



Rep. Seth Lewis

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10200HB2109ham001

LRB102 12330 BMS 25514 a

1 AMENDMENT TO HOUSE BILL 2109

2 AMENDMENT NO. _____. Amend House Bill 2109 by replacing
3 everything after the enacting clause with the following:

4 "Section 1. This Act may be referred to as Cal's Law.

5 Section 5. The Illinois Insurance Code is amended by
6 adding Section 356z.43 as follows:

7 (215 ILCS 5/356z.43 new)

8 Sec. 356z.43. Comprehensive cancer testing.

9 (a) As used in this Section:

10 "Comprehensive cancer testing" includes, but is not
11 limited to, the following forms of testing:

12 (1) Targeted cancer gene panels.

13 (2) Whole-exome genome testing.

14 (3) Whole-genome sequencing.

15 (4) RNA sequencing.

1 (5) Tumor mutation burden.

2 "Prior authorization" means the process by which an
3 insurer, or the insurer's designee, determines the medical
4 necessity and medical appropriateness of otherwise covered
5 health care services before the rendering of such health care
6 services. "Prior authorization" includes any requirement that
7 an enrollee, health care professional, or health care provider
8 notify the insurer, or the insurer's designee, before, at the
9 time of, or concurrently with providing a health care service.

10 "Testing of blood or constitutional tissue for cancer
11 predisposition testing" includes, but is not limited to, the
12 following forms of testing:

13 (1) Targeted cancer gene panels.

14 (2) Whole-exome genome testing.

15 (3) Whole-genome sequencing.

16 (b) An individual or group policy of accident and health
17 insurance or managed care plan that is amended, delivered,
18 issued, or renewed on or after the effective date of this
19 amendatory Act of the 102nd General Assembly shall provide
20 coverage for medically necessary comprehensive cancer testing
21 and testing of blood or constitutional tissue for cancer
22 predisposition testing as determined by a physician licensed
23 to practice medicine in all of its branches.

24 (c) The coverage provided under this Section shall be
25 provided without any prior authorization requirements.

1 Section 10. The Health Maintenance Organization Act is
2 amended by changing Section 5-3 as follows:

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

4 Sec. 5-3. Insurance Code provisions.

5 (a) Health Maintenance Organizations shall be subject to
6 the provisions of Sections 133, 134, 136, 137, 139, 140,
7 141.1, 141.2, 141.3, 143, 143c, 147, 148, 149, 151, 152, 153,
8 154, 154.5, 154.6, 154.7, 154.8, 155.04, 155.22a, 355.2,
9 355.3, 355b, 356g.5-1, 356m, 356v, 356w, 356x, 356y, 356z.2,
10 356z.4, 356z.4a, 356z.5, 356z.6, 356z.8, 356z.9, 356z.10,
11 356z.11, 356z.12, 356z.13, 356z.14, 356z.15, 356z.17, 356z.18,
12 356z.19, 356z.21, 356z.22, 356z.25, 356z.26, 356z.29, 356z.30,
13 356z.30a, 356z.32, 356z.33, 356z.35, 356z.36, 356z.41,
14 356z.43, 364, 364.01, 367.2, 367.2-5, 367i, 368a, 368b, 368c,
15 368d, 368e, 370c, 370c.1, 401, 401.1, 402, 403, 403A, 408,
16 408.2, 409, 412, 444, and 444.1, paragraph (c) of subsection
17 (2) of Section 367, and Articles IIA, VIII 1/2, XII, XII 1/2,
18 XIII, XIII 1/2, XXV, XXVI, and XXXIIB of the Illinois
19 Insurance Code.

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

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

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

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

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

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

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

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

26 (A) certification by an independent actuary of the

1 adequacy of the reserves of the Health Maintenance
2 Organization sought to be acquired;

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

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

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

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

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

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

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

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

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

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

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

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

24 (g) Rulemaking authority to implement Public Act 95-1045,
25 if any, is conditioned on the rules being adopted in
26 accordance with all provisions of the Illinois Administrative

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

4 (Source: P.A. 100-24, eff. 7-18-17; 100-138, eff. 8-18-17;
5 100-863, eff. 8-14-18; 100-1026, eff. 8-22-18; 100-1057, eff.
6 1-1-19; 100-1102, eff. 1-1-19; 101-13, eff. 6-12-19; 101-81,
7 eff. 7-12-19; 101-281, eff. 1-1-20; 101-371, eff. 1-1-20;
8 101-393, eff. 1-1-20; 101-452, eff. 1-1-20; 101-461, eff.
9 1-1-20; 101-625, eff. 1-1-21.)".