



104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

SB1418

Introduced 1/31/2025, by Sen. Napoleon Harris, III

SYNOPSIS AS INTRODUCED:

5 ILCS 375/6.11	
55 ILCS 5/5-1069.3	
65 ILCS 5/10-4-2.3	
105 ILCS 5/10-22.3f	
215 ILCS 5/356z.80 new	
215 ILCS 125/5-3	from Ch. 111 1/2, par. 1411.2
215 ILCS 130/4003	from Ch. 73, par. 1504-3
215 ILCS 165/10	from Ch. 32, par. 604
305 ILCS 5/5-16.8	

Amends the Illinois Insurance Code. Provides that a group or individual plan of accident and health insurance or managed care plan amended, delivered, issued, or renewed after January 1, 2026 must provide coverage, no less than once every 12 months, for a peripheral artery disease screening test for any at-risk individual. Amends the State Employees Group Insurance Act of 1971, the Counties Code, the Illinois Municipal Code, the School Code, the Health Maintenance Organization Act, the Limited Health Service Organization Act, the Voluntary Health Services Plans Act, and the Illinois Public Aid Code to require coverage under those provisions.

LRB104 06136 BAB 16169 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 1. Findings. The General Assembly finds that:

5 (1) Atherosclerosis occurs when blood flow is reduced
6 because arteries become narrowed or blocked with fatty
7 deposits.

8 (2) Atherosclerosis is responsible for more deaths in
9 the United States than any other condition, and heart
10 attacks resulting from clogged coronary arteries are the
11 leading cause of death in America.

12 (3) Atherosclerosis also occurs in the legs and is
13 known as peripheral artery disease (referred to as "PAD"),
14 and having PAD significantly increases the risk for heart
15 attack, stroke, amputation, and death.

16 (4) While most Americans are aware of atherosclerosis
17 in the heart, many Americans have never heard of PAD and
18 Americans with PAD are often unaware of the serious risks
19 of the disease.

20 (5) An estimated 21,000,000 Americans have PAD, and
21 about 200,000 of them, who are disproportionately
22 minorities, suffer avoidable amputations every year as a
23 result of such disease.

24 (6) Screening and arterial testing for PAD is cost

1 effective and should be part of routine medical care.

2 (7) Once PAD is detected, amputations and deaths can
3 be reduced through the use of national, evidence-based PAD
4 care guidelines.

5 Section 5. The State Employees Group Insurance Act of 1971
6 is amended by changing Section 6.11 as follows:

7 (5 ILCS 375/6.11)

8 Sec. 6.11. Required health benefits; Illinois Insurance
9 Code requirements. The program of health benefits shall
10 provide the post-mastectomy care benefits required to be
11 covered by a policy of accident and health insurance under
12 Section 356t of the Illinois Insurance Code. The program of
13 health benefits shall provide the coverage required under
14 Sections 356g, 356g.5, 356g.5-1, 356m, 356q, 356u, 356u.10,
15 356w, 356x, 356z.2, 356z.4, 356z.4a, 356z.5, 356z.6, 356z.8,
16 356z.9, 356z.10, 356z.11, 356z.12, 356z.13, 356z.14, 356z.15,
17 356z.17, 356z.22, 356z.25, 356z.26, 356z.29, 356z.30, 356z.32,
18 356z.33, 356z.36, 356z.40, 356z.41, 356z.45, 356z.46, 356z.47,
19 356z.51, 356z.53, 356z.54, 356z.55, 356z.56, 356z.57, 356z.59,
20 356z.60, 356z.61, 356z.62, 356z.64, 356z.67, 356z.68, ~~and~~
21 356z.70, ~~and~~ 356z.71, 356z.74, 356z.76, 356z.77, and 356z.80
22 of the Illinois Insurance Code. The program of health benefits
23 must comply with Sections 155.22a, 155.37, 355b, 356z.19,
24 370c, and 370c.1 and Article XXXIIB of the Illinois Insurance

1 Code. The program of health benefits shall provide the
2 coverage required under Section 356m of the Illinois Insurance
3 Code and, for the employees of the State Employee Group
4 Insurance Program only, the coverage as also provided in
5 Section 6.11B of this Act. The Department of Insurance shall
6 enforce the requirements of this Section with respect to
7 Sections 370c and 370c.1 of the Illinois Insurance Code; all
8 other requirements of this Section shall be enforced by the
9 Department of Central Management Services.

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

16 (Source: P.A. 102-30, eff. 1-1-22; 102-103, eff. 1-1-22;
17 102-203, eff. 1-1-22; 102-306, eff. 1-1-22; 102-642, eff.
18 1-1-22; 102-665, eff. 10-8-21; 102-731, eff. 1-1-23; 102-768,
19 eff. 1-1-24; 102-804, eff. 1-1-23; 102-813, eff. 5-13-22;
20 102-816, eff. 1-1-23; 102-860, eff. 1-1-23; 102-1093, eff.
21 1-1-23; 102-1117, eff. 1-13-23; 103-8, eff. 1-1-24; 103-84,
22 eff. 1-1-24; 103-91, eff. 1-1-24; 103-420, eff. 1-1-24;
23 103-445, eff. 1-1-24; 103-535, eff. 8-11-23; 103-551, eff.
24 8-11-23; 103-605, eff. 7-1-24; 103-718, eff. 7-19-24; 103-751,
25 eff. 8-2-24; 103-870, eff. 1-1-25; 103-914, eff. 1-1-25;
26 103-918, eff. 1-1-25; 103-951, eff. 1-1-25; 103-1024, eff.

1 1-1-25; revised 11-26-24.)

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

4 (55 ILCS 5/5-1069.3)

5 Sec. 5-1069.3. Required health benefits. If a county,
6 including a home rule county, is a self-insurer for purposes
7 of providing health insurance coverage for its employees, the
8 coverage shall include coverage for the post-mastectomy care
9 benefits required to be covered by a policy of accident and
10 health insurance under Section 356t and the coverage required
11 under Sections 356g, 356g.5, 356g.5-1, 356m, 356q, 356u,
12 356u.10, 356w, 356x, 356z.4, 356z.4a, 356z.6, 356z.8, 356z.9,
13 356z.10, 356z.11, 356z.12, 356z.13, 356z.14, 356z.15, 356z.22,
14 356z.25, 356z.26, 356z.29, 356z.30, 356z.32, 356z.33, 356z.36,
15 356z.40, 356z.41, 356z.45, 356z.46, 356z.47, 356z.48, 356z.51,
16 356z.53, 356z.54, 356z.56, 356z.57, 356z.59, 356z.60, 356z.61,
17 356z.62, 356z.64, 356z.67, 356z.68, ~~and~~ 356z.70, ~~and~~ 356z.71, 356z.74, 356z.77, and 356z.80 of the Illinois Insurance Code.
18 The coverage shall comply with Sections 155.22a, 355b,
19 356z.19, and 370c of the Illinois Insurance Code. The
20 Department of Insurance shall enforce the requirements of this
21 Section. The requirement that health benefits be covered as
22 provided in this Section is an exclusive power and function of
23 the State and is a denial and limitation under Article VII,
24

1 Section 6, subsection (h) of the Illinois Constitution. A home
2 rule county to which this Section applies must comply with
3 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 15. The Illinois Municipal Code is amended by
22 changing Section 10-4-2.3 as follows:

23 (65 ILCS 5/10-4-2.3)

24 Sec. 10-4-2.3. Required health benefits. If a

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

23 Rulemaking authority to implement Public Act 95-1045, if
24 any, is conditioned on the rules being adopted in accordance
25 with all provisions of the Illinois Administrative Procedure
26 Act and all rules and procedures of the Joint Committee on

1 Administrative Rules; any purported rule not so adopted, for
2 whatever reason, is unauthorized.

3 (Source: P.A. 102-30, eff. 1-1-22; 102-103, eff. 1-1-22;
4 102-203, eff. 1-1-22; 102-306, eff. 1-1-22; 102-443, eff.
5 1-1-22; 102-642, eff. 1-1-22; 102-665, eff. 10-8-21; 102-731,
6 eff. 1-1-23; 102-804, eff. 1-1-23; 102-813, eff. 5-13-22;
7 102-816, eff. 1-1-23; 102-860, eff. 1-1-23; 102-1093, eff.
8 1-1-23; 102-1117, eff. 1-13-23; 103-84, eff. 1-1-24; 103-91,
9 eff. 1-1-24; 103-420, eff. 1-1-24; 103-445, eff. 1-1-24;
10 103-535, eff. 8-11-23; 103-551, eff. 8-11-23; 103-605, eff.
11 7-1-24; 103-718, eff. 7-19-24; 103-751, eff. 8-2-24; 103-914,
12 eff. 1-1-25; 103-918, eff. 1-1-25; 103-1024, eff. 1-1-25;
13 revised 11-26-24.)

14 Section 20. The School Code is amended by changing Section
15 10-22.3f as follows:

16 (105 ILCS 5/10-22.3f)

17 Sec. 10-22.3f. Required health benefits. Insurance
18 protection and benefits for employees shall provide the
19 post-mastectomy care benefits required to be covered by a
20 policy of accident and health insurance under Section 356t and
21 the coverage required under Sections 356g, 356g.5, 356g.5-1,
22 356m, 356q, 356u, 356u.10, 356w, 356x, 356z.4, 356z.4a,
23 356z.6, 356z.8, 356z.9, 356z.11, 356z.12, 356z.13, 356z.14,
24 356z.15, 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.56, 356z.57, 356z.59, 356z.60,
3 356z.61, 356z.62, 356z.64, 356z.67, 356z.68, ~~and~~ 356z.70, ~~and~~
4 356z.71, 356z.74, 356z.77, and 356z.80 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, 355b, and 370c of the Illinois
8 Insurance Code. The Department of Insurance shall enforce the
9 requirements of this Section.

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

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

1 Section 22. The Illinois Insurance Code is amended by
2 adding Section 356z.80 as follows:

3 (215 ILCS 5/356z.80 new)

4 Sec. 356z.80. Coverage for peripheral artery disease
5 screening test.

6 (a) As used in this Section:

7 "At-risk individual" means an individual who:

8 (1) is 65 years of age or older;

9 (2) is at least 50 years of age but not older than 64
10 years of age with risk factors for atherosclerosis, such
11 as diabetes mellitus, a history of smoking,
12 hyperlipidemia, or hypertension, or a family history of
13 peripheral artery disease;

14 (3) is younger than 50 years of age with diabetes
15 mellitus and one additional risk factor for
16 atherosclerosis; or

17 (4) has a known atherosclerotic disease in another
18 vascular bed, such as coronary, carotid, subclavian,
19 renal, or mesenteric artery stenosis, or abdominal aortic
20 aneurysm.

21 "Peripheral artery disease screening test" means:

22 (1) noninvasive physiologic studies of extremity
23 arteries (commonly referred to as ankle-brachial index
24 testing); or

25 (2) ankle plethysmographic pulse volume recordings and

1 Doppler waveforms.

2 (b) A group or individual plan of accident and health
3 insurance or managed care plan amended, delivered, issued, or
4 renewed after January 1, 2026 must provide coverage, no less
5 than once every 12 months, for a peripheral artery disease
6 screening test for any at-risk individual.

7 Section 25. The Health Maintenance Organization Act is
8 amended by changing Section 5-3 as follows:

9 (215 ILCS 125/5-3) (from Ch. 111 1/2, par. 1411.2)

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

11 Sec. 5-3. Insurance Code provisions.

12 (a) Health Maintenance Organizations shall be subject to
13 the provisions of Sections 133, 134, 136, 137, 139, 140,
14 141.1, 141.2, 141.3, 143, 143.31, 143c, 147, 148, 149, 151,
15 152, 153, 154, 154.5, 154.6, 154.7, 154.8, 155.04, 155.22a,
16 155.49, 352c, 355.2, 355.3, 355.6, 355b, 355c, 356f, 356g.5-1,
17 356m, 356q, 356u.10, 356v, 356w, 356x, 356z.2, 356z.3a,
18 356z.4, 356z.4a, 356z.5, 356z.6, 356z.8, 356z.9, 356z.10,
19 356z.11, 356z.12, 356z.13, 356z.14, 356z.15, 356z.17, 356z.18,
20 356z.19, 356z.20, 356z.21, 356z.22, 356z.23, 356z.24, 356z.25,
21 356z.26, 356z.28, 356z.29, 356z.30, 356z.31, 356z.32, 356z.33,
22 356z.34, 356z.35, 356z.36, 356z.37, 356z.38, 356z.39, 356z.40,
23 356z.40a, 356z.41, 356z.44, 356z.45, 356z.46, 356z.47,
24 356z.48, 356z.49, 356z.50, 356z.51, 356z.53, 356z.54, 356z.55,

1 356z.56, 356z.57, 356z.58, 356z.59, 356z.60, 356z.61, 356z.62,
2 356z.63, 356z.64, 356z.65, 356z.66, 356z.67, 356z.68, 356z.69,
3 356z.70, 356z.71, 356z.72, 356z.73, 356z.74, 356z.75, 356z.77,
4 356z.80, 364, 364.01, 364.3, 367.2, 367.2-5, 367i, 368a, 368b,
5 368c, 368d, 368e, 370c, 370c.1, 401, 401.1, 402, 403, 403A,
6 408, 408.2, 409, 412, 444, and 444.1, paragraph (c) of
7 subsection (2) of Section 367, and Articles IIA, VIII 1/2,
8 XII, XII 1/2, XIII, XIII 1/2, XXV, XXVI, and XXXIIB of the
9 Illinois Insurance Code.

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

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

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

18 (3) a corporation organized under the laws of another
19 state, 30% or more of the enrollees of which are residents
20 of this State, except a corporation subject to
21 substantially the same requirements in its state of
22 organization as is a "domestic company" under Article VIII
23 1/2 of the Illinois Insurance Code.

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

1 (1) the Director shall give primary consideration to
2 the continuation of benefits to enrollees and the
3 financial conditions of the acquired Health Maintenance
4 Organization after the merger, consolidation, or other
5 acquisition of control takes effect;

6 (2) (i) the criteria specified in subsection (1) (b) of
7 Section 131.8 of the Illinois Insurance Code shall not
8 apply and (ii) the Director, in making his determination
9 with respect to the merger, consolidation, or other
10 acquisition of control, need not take into account the
11 effect on competition of the merger, consolidation, or
12 other acquisition of control;

13 (3) the Director shall have the power to require the
14 following information:

15 (A) certification by an independent actuary of the
16 adequacy of the reserves of the Health Maintenance
17 Organization sought to be acquired;

18 (B) pro forma financial statements reflecting the
19 combined balance sheets of the acquiring company and
20 the Health Maintenance Organization sought to be
21 acquired as of the end of the preceding year and as of
22 a date 90 days prior to the acquisition, as well as pro
23 forma financial statements reflecting projected
24 combined operation for a period of 2 years;

25 (C) a pro forma business plan detailing an
26 acquiring party's plans with respect to the operation

1 of the Health Maintenance Organization sought to be
2 acquired for a period of not less than 3 years; and

3 (D) such other information as the Director shall
4 require.

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

11 (e) In considering any management contract or service
12 agreement subject to Section 141.1 of the Illinois Insurance
13 Code, the Director (i) shall, in addition to the criteria
14 specified in Section 141.2 of the Illinois Insurance Code,
15 take into account the effect of the management contract or
16 service agreement on the continuation of benefits to enrollees
17 and the financial condition of the health maintenance
18 organization to be managed or serviced, and (ii) need not take
19 into account the effect of the management contract or service
20 agreement on competition.

21 (f) Except for small employer groups as defined in the
22 Small Employer Rating, Renewability and Portability Health
23 Insurance Act and except for medicare supplement policies as
24 defined in Section 363 of the Illinois Insurance Code, a
25 Health Maintenance Organization may by contract agree with a
26 group or other enrollment unit to effect refunds or charge

1 additional premiums under the following terms and conditions:

2 (i) the amount of, and other terms and conditions with
3 respect to, the refund or additional premium are set forth
4 in the group or enrollment unit contract agreed in advance
5 of the period for which a refund is to be paid or
6 additional premium is to be charged (which period shall
7 not be less than one year); and

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

23 The Health Maintenance Organization shall include a
24 statement in the evidence of coverage issued to each enrollee
25 describing the possibility of a refund or additional premium,
26 and upon request of any group or enrollment unit, provide to

1 the group or enrollment unit a description of the method used
2 to calculate (1) the Health Maintenance Organization's
3 profitable experience with respect to the group or enrollment
4 unit and the resulting refund to the group or enrollment unit
5 or (2) the Health Maintenance Organization's unprofitable
6 experience with respect to the group or enrollment unit and
7 the resulting additional premium to be paid by the group or
8 enrollment unit.

9 In no event shall the Illinois Health Maintenance
10 Organization Guaranty Association be liable to pay any
11 contractual obligation of an insolvent organization to pay any
12 refund authorized under this Section.

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

19 (Source: P.A. 102-30, eff. 1-1-22; 102-34, eff. 6-25-21;
20 102-203, eff. 1-1-22; 102-306, eff. 1-1-22; 102-443, eff.
21 1-1-22; 102-589, eff. 1-1-22; 102-642, eff. 1-1-22; 102-665,
22 eff. 10-8-21; 102-731, eff. 1-1-23; 102-775, eff. 5-13-22;
23 102-804, eff. 1-1-23; 102-813, eff. 5-13-22; 102-816, eff.
24 1-1-23; 102-860, eff. 1-1-23; 102-901, eff. 7-1-22; 102-1093,
25 eff. 1-1-23; 102-1117, eff. 1-13-23; 103-84, eff. 1-1-24;
26 103-91, eff. 1-1-24; 103-123, eff. 1-1-24; 103-154, eff.

1 6-30-23; 103-420, eff. 1-1-24; 103-426, eff. 8-4-23; 103-445,
2 eff. 1-1-24; 103-551, eff. 8-11-23; 103-605, eff. 7-1-24;
3 103-618, eff. 1-1-25; 103-649, eff. 1-1-25; 103-656, eff.
4 1-1-25; 103-700, eff. 1-1-25; 103-718, eff. 7-19-24; 103-751,
5 eff. 8-2-24; 103-753, eff. 8-2-24; 103-758, eff. 1-1-25;
6 103-777, eff. 8-2-24; 103-914, eff. 1-1-25; 103-918, eff.
7 1-1-25; 103-1024, eff. 1-1-25; revised 9-26-24.)

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

9 Sec. 5-3. Insurance Code provisions.

10 (a) Health Maintenance Organizations shall be subject to
11 the provisions of Sections 133, 134, 136, 137, 139, 140,
12 141.1, 141.2, 141.3, 143, 143.31, 143c, 147, 148, 149, 151,
13 152, 153, 154, 154.5, 154.6, 154.7, 154.8, 155.04, 155.22a,
14 155.49, 352c, 355.2, 355.3, 355.6, 355b, 355c, 356f, 356g,
15 356g.5-1, 356m, 356q, 356u.10, 356v, 356w, 356x, 356z.2,
16 356z.3a, 356z.4, 356z.4a, 356z.5, 356z.6, 356z.8, 356z.9,
17 356z.10, 356z.11, 356z.12, 356z.13, 356z.14, 356z.15, 356z.17,
18 356z.18, 356z.19, 356z.20, 356z.21, 356z.22, 356z.23, 356z.24,
19 356z.25, 356z.26, 356z.28, 356z.29, 356z.30, 356z.31, 356z.32,
20 356z.33, 356z.34, 356z.35, 356z.36, 356z.37, 356z.38, 356z.39,
21 356z.40, 356z.40a, 356z.41, 356z.44, 356z.45, 356z.46,
22 356z.47, 356z.48, 356z.49, 356z.50, 356z.51, 356z.53, 356z.54,
23 356z.55, 356z.56, 356z.57, 356z.58, 356z.59, 356z.60, 356z.61,
24 356z.62, 356z.63, 356z.64, 356z.65, 356z.66, 356z.67, 356z.68,
25 356z.69, 356z.70, 356z.71, 356z.72, 356z.73, 356z.74, 356z.75,

1 356z.77, 356z.80, 364, 364.01, 364.3, 367.2, 367.2-5, 367i,
2 368a, 368b, 368c, 368d, 368e, 370c, 370c.1, 401, 401.1, 402,
3 403, 403A, 408, 408.2, 409, 412, 444, and 444.1, paragraph (c)
4 of subsection (2) of Section 367, and Articles IIA, VIII 1/2,
5 XII, XII 1/2, XIII, XIII 1/2, XXV, XXVI, and XXXIIB of the
6 Illinois Insurance Code.

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

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

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

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

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

24 (1) the Director shall give primary consideration to
25 the continuation of benefits to enrollees and the
26 financial conditions of the acquired Health Maintenance

1 Organization after the merger, consolidation, or other
2 acquisition of control takes effect;

3 (2) (i) the criteria specified in subsection (1) (b) of
4 Section 131.8 of the Illinois Insurance Code shall not
5 apply and (ii) the Director, in making his determination
6 with respect to the merger, consolidation, or other
7 acquisition of control, need not take into account the
8 effect on competition of the merger, consolidation, or
9 other acquisition of control;

10 (3) the Director shall have the power to require the
11 following information:

12 (A) certification by an independent actuary of the
13 adequacy of the reserves of the Health Maintenance
14 Organization sought to be acquired;

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

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

26 (D) such other information as the Director shall

1 require.

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

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

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

25 (i) the amount of, and other terms and conditions with
26 respect to, the refund or additional premium are set forth

1 in the group or enrollment unit contract agreed in advance
2 of the period for which a refund is to be paid or
3 additional premium is to be charged (which period shall
4 not be less than one year); and

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

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

1 unit and the resulting refund to the group or enrollment unit
2 or (2) the Health Maintenance Organization's unprofitable
3 experience with respect to the group or enrollment unit and
4 the resulting additional premium to be paid by the group or
5 enrollment unit.

6 In no event shall the Illinois Health Maintenance
7 Organization Guaranty Association be liable to pay any
8 contractual obligation of an insolvent organization to pay any
9 refund authorized under this Section.

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

16 (Source: P.A. 102-30, eff. 1-1-22; 102-34, eff. 6-25-21;
17 102-203, eff. 1-1-22; 102-306, eff. 1-1-22; 102-443, eff.
18 1-1-22; 102-589, eff. 1-1-22; 102-642, eff. 1-1-22; 102-665,
19 eff. 10-8-21; 102-731, eff. 1-1-23; 102-775, eff. 5-13-22;
20 102-804, eff. 1-1-23; 102-813, eff. 5-13-22; 102-816, eff.
21 1-1-23; 102-860, eff. 1-1-23; 102-901, eff. 7-1-22; 102-1093,
22 eff. 1-1-23; 102-1117, eff. 1-13-23; 103-84, eff. 1-1-24;
23 103-91, eff. 1-1-24; 103-123, eff. 1-1-24; 103-154, eff.
24 6-30-23; 103-420, eff. 1-1-24; 103-426, eff. 8-4-23; 103-445,
25 eff. 1-1-24; 103-551, eff. 8-11-23; 103-605, eff. 7-1-24;
26 103-618, eff. 1-1-25; 103-649, eff. 1-1-25; 103-656, eff.

1 1-1-25; 103-700, eff. 1-1-25; 103-718, eff. 7-19-24; 103-751,
2 eff. 8-2-24; 103-753, eff. 8-2-24; 103-758, eff. 1-1-25;
3 103-777, eff. 8-2-24; 103-808, eff. 1-1-26; 103-914, eff.
4 1-1-25; 103-918, eff. 1-1-25; 103-1024, eff. 1-1-25; revised
5 11-26-24.)

6 Section 30. The Limited Health Service Organization Act is
7 amended by changing Section 4003 as follows:

8 (215 ILCS 130/4003) (from Ch. 73, par. 1504-3)

9 Sec. 4003. Illinois Insurance Code provisions. Limited
10 health service organizations shall be subject to the
11 provisions of Sections 133, 134, 136, 137, 139, 140, 141.1,
12 141.2, 141.3, 143, 143.31, 143c, 147, 148, 149, 151, 152, 153,
13 154, 154.5, 154.6, 154.7, 154.8, 155.04, 155.37, 155.49, 352c,
14 355.2, 355.3, 355b, 355d, 356m, 356q, 356v, 356z.4, 356z.4a,
15 356z.10, 356z.21, 356z.22, 356z.25, 356z.26, 356z.29, 356z.32,
16 356z.33, 356z.41, 356z.46, 356z.47, 356z.51, 356z.53, 356z.54,
17 356z.57, 356z.59, 356z.61, 356z.64, 356z.67, 356z.68, 356z.71,
18 356z.73, 356z.74, 356z.75, 356z.80, 364.3, 368a, 401, 401.1,
19 402, 403, 403A, 408, 408.2, 409, 412, 444, and 444.1 and
20 Articles IIA, VIII 1/2, XII, XII 1/2, XIII, XIII 1/2, XXV, and
21 XXVI of the Illinois Insurance Code. Nothing in this Section
22 shall require a limited health care plan to cover any service
23 that is not a limited health service. For purposes of the
24 Illinois Insurance Code, except for Sections 444 and 444.1 and

1 Articles XIII and XIII 1/2, limited health service
2 organizations in the following categories are deemed to be
3 domestic companies:

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

5 (2) 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 (Source: P.A. 102-30, eff. 1-1-22; 102-203, eff. 1-1-22;
12 102-306, eff. 1-1-22; 102-642, eff. 1-1-22; 102-731, eff.
13 1-1-23; 102-775, eff. 5-13-22; 102-813, eff. 5-13-22; 102-816,
14 eff. 1-1-23; 102-860, eff. 1-1-23; 102-1093, eff. 1-1-23;
15 102-1117, eff. 1-13-23; 103-84, eff. 1-1-24; 103-91, eff.
16 1-1-24; 103-420, eff. 1-1-24; 103-426, eff. 8-4-23; 103-445,
17 eff. 1-1-24; 103-605, eff. 7-1-24; 103-649, eff. 1-1-25;
18 103-656, eff. 1-1-25; 103-700, eff. 1-1-25; 103-718, eff.
19 7-19-24; 103-751, eff. 8-2-24; 103-758, eff. 1-1-25; 103-832,
20 eff. 1-1-25; 103-1024, eff. 1-1-25; revised 11-26-24.)

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

23 (215 ILCS 165/10) (from Ch. 32, par. 604)

24 Sec. 10. Application of Insurance Code provisions. Health

1 services plan corporations and all persons interested therein
2 or dealing therewith shall be subject to the provisions of
3 Articles IIA and XII 1/2 and Sections 3.1, 133, 136, 139, 140,
4 143, 143.31, 143c, 149, 155.22a, 155.37, 354, 355.2, 355.3,
5 355b, 355d, 356g, 356g.5, 356g.5-1, 356m, 356q, 356r, 356t,
6 356u, 356u.10, 356v, 356w, 356x, 356y, 356z.1, 356z.2,
7 356z.3a, 356z.4, 356z.4a, 356z.5, 356z.6, 356z.8, 356z.9,
8 356z.10, 356z.11, 356z.12, 356z.13, 356z.14, 356z.15, 356z.18,
9 356z.19, 356z.21, 356z.22, 356z.25, 356z.26, 356z.29, 356z.30,
10 356z.32, 356z.32a, 356z.33, 356z.40, 356z.41, 356z.46,
11 356z.47, 356z.51, 356z.53, 356z.54, 356z.56, 356z.57, 356z.59,
12 356z.60, 356z.61, 356z.62, 356z.64, 356z.67, 356z.68, 356z.71,
13 356z.72, 356z.74, 356z.75, 356z.77, 356z.80, 364.01, 364.3,
14 367.2, 368a, 401, 401.1, 402, 403, 403A, 408, 408.2, and 412,
15 and paragraphs (7) and (15) of Section 367 of the Illinois
16 Insurance Code.

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; 102-203, eff. 1-1-22;
24 102-306, eff. 1-1-22; 102-642, eff. 1-1-22; 102-665, eff.
25 10-8-21; 102-731, eff. 1-1-23; 102-775, eff. 5-13-22; 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; 102-901, eff. 7-1-22; 102-1093, eff.
2 1-1-23; 102-1117, eff. 1-13-23; 103-84, eff. 1-1-24; 103-91,
3 eff. 1-1-24; 103-420, eff. 1-1-24; 103-445, eff. 1-1-24;
4 103-551, eff. 8-11-23; 103-605, eff. 7-1-24; 103-656, eff.
5 1-1-25; 103-718, eff. 7-19-24; 103-751, eff. 8-2-24; 103-753,
6 eff. 8-2-24; 103-758, eff. 1-1-25; 103-832, eff. 1-1-25;
7 103-914, eff. 1-1-25; 103-918, eff. 1-1-25; 103-1024, eff.
8 1-1-25; revised 11-26-24.)

9 Section 40. The Illinois Public Aid Code is amended by
10 changing Section 5-16.8 as follows:

11 (305 ILCS 5/5-16.8)

12 Sec. 5-16.8. Required health benefits. The medical
13 assistance program shall (i) provide the post-mastectomy care
14 benefits required to be covered by a policy of accident and
15 health insurance under Section 356t and the coverage required
16 under Sections 356g.5, 356q, 356u, 356w, 356x, 356z.6,
17 356z.26, 356z.29, 356z.32, 356z.33, 356z.34, 356z.35, 356z.46,
18 356z.47, 356z.51, 356z.53, 356z.59, 356z.60, 356z.61, 356z.64,
19 ~~and~~ 356z.67, ~~and~~ 356z.71, 356z.75, and 356z.80 of the Illinois
20 Insurance Code, (ii) be subject to the provisions of Sections
21 356z.19, 356z.44, 356z.49, 364.01, 370c, and 370c.1 of the
22 Illinois Insurance Code, and (iii) be subject to the
23 provisions of subsection (d-5) of Section 10 of the Network
24 Adequacy and Transparency Act.

1 The Department, by rule, shall adopt a model similar to
2 the requirements of Section 356z.39 of the Illinois Insurance
3 Code.

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

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

14 (Source: P.A. 102-30, eff. 1-1-22; 102-144, eff. 1-1-22;
15 102-203, eff. 1-1-22; 102-306, eff. 1-1-22; 102-530, eff.
16 1-1-22; 102-642, eff. 1-1-22; 102-804, eff. 1-1-23; 102-813,
17 eff. 5-13-22; 102-816, eff. 1-1-23; 102-1093, eff. 1-1-23;
18 102-1117, eff. 1-13-23; 103-84, eff. 1-1-24; 103-91, eff.
19 1-1-24; 103-420, eff. 1-1-24; 103-605, eff. 7-1-24; 103-703,
20 eff. 1-1-25; 103-758, eff. 1-1-25; 103-1024, eff. 1-1-25;
21 revised 11-26-24.)

22 Section 95. No acceleration or delay. Where this Act makes
23 changes in a statute that is represented in this Act by text
24 that is not yet or no longer in effect (for example, a Section
25 represented by multiple versions), the use of that text does

1 not accelerate or delay the taking effect of (i) the changes
2 made by this Act or (ii) provisions derived from any other
3 Public Act.