

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 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  
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,  
17 356z.33, 356z.36, 356z.40, 356z.41, 356z.45, 356z.46, 356z.47,  
18 356z.51, 356z.53, 356z.54, 356z.55, 356z.56, 356z.57, 356z.59,  
19 356z.60, 356z.61, 356z.62, 356z.64, 356z.67, 356z.68, ~~and~~  
20 356z.70, ~~and~~ 356z.71, 356z.74, 356z.76, 356z.77, and 356z.80  
21 of the Illinois Insurance Code. The program of health benefits  
22 must comply with Sections 155.22a, 155.37, 355b, 356z.19,  
23 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,~~  
18 356z.74, 356z.77, and 356z.80 of the Illinois Insurance Code.  
19 The coverage shall comply with Sections 155.22a, 355b,  
20 356z.19, and 370c of the Illinois Insurance Code. The  
21 Department of Insurance shall enforce the requirements of this  
22 Section. The requirement that health benefits be covered as  
23 provided in this Section is an exclusive power and function of  
24 the State and is a denial and limitation under Article VII,

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. A group or individual plan of accident and  
6 health insurance or managed care plan amended, delivered,  
7 issued, or renewed on or after January 1, 2027 shall provide  
8 medically necessary coverage for a peripheral artery disease  
9 screening test for any at-risk individual, as defined by the  
10 American College of Cardiology and the American Heart  
11 Association's Joint Committee on Clinical Practice Guidelines.

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

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

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

16 Sec. 5-3. Insurance Code provisions.

17 (a) Health Maintenance Organizations shall be subject to  
18 the provisions of Sections 133, 134, 136, 137, 139, 140,  
19 141.1, 141.2, 141.3, 143, 143.31, 143c, 147, 148, 149, 151,  
20 152, 153, 154, 154.5, 154.6, 154.7, 154.8, 155.04, 155.22a,  
21 155.49, 352c, 355.2, 355.3, 355.6, 355b, 355c, 356f, 356g.5-1,  
22 356m, 356q, 356u.10, 356v, 356w, 356x, 356z.2, 356z.3a,  
23 356z.4, 356z.4a, 356z.5, 356z.6, 356z.8, 356z.9, 356z.10,

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

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

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

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

24 (3) a corporation organized under the laws of another  
25 state, 30% or more of the enrollees of which are residents  
26 of this State, except a corporation subject to

1 substantially the same requirements in its state of  
2 organization as is a "domestic company" under Article VIII  
3 1/2 of the Illinois Insurance Code.

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

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

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

19 (3) the Director shall have the power to require the  
20 following information:

21 (A) certification by an independent actuary of the  
22 adequacy of the reserves of the Health Maintenance  
23 Organization sought to be acquired;

24 (B) pro forma financial statements reflecting the  
25 combined balance sheets of the acquiring company and  
26 the Health Maintenance Organization sought to be

1           acquired as of the end of the preceding year and as of  
2           a date 90 days prior to the acquisition, as well as pro  
3           forma financial statements reflecting projected  
4           combined operation for a period of 2 years;

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

9           (D) such other information as the Director shall  
10          require.

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

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

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

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

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

1 account the refund period and the immediately preceding 2  
2 plan years.

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

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

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

25 (Source: P.A. 102-30, eff. 1-1-22; 102-34, eff. 6-25-21;  
26 102-203, eff. 1-1-22; 102-306, eff. 1-1-22; 102-443, eff.

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

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

15 Sec. 5-3. Insurance Code provisions.

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

1 356z.33, 356z.34, 356z.35, 356z.36, 356z.37, 356z.38, 356z.39,  
2 356z.40, 356z.40a, 356z.41, 356z.44, 356z.45, 356z.46,  
3 356z.47, 356z.48, 356z.49, 356z.50, 356z.51, 356z.53, 356z.54,  
4 356z.55, 356z.56, 356z.57, 356z.58, 356z.59, 356z.60, 356z.61,  
5 356z.62, 356z.63, 356z.64, 356z.65, 356z.66, 356z.67, 356z.68,  
6 356z.69, 356z.70, 356z.71, 356z.72, 356z.73, 356z.74, 356z.75,  
7 356z.77, 356z.80, 364, 364.01, 364.3, 367.2, 367.2-5, 367i,  
8 368a, 368b, 368c, 368d, 368e, 370c, 370c.1, 401, 401.1, 402,  
9 403, 403A, 408, 408.2, 409, 412, 444, and 444.1, paragraph (c)  
10 of subsection (2) of Section 367, and Articles IIA, VIII 1/2,  
11 XII, XII 1/2, XIII, XIII 1/2, XXV, XXVI, and XXXIIB of the  
12 Illinois Insurance Code.

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

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

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

21 (3) a corporation organized under the laws of another  
22 state, 30% or more of the enrollees of which are residents  
23 of this State, except a corporation subject to  
24 substantially the same requirements in its state of  
25 organization as is a "domestic company" under Article VIII  
26 1/2 of the Illinois Insurance Code.

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

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

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

16           (3) the Director shall have the power to require the  
17 following information:

18           (A) certification by an independent actuary of the  
19 adequacy of the reserves of the Health Maintenance  
20 Organization sought to be acquired;

21           (B) pro forma financial statements reflecting the  
22 combined balance sheets of the acquiring company and  
23 the Health Maintenance Organization sought to be  
24 acquired as of the end of the preceding year and as of  
25 a date 90 days prior to the acquisition, as well as pro  
26 forma financial statements reflecting projected

1 combined operation for a period of 2 years;

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

6 (D) such other information as the Director shall  
7 require.

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

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

24 (f) Except for small employer groups as defined in the  
25 Small Employer Rating, Renewability and Portability Health  
26 Insurance Act and except for medicare supplement policies as

1 defined in Section 363 of the Illinois Insurance Code, a  
2 Health Maintenance Organization may by contract agree with a  
3 group or other enrollment unit to effect refunds or charge  
4 additional premiums under the following terms and conditions:

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

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

26 The Health Maintenance Organization shall include a

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

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

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

22 (Source: P.A. 102-30, eff. 1-1-22; 102-34, eff. 6-25-21;  
23 102-203, eff. 1-1-22; 102-306, eff. 1-1-22; 102-443, eff.  
24 1-1-22; 102-589, eff. 1-1-22; 102-642, eff. 1-1-22; 102-665,  
25 eff. 10-8-21; 102-731, eff. 1-1-23; 102-775, eff. 5-13-22;  
26 102-804, eff. 1-1-23; 102-813, eff. 5-13-22; 102-816, eff.

1 1-1-23; 102-860, eff. 1-1-23; 102-901, eff. 7-1-22; 102-1093,  
2 eff. 1-1-23; 102-1117, eff. 1-13-23; 103-84, eff. 1-1-24;  
3 103-91, eff. 1-1-24; 103-123, eff. 1-1-24; 103-154, eff.  
4 6-30-23; 103-420, eff. 1-1-24; 103-426, eff. 8-4-23; 103-445,  
5 eff. 1-1-24; 103-551, eff. 8-11-23; 103-605, eff. 7-1-24;  
6 103-618, eff. 1-1-25; 103-649, eff. 1-1-25; 103-656, eff.  
7 1-1-25; 103-700, eff. 1-1-25; 103-718, eff. 7-19-24; 103-751,  
8 eff. 8-2-24; 103-753, eff. 8-2-24; 103-758, eff. 1-1-25;  
9 103-777, eff. 8-2-24; 103-808, eff. 1-1-26; 103-914, eff.  
10 1-1-25; 103-918, eff. 1-1-25; 103-1024, eff. 1-1-25; revised  
11 11-26-24.)

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

14 (215 ILCS 130/4003) (from Ch. 73, par. 1504-3)

15 Sec. 4003. Illinois Insurance Code provisions. Limited  
16 health service organizations shall be subject to the  
17 provisions of Sections 133, 134, 136, 137, 139, 140, 141.1,  
18 141.2, 141.3, 143, 143.31, 143c, 147, 148, 149, 151, 152, 153,  
19 154, 154.5, 154.6, 154.7, 154.8, 155.04, 155.37, 155.49, 352c,  
20 355.2, 355.3, 355b, 355d, 356m, 356q, 356v, 356z.4, 356z.4a,  
21 356z.10, 356z.21, 356z.22, 356z.25, 356z.26, 356z.29, 356z.32,  
22 356z.33, 356z.41, 356z.46, 356z.47, 356z.51, 356z.53, 356z.54,  
23 356z.57, 356z.59, 356z.61, 356z.64, 356z.67, 356z.68, 356z.71,  
24 356z.73, 356z.74, 356z.75, 356z.80, 364.3, 368a, 401, 401.1,

1 402, 403, 403A, 408, 408.2, 409, 412, 444, and 444.1 and  
2 Articles IIA, VIII 1/2, XII, XII 1/2, XIII, XIII 1/2, XXV, and  
3 XXVI of the Illinois Insurance Code. Nothing in this Section  
4 shall require a limited health care plan to cover any service  
5 that is not a limited health service. For purposes of the  
6 Illinois Insurance Code, except for Sections 444 and 444.1 and  
7 Articles XIII and XIII 1/2, limited health service  
8 organizations in the following categories are deemed to be  
9 domestic companies:

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

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

17 (Source: P.A. 102-30, eff. 1-1-22; 102-203, eff. 1-1-22;  
18 102-306, eff. 1-1-22; 102-642, eff. 1-1-22; 102-731, eff.  
19 1-1-23; 102-775, eff. 5-13-22; 102-813, eff. 5-13-22; 102-816,  
20 eff. 1-1-23; 102-860, eff. 1-1-23; 102-1093, eff. 1-1-23;  
21 102-1117, eff. 1-13-23; 103-84, eff. 1-1-24; 103-91, eff.  
22 1-1-24; 103-420, eff. 1-1-24; 103-426, eff. 8-4-23; 103-445,  
23 eff. 1-1-24; 103-605, eff. 7-1-24; 103-649, eff. 1-1-25;  
24 103-656, eff. 1-1-25; 103-700, eff. 1-1-25; 103-718, eff.  
25 7-19-24; 103-751, eff. 8-2-24; 103-758, eff. 1-1-25; 103-832,  
26 eff. 1-1-25; 103-1024, eff. 1-1-25; revised 11-26-24.)

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

3 (215 ILCS 165/10) (from Ch. 32, par. 604)

4 Sec. 10. Application of Insurance Code provisions. Health  
5 services plan corporations and all persons interested therein  
6 or dealing therewith shall be subject to the provisions of  
7 Articles IIA and XII 1/2 and Sections 3.1, 133, 136, 139, 140,  
8 143, 143.31, 143c, 149, 155.22a, 155.37, 354, 355.2, 355.3,  
9 355b, 355d, 356g, 356g.5, 356g.5-1, 356m, 356q, 356r, 356t,  
10 356u, 356u.10, 356v, 356w, 356x, 356y, 356z.1, 356z.2,  
11 356z.3a, 356z.4, 356z.4a, 356z.5, 356z.6, 356z.8, 356z.9,  
12 356z.10, 356z.11, 356z.12, 356z.13, 356z.14, 356z.15, 356z.18,  
13 356z.19, 356z.21, 356z.22, 356z.25, 356z.26, 356z.29, 356z.30,  
14 356z.32, 356z.32a, 356z.33, 356z.40, 356z.41, 356z.46,  
15 356z.47, 356z.51, 356z.53, 356z.54, 356z.56, 356z.57, 356z.59,  
16 356z.60, 356z.61, 356z.62, 356z.64, 356z.67, 356z.68, 356z.71,  
17 356z.72, 356z.74, 356z.75, 356z.77, 356z.80, 364.01, 364.3,  
18 367.2, 368a, 401, 401.1, 402, 403, 403A, 408, 408.2, and 412,  
19 and paragraphs (7) and (15) of Section 367 of the Illinois  
20 Insurance Code.

21 Rulemaking authority to implement Public Act 95-1045, if  
22 any, is conditioned on the rules being adopted in accordance  
23 with all provisions of the Illinois Administrative Procedure  
24 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; 102-203, eff. 1-1-22;  
4 102-306, eff. 1-1-22; 102-642, eff. 1-1-22; 102-665, eff.  
5 10-8-21; 102-731, eff. 1-1-23; 102-775, eff. 5-13-22; 102-804,  
6 eff. 1-1-23; 102-813, eff. 5-13-22; 102-816, eff. 1-1-23;  
7 102-860, eff. 1-1-23; 102-901, eff. 7-1-22; 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;  
10 103-551, eff. 8-11-23; 103-605, eff. 7-1-24; 103-656, eff.  
11 1-1-25; 103-718, eff. 7-19-24; 103-751, eff. 8-2-24; 103-753,  
12 eff. 8-2-24; 103-758, eff. 1-1-25; 103-832, eff. 1-1-25;  
13 103-914, eff. 1-1-25; 103-918, eff. 1-1-25; 103-1024, eff.  
14 1-1-25; revised 11-26-24.)

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

17 (305 ILCS 5/5-16.8)

18 Sec. 5-16.8. Required health benefits. The medical  
19 assistance program shall (i) provide the post-mastectomy care  
20 benefits required to be covered by a policy of accident and  
21 health insurance under Section 356t and the coverage required  
22 under Sections 356g.5, 356q, 356u, 356w, 356x, 356z.6,  
23 356z.26, 356z.29, 356z.32, 356z.33, 356z.34, 356z.35, 356z.46,  
24 356z.47, 356z.51, 356z.53, 356z.59, 356z.60, 356z.61, 356z.64,

1 ~~and~~ 356z.67, ~~and~~ 356z.71, 356z.75, and 356z.80 of the Illinois  
2 Insurance Code, (ii) be subject to the provisions of Sections  
3 356z.19, 356z.44, 356z.49, 364.01, 370c, and 370c.1 of the  
4 Illinois Insurance Code, and (iii) be subject to the  
5 provisions of subsection (d-5) of Section 10 of the Network  
6 Adequacy and Transparency Act.

7 The Department, by rule, shall adopt a model similar to  
8 the requirements of Section 356z.39 of the Illinois Insurance  
9 Code.

10 On and after July 1, 2012, the Department shall reduce any  
11 rate of reimbursement for services or other payments or alter  
12 any methodologies authorized by this Code to reduce any rate  
13 of reimbursement for services or other payments in accordance  
14 with Section 5-5e.

15 To ensure full access to the benefits set forth in this  
16 Section, on and after January 1, 2016, the Department shall  
17 ensure that provider and hospital reimbursement for  
18 post-mastectomy care benefits required under this Section are  
19 no lower than the Medicare reimbursement rate.

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

1 revised 11-26-24.)

2       Section 95. No acceleration or delay. Where this Act makes  
3 changes in a statute that is represented in this Act by text  
4 that is not yet or no longer in effect (for example, a Section  
5 represented by multiple versions), the use of that text does  
6 not accelerate or delay the taking effect of (i) the changes  
7 made by this Act or (ii) provisions derived from any other  
8 Public Act.