

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 Counties Code is amended by changing
5 Section 5-1069.3 as follows:

6 (55 ILCS 5/5-1069.3)

7 Sec. 5-1069.3. Required health benefits. If a county,
8 including a home rule county, is a self-insurer for purposes
9 of providing health insurance coverage for its employees, the
10 coverage shall include coverage for the post-mastectomy care
11 benefits required to be covered by a policy of accident and
12 health insurance under Section 356t and the coverage required
13 under Sections 356g, 356g.5, 356g.5-1, 356u, 356w, 356x,
14 356z.6, 356z.8, 356z.9, 356z.10, 356z.11, 356z.12, 356z.13,
15 356z.14, 356z.15, 356z.22, 356z.25, 356z.26, 356z.29,
16 356z.30a, 356z.32, 356z.33, 356z.36, ~~and~~ 356z.41, and 356z.43
17 of the Illinois Insurance Code. The coverage shall comply with
18 Sections 155.22a, 355b, 356z.19, and 370c of the Illinois
19 Insurance Code. The Department of Insurance shall enforce the
20 requirements of this Section. The requirement that health
21 benefits be covered as provided in this Section is an
22 exclusive power and function of the State and is a denial and
23 limitation under Article VII, Section 6, subsection (h) of the

1 Illinois Constitution. A home rule county to which this
2 Section applies must comply with every provision of this
3 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. 100-24, eff. 7-18-17; 100-138, eff. 8-18-17;
11 100-863, eff. 8-14-18; 100-1024, eff. 1-1-19; 100-1057, eff.
12 1-1-19; 100-1102, eff. 1-1-19; 101-81, eff. 7-12-19; 101-281,
13 eff. 1-1-20; 101-393, eff. 1-1-20; 101-461, eff. 1-1-20;
14 101-625, eff. 1-1-21.)

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

17 (65 ILCS 5/10-4-2.3)

18 Sec. 10-4-2.3. Required health benefits. If a
19 municipality, including a home rule municipality, is a
20 self-insurer for purposes of providing health insurance
21 coverage for its employees, the coverage shall include
22 coverage for the post-mastectomy care benefits required to be
23 covered by a policy of accident and health insurance under
24 Section 356t and the coverage required under Sections 356g,

1 356g.5, 356g.5-1, 356u, 356w, 356x, 356z.6, 356z.8, 356z.9,
2 356z.10, 356z.11, 356z.12, 356z.13, 356z.14, 356z.15, 356z.22,
3 356z.25, 356z.26, 356z.29, 356z.30a, 356z.32, 356z.33,
4 356z.36, ~~and~~ 356z.41, and 356z.43 of the Illinois Insurance
5 Code. The coverage shall comply with Sections 155.22a, 355b,
6 356z.19, and 370c of the Illinois Insurance Code. The
7 Department of Insurance shall enforce the requirements of this
8 Section. The requirement that health benefits be covered as
9 provided in this is an exclusive power and function of the
10 State and is a denial and limitation under Article VII,
11 Section 6, subsection (h) of the Illinois Constitution. A home
12 rule municipality to which this Section applies must comply
13 with every provision of this Section.

14 Rulemaking authority to implement Public Act 95-1045, if
15 any, is conditioned on the rules being adopted in accordance
16 with all provisions of the Illinois Administrative Procedure
17 Act and all rules and procedures of the Joint Committee on
18 Administrative Rules; any purported rule not so adopted, for
19 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; 100-1024, eff. 1-1-19; 100-1057, eff.
22 1-1-19; 100-1102, eff. 1-1-19; 101-81, eff. 7-12-19; 101-281,
23 eff. 1-1-20; 101-393, eff. 1-1-20; 101-461, eff. 1-1-20;
24 101-625, eff. 1-1-21.)

25 Section 15. The Illinois Insurance Code is amended by

1 adding Section 356z.43 as follows:

2 (215 ILCS 5/356z.43 new)

3 Sec. 356z.43. Colonoscopy coverage.

4 (a) A group policy of accident and health insurance that
5 is amended, delivered, issued, or renewed on or after January
6 1, 2022 shall provide coverage for a colonoscopy that is a
7 follow-up exam based on an initial screen where the
8 colonoscopy was determined to be medically necessary by a
9 physician licensed to practice medicine in all its branches,
10 an advanced practice registered nurse, or a physician
11 assistant.

12 (b) A policy subject to this Section shall not impose a
13 deductible, coinsurance, copayment, or any other cost-sharing
14 requirement on the coverage provided; except that this
15 subsection does not apply to coverage of colonoscopies to the
16 extent such coverage would disqualify a high-deductible health
17 plan from eligibility for a health savings account pursuant to
18 Section 223 of the Internal Revenue Code.

19 Section 20. The Health Maintenance Organization Act is
20 amended by changing Section 5-3 as follows:

21 (215 ILCS 125/5-3) (from Ch. 111 1/2, par. 1411.2)

22 Sec. 5-3. Insurance Code provisions.

23 (a) Health Maintenance Organizations shall be subject to

1 the provisions of Sections 133, 134, 136, 137, 139, 140,
2 141.1, 141.2, 141.3, 143, 143c, 147, 148, 149, 151, 152, 153,
3 154, 154.5, 154.6, 154.7, 154.8, 155.04, 155.22a, 355.2,
4 355.3, 355b, 356g.5-1, 356m, 356v, 356w, 356x, 356y, 356z.2,
5 356z.4, 356z.4a, 356z.5, 356z.6, 356z.8, 356z.9, 356z.10,
6 356z.11, 356z.12, 356z.13, 356z.14, 356z.15, 356z.17, 356z.18,
7 356z.19, 356z.21, 356z.22, 356z.25, 356z.26, 356z.29, 356z.30,
8 356z.30a, 356z.32, 356z.33, 356z.35, 356z.36, 356z.41,
9 356z.43, 364, 364.01, 367.2, 367.2-5, 367i, 368a, 368b, 368c,
10 368d, 368e, 370c, 370c.1, 401, 401.1, 402, 403, 403A, 408,
11 408.2, 409, 412, 444, and 444.1, paragraph (c) of subsection
12 (2) of Section 367, and Articles IIA, VIII 1/2, XII, XII 1/2,
13 XIII, XIII 1/2, XXV, XXVI, and XXXIIB of the Illinois
14 Insurance Code.

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

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

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

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

1 organization as is a "domestic company" under Article VIII
2 1/2 of the Illinois Insurance Code.

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

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

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

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

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

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

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

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

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

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

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

26 (f) Except for small employer groups as defined in the

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

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

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

1 plan years.

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

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

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

24 (Source: P.A. 100-24, eff. 7-18-17; 100-138, eff. 8-18-17;
25 100-863, eff. 8-14-18; 100-1026, eff. 8-22-18; 100-1057, eff.
26 1-1-19; 100-1102, eff. 1-1-19; 101-13, eff. 6-12-19; 101-81,

1 eff. 7-12-19; 101-281, eff. 1-1-20; 101-371, eff. 1-1-20;
2 101-393, eff. 1-1-20; 101-452, eff. 1-1-20; 101-461, eff.
3 1-1-20; 101-625, eff. 1-1-21.)

4 Section 99. Effective date. This Act takes effect January
5 1, 2022.