12 356z.69, 356z.70, 356z.71, 356z.72, 356z.73, 356z.74, 356z.75,  
13 356z.77, 356z.80, 364, 364.01, 364.3, 367.2, 367.2-5, 367i,  
14 368a, 368b, 368c, 368d, 368e, 370c, 370c.1, 401, 401.1, 402,  
15 403, 403A, 408, 408.2, 409, 412, 444, and 444.1, paragraph (c)  
16 of subsection (2) of Section 367, and Articles IIA, VIII 1/2,  
17 XII, XII 1/2, XIII, XIII 1/2, XXV, XXVI, and XXXIIB of the  
18 Illinois Insurance Code.

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

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

25 (2) a corporation organized under the laws of this  
26 State; or

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

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

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

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

22           (3) the Director shall have the power to require the  
23 following information:

24           (A) certification by an independent actuary of the  
25 adequacy of the reserves of the Health Maintenance  
26 Organization sought to be acquired;

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

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

12 (D) such other information as the Director shall  
13 require.

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

20 (e) In considering any management contract or service  
21 agreement subject to Section 141.1 of the Illinois Insurance  
22 Code, the Director (i) shall, in addition to the criteria  
23 specified in Section 141.2 of the Illinois Insurance Code,  
24 take into account the effect of the management contract or  
25 service agreement on the continuation of benefits to enrollees  
26 and the financial condition of the health maintenance

1 organization to be managed or serviced, and (ii) need not take  
2 into account the effect of the management contract or service  
3 agreement on competition.

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

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

17 (ii) the amount of the refund or additional premium  
18 shall not exceed 20% of the Health Maintenance  
19 Organization's profitable or unprofitable experience with  
20 respect to the group or other enrollment unit for the  
21 period (and, for purposes of a refund or additional  
22 premium, the profitable or unprofitable experience shall  
23 be calculated taking into account a pro rata share of the  
24 Health Maintenance Organization's administrative and  
25 marketing expenses, but shall not include any refund to be  
26 made or additional premium to be paid pursuant to this

1 subsection (f)). The Health Maintenance Organization and  
2 the group or enrollment unit may agree that the profitable  
3 or unprofitable experience may be calculated taking into  
4 account the refund period and the immediately preceding 2  
5 plan years.

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

18 In no event shall the Illinois Health Maintenance  
19 Organization Guaranty Association be liable to pay any  
20 contractual obligation of an insolvent organization to pay any  
21 refund authorized under this Section.

22 (g) Rulemaking authority to implement Public Act 95-1045,  
23 if any, is conditioned on the rules being adopted in  
24 accordance with all provisions of the Illinois Administrative  
25 Procedure Act and all rules and procedures of the Joint  
26 Committee on Administrative Rules; any purported rule not so

1 adopted, for whatever reason, is unauthorized.

2 (Source: P.A. 102-30, eff. 1-1-22; 102-34, eff. 6-25-21;  
3 102-203, eff. 1-1-22; 102-306, eff. 1-1-22; 102-443, eff.  
4 1-1-22; 102-589, eff. 1-1-22; 102-642, eff. 1-1-22; 102-665,  
5 eff. 10-8-21; 102-731, eff. 1-1-23; 102-775, eff. 5-13-22;  
6 102-804, eff. 1-1-23; 102-813, eff. 5-13-22; 102-816, eff.  
7 1-1-23; 102-860, eff. 1-1-23; 102-901, eff. 7-1-22; 102-1093,  
8 eff. 1-1-23; 102-1117, eff. 1-13-23; 103-84, eff. 1-1-24;  
9 103-91, eff. 1-1-24; 103-123, eff. 1-1-24; 103-154, eff.  
10 6-30-23; 103-420, eff. 1-1-24; 103-426, eff. 8-4-23; 103-445,  
11 eff. 1-1-24; 103-551, eff. 8-11-23; 103-605, eff. 7-1-24;  
12 103-618, eff. 1-1-25; 103-649, eff. 1-1-25; 103-656, eff.  
13 1-1-25; 103-700, eff. 1-1-25; 103-718, eff. 7-19-24; 103-751,  
14 eff. 8-2-24; 103-753, eff. 8-2-24; 103-758, eff. 1-1-25;  
15 103-777, eff. 8-2-24; 103-808, eff. 1-1-26; 103-914, eff.  
16 1-1-25; 103-918, eff. 1-1-25; 103-1024, eff. 1-1-25; revised  
17 11-26-24.)

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

20 (215 ILCS 130/4003) (from Ch. 73, par. 1504-3)

21 Sec. 4003. Illinois Insurance Code provisions. Limited  
22 health service organizations shall be subject to the  
23 provisions of Sections 133, 134, 136, 137, 139, 140, 141.1,  
24 141.2, 141.3, 143, 143.31, 143c, 147, 148, 149, 151, 152, 153,

1 154, 154.5, 154.6, 154.7, 154.8, 155.04, 155.37, 155.49, 352c,  
2 355.2, 355.3, 355b, 355d, 356m, 356q, 356v, 356z.4, 356z.4a,  
3 356z.10, 356z.21, 356z.22, 356z.25, 356z.26, 356z.29, 356z.32,  
4 356z.33, 356z.41, 356z.46, 356z.47, 356z.51, 356z.53, 356z.54,  
5 356z.57, 356z.59, 356z.61, 356z.64, 356z.67, 356z.68, 356z.71,  
6 356z.73, 356z.74, 356z.75, 356z.80, 364.3, 368a, 401, 401.1,  
7 402, 403, 403A, 408, 408.2, 409, 412, 444, and 444.1 and  
8 Articles IIA, VIII 1/2, XII, XII 1/2, XIII, XIII 1/2, XXV, and  
9 XXVI of the Illinois Insurance Code. Nothing in this Section  
10 shall require a limited health care plan to cover any service  
11 that is not a limited health service. For purposes of the  
12 Illinois Insurance Code, except for Sections 444 and 444.1 and  
13 Articles XIII and XIII 1/2, limited health service  
14 organizations in the following categories are deemed to be  
15 domestic companies:

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

17 (2) a corporation organized under the laws of another  
18 state, 30% or more of the enrollees of which are residents  
19 of this State, except a corporation subject to  
20 substantially the same requirements in its state of  
21 organization as is a domestic company under Article VIII  
22 1/2 of the Illinois Insurance Code.

23 (Source: P.A. 102-30, eff. 1-1-22; 102-203, eff. 1-1-22;  
24 102-306, eff. 1-1-22; 102-642, eff. 1-1-22; 102-731, eff.  
25 1-1-23; 102-775, eff. 5-13-22; 102-813, eff. 5-13-22; 102-816,  
26 eff. 1-1-23; 102-860, eff. 1-1-23; 102-1093, eff. 1-1-23;

1 102-1117, eff. 1-13-23; 103-84, eff. 1-1-24; 103-91, eff.  
2 1-1-24; 103-420, eff. 1-1-24; 103-426, eff. 8-4-23; 103-445,  
3 eff. 1-1-24; 103-605, eff. 7-1-24; 103-649, eff. 1-1-25;  
4 103-656, eff. 1-1-25; 103-700, eff. 1-1-25; 103-718, eff.  
5 7-19-24; 103-751, eff. 8-2-24; 103-758, eff. 1-1-25; 103-832,  
6 eff. 1-1-25; 103-1024, eff. 1-1-25; revised 11-26-24.)

7 Section 40. 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, 136, 139, 140,  
14 143, 143.31, 143c, 149, 155.22a, 155.37, 354, 355.2, 355.3,  
15 355b, 355d, 356g, 356g.5, 356g.5-1, 356m, 356q, 356r, 356t,  
16 356u, 356u.10, 356v, 356w, 356x, 356y, 356z.1, 356z.2,  
17 356z.3a, 356z.4, 356z.4a, 356z.5, 356z.6, 356z.8, 356z.9,  
18 356z.10, 356z.11, 356z.12, 356z.13, 356z.14, 356z.15, 356z.18,  
19 356z.19, 356z.21, 356z.22, 356z.25, 356z.26, 356z.29, 356z.30,  
20 356z.32, 356z.32a, 356z.33, 356z.40, 356z.41, 356z.46,  
21 356z.47, 356z.51, 356z.53, 356z.54, 356z.56, 356z.57, 356z.59,  
22 356z.60, 356z.61, 356z.62, 356z.64, 356z.67, 356z.68, 356z.71,  
23 356z.72, 356z.74, 356z.75, 356z.77, 356z.80, 364.01, 364.3,  
24 367.2, 368a, 401, 401.1, 402, 403, 403A, 408, 408.2, and 412,

1 and paragraphs (7) and (15) of Section 367 of the Illinois  
2 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. 102-30, eff. 1-1-22; 102-203, eff. 1-1-22;  
10 102-306, eff. 1-1-22; 102-642, eff. 1-1-22; 102-665, eff.  
11 10-8-21; 102-731, eff. 1-1-23; 102-775, eff. 5-13-22; 102-804,  
12 eff. 1-1-23; 102-813, eff. 5-13-22; 102-816, eff. 1-1-23;  
13 102-860, eff. 1-1-23; 102-901, eff. 7-1-22; 102-1093, eff.  
14 1-1-23; 102-1117, eff. 1-13-23; 103-84, eff. 1-1-24; 103-91,  
15 eff. 1-1-24; 103-420, eff. 1-1-24; 103-445, eff. 1-1-24;  
16 103-551, eff. 8-11-23; 103-605, eff. 7-1-24; 103-656, eff.  
17 1-1-25; 103-718, eff. 7-19-24; 103-751, eff. 8-2-24; 103-753,  
18 eff. 8-2-24; 103-758, eff. 1-1-25; 103-832, eff. 1-1-25;  
19 103-914, eff. 1-1-25; 103-918, eff. 1-1-25; 103-1024, eff.  
20 1-1-25; revised 11-26-24.)

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, 356q, 356u, 356w, 356x, 356z.6,  
5 356z.26, 356z.29, 356z.32, 356z.33, 356z.34, 356z.35, 356z.46,  
6 356z.47, 356z.51, 356z.53, 356z.59, 356z.60, 356z.61, 356z.64,  
7 ~~and 356z.67, and 356z.71~~, 356z.75, and 356z.80 of the Illinois  
8 Insurance Code, (ii) be subject to the provisions of Sections  
9 356z.19, 356z.44, 356z.49, 364.01, 370c, and 370c.1 of the  
10 Illinois Insurance Code, and (iii) be subject to the  
11 provisions of subsection (d-5) of Section 10 of the Network  
12 Adequacy and Transparency Act.

13 The Department, by rule, shall adopt a model similar to  
14 the requirements of Section 356z.39 of the Illinois Insurance  
15 Code.

16 On and after July 1, 2012, the Department shall reduce any  
17 rate of reimbursement for services or other payments or alter  
18 any methodologies authorized by this Code to reduce any rate  
19 of reimbursement for services or other payments in accordance  
20 with Section 5-5e.

21 To ensure full access to the benefits set forth in this  
22 Section, on and after January 1, 2016, the Department shall  
23 ensure that provider and hospital reimbursement for  
24 post-mastectomy care benefits required under this Section are  
25 no lower than the Medicare reimbursement rate.

26 (Source: P.A. 102-30, eff. 1-1-22; 102-144, eff. 1-1-22;

1 102-203, eff. 1-1-22; 102-306, eff. 1-1-22; 102-530, eff.  
2 1-1-22; 102-642, eff. 1-1-22; 102-804, eff. 1-1-23; 102-813,  
3 eff. 5-13-22; 102-816, eff. 1-1-23; 102-1093, eff. 1-1-23;  
4 102-1117, eff. 1-13-23; 103-84, eff. 1-1-24; 103-91, eff.  
5 1-1-24; 103-420, eff. 1-1-24; 103-605, eff. 7-1-24; 103-703,  
6 eff. 1-1-25; 103-758, eff. 1-1-25; 103-1024, eff. 1-1-25;  
7 revised 11-26-24.)

8 Section 95. No acceleration or delay. Where this Act makes  
9 changes in a statute that is represented in this Act by text  
10 that is not yet or no longer in effect (for example, a Section  
11 represented by multiple versions), the use of that text does  
12 not accelerate or delay the taking effect of (i) the changes  
13 made by this Act or (ii) provisions derived from any other  
14 Public Act."