



Sen. Kimberly A. Lightford

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10200HB2109sam001

LRB102 12330 BMS 26478 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 "Testing of blood or constitutional tissue for cancer
3 predisposition testing" includes, but is not limited to, the
4 following forms of testing:

5 (1) Targeted cancer gene panels.

6 (2) Whole-exome genome testing.

7 (3) Whole-genome sequencing.

8 (b) An individual or group policy of accident and health
9 insurance or managed care plan that is amended, delivered,
10 issued, or renewed on or after the effective date of this
11 amendatory Act of the 102nd General Assembly shall provide
12 coverage for medically necessary comprehensive cancer testing
13 and testing of blood or constitutional tissue for cancer
14 predisposition testing as determined by a physician licensed
15 to practice medicine in all of its branches.

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

18 (215 ILCS 125/5-3) (from Ch. 111 1/2, par. 1411.2)

19 Sec. 5-3. Insurance Code provisions.

20 (a) Health Maintenance Organizations shall be subject to
21 the provisions of Sections 133, 134, 136, 137, 139, 140,
22 141.1, 141.2, 141.3, 143, 143c, 147, 148, 149, 151, 152, 153,
23 154, 154.5, 154.6, 154.7, 154.8, 155.04, 155.22a, 355.2,
24 355.3, 355b, 356g.5-1, 356m, 356v, 356w, 356x, 356y, 356z.2,

1 356z.4, 356z.4a, 356z.5, 356z.6, 356z.8, 356z.9, 356z.10,
2 356z.11, 356z.12, 356z.13, 356z.14, 356z.15, 356z.17, 356z.18,
3 356z.19, 356z.21, 356z.22, 356z.25, 356z.26, 356z.29, 356z.30,
4 356z.30a, 356z.32, 356z.33, 356z.35, 356z.36, 356z.41,
5 356z.43, 364, 364.01, 367.2, 367.2-5, 367i, 368a, 368b, 368c,
6 368d, 368e, 370c, 370c.1, 401, 401.1, 402, 403, 403A, 408,
7 408.2, 409, 412, 444, and 444.1, paragraph (c) of subsection
8 (2) of Section 367, and Articles IIA, VIII 1/2, XII, XII 1/2,
9 XIII, XIII 1/2, XXV, XXVI, and XXXIIB of the Illinois
10 Insurance Code.

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

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

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

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

25 (c) In considering the merger, consolidation, or other
26 acquisition of control of a Health Maintenance Organization

1 pursuant to Article VIII 1/2 of the Illinois Insurance Code,

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

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

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

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

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

26 (C) a pro forma business plan detailing an

1 acquiring party's plans with respect to the operation
2 of the Health Maintenance Organization sought to be
3 acquired for a period of not less than 3 years; and

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

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

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

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

1 group or other enrollment unit to effect refunds or charge
2 additional premiums under the following terms and conditions:

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

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

24 The Health Maintenance Organization shall include a
25 statement in the evidence of coverage issued to each enrollee
26 describing the possibility of a refund or additional premium,

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

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

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

20 (Source: P.A. 100-24, eff. 7-18-17; 100-138, eff. 8-18-17;
21 100-863, eff. 8-14-18; 100-1026, eff. 8-22-18; 100-1057, eff.
22 1-1-19; 100-1102, eff. 1-1-19; 101-13, eff. 6-12-19; 101-81,
23 eff. 7-12-19; 101-281, eff. 1-1-20; 101-371, eff. 1-1-20;
24 101-393, eff. 1-1-20; 101-452, eff. 1-1-20; 101-461, eff.
25 1-1-20; 101-625, eff. 1-1-21.)".