

SB2241



102ND GENERAL ASSEMBLY

State of Illinois

2021 and 2022

SB2241

Introduced 2/26/2021, by Sen. Laura M. Murphy

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.43 new
215 ILCS 125/5-3

from Ch. 111 1/2, par. 1411.2

Amends the Illinois Insurance Code. Provides that a group or individual policy of accident and health insurance or managed care plan that is amended, delivered, issued, or renewed after the effective date of the amendatory Act shall provide coverage for hippotherapy and other forms of therapeutic riding. Makes conforming changes in the State Employees Group Insurance Act of 1971, the Counties Code, the Illinois Municipal Code, the School Code, and the Health Maintenance Organization Act.

LRB102 17215 BMS 22673 b

FISCAL NOTE ACT
MAY APPLY

STATE MANDATES
ACT MAY REQUIRE
REIMBURSEMENT

A BILL FOR

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, 356u, 356w, 356x,
14 356z.2, 356z.4, 356z.4a, 356z.6, 356z.8, 356z.9, 356z.10,
15 356z.11, 356z.12, 356z.13, 356z.14, 356z.15, 356z.17, 356z.22,
16 356z.25, 356z.26, 356z.29, 356z.30a, 356z.32, 356z.33,
17 356z.36, ~~and~~ 356z.41, and 356z.43 of the Illinois Insurance
18 Code. The program of health benefits must comply with Sections
19 155.22a, 155.37, 355b, 356z.19, 370c, and 370c.1 and Article
20 XXXIIB of the Illinois Insurance Code. The Department of
21 Insurance shall enforce the requirements of this Section with
22 respect to Sections 370c and 370c.1 of the Illinois Insurance
23 Code; all other requirements of this Section shall be enforced

1 by the Department of Central Management Services.

2 Rulemaking authority to implement Public Act 95-1045, if
3 any, is conditioned on the rules being adopted in accordance
4 with all provisions of the Illinois Administrative Procedure
5 Act and all rules and procedures of the Joint Committee on
6 Administrative Rules; any purported rule not so adopted, for
7 whatever reason, is unauthorized.

8 (Source: P.A. 100-24, eff. 7-18-17; 100-138, eff. 8-18-17;
9 100-863, eff. 8-14-18; 100-1024, eff. 1-1-19; 100-1057, eff.
10 1-1-19; 100-1102, eff. 1-1-19; 100-1170, eff. 6-1-19; 101-13,
11 eff. 6-12-19; 101-281, eff. 1-1-20; 101-393, eff. 1-1-20;
12 101-452, eff. 1-1-20; 101-461, eff. 1-1-20; 101-625, eff.
13 1-1-21.)

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

16 (55 ILCS 5/5-1069.3)

17 Sec. 5-1069.3. Required health benefits. If a county,
18 including a home rule county, is a self-insurer for purposes
19 of providing health insurance coverage for its employees, the
20 coverage shall include coverage for the post-mastectomy care
21 benefits required to be covered by a policy of accident and
22 health insurance under Section 356t and the coverage required
23 under Sections 356g, 356g.5, 356g.5-1, 356u, 356w, 356x,
24 356z.6, 356z.8, 356z.9, 356z.10, 356z.11, 356z.12, 356z.13,

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

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

19 (Source: P.A. 100-24, eff. 7-18-17; 100-138, eff. 8-18-17;
20 100-863, eff. 8-14-18; 100-1024, eff. 1-1-19; 100-1057, eff.
21 1-1-19; 100-1102, eff. 1-1-19; 101-81, eff. 7-12-19; 101-281,
22 eff. 1-1-20; 101-393, eff. 1-1-20; 101-461, eff. 1-1-20;
23 101-625, eff. 1-1-21.)

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

1 (65 ILCS 5/10-4-2.3)

2 Sec. 10-4-2.3. Required health benefits. If a
3 municipality, including a home rule municipality, is a
4 self-insurer for purposes of providing health insurance
5 coverage for its employees, the coverage shall include
6 coverage for the post-mastectomy care benefits required to be
7 covered by a policy of accident and health insurance under
8 Section 356t and the coverage required under Sections 356g,
9 356g.5, 356g.5-1, 356u, 356w, 356x, 356z.6, 356z.8, 356z.9,
10 356z.10, 356z.11, 356z.12, 356z.13, 356z.14, 356z.15, 356z.22,
11 356z.25, 356z.26, 356z.29, 356z.30a, 356z.32, 356z.33,
12 356z.36, ~~and~~ 356z.41, and 356z.43 of the Illinois Insurance
13 Code. The coverage shall comply with Sections 155.22a, 355b,
14 356z.19, and 370c of the Illinois Insurance Code. The
15 Department of Insurance shall enforce the requirements of this
16 Section. The requirement that health benefits be covered as
17 provided in this is an exclusive power and function of the
18 State and is a denial and limitation under Article VII,
19 Section 6, subsection (h) of the Illinois Constitution. A home
20 rule municipality to which this Section applies must comply
21 with every provision of this Section.

22 Rulemaking authority to implement Public Act 95-1045, if
23 any, is conditioned on the rules being adopted in accordance
24 with all provisions of the Illinois Administrative Procedure
25 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. 100-24, eff. 7-18-17; 100-138, eff. 8-18-17;
4 100-863, eff. 8-14-18; 100-1024, eff. 1-1-19; 100-1057, eff.
5 1-1-19; 100-1102, eff. 1-1-19; 101-81, eff. 7-12-19; 101-281,
6 eff. 1-1-20; 101-393, eff. 1-1-20; 101-461, eff. 1-1-20;
7 101-625, eff. 1-1-21.)

8 Section 20. The School Code is amended by changing Section
9 10-22.3f as follows:

10 (105 ILCS 5/10-22.3f)

11 Sec. 10-22.3f. Required health benefits. Insurance
12 protection and benefits for employees shall provide the
13 post-mastectomy care benefits required to be covered by a
14 policy of accident and health insurance under Section 356t and
15 the coverage required under Sections 356g, 356g.5, 356g.5-1,
16 356u, 356w, 356x, 356z.6, 356z.8, 356z.9, 356z.11, 356z.12,
17 356z.13, 356z.14, 356z.15, 356z.22, 356z.25, 356z.26, 356z.29,
18 356z.30a, 356z.32, 356z.33, 356z.36, ~~and~~ 356z.41, and 356z.43
19 of the Illinois Insurance Code. Insurance policies shall
20 comply with Section 356z.19 of the Illinois Insurance Code.
21 The coverage shall comply with Sections 155.22a, 355b, and
22 370c of the Illinois Insurance Code. The Department of
23 Insurance shall enforce the requirements of this Section.

24 Rulemaking authority to implement Public Act 95-1045, if

1 any, is conditioned on the rules being adopted in accordance
2 with all provisions of the Illinois Administrative Procedure
3 Act and all rules and procedures of the Joint Committee on
4 Administrative Rules; any purported rule not so adopted, for
5 whatever reason, is unauthorized.

6 (Source: P.A. 100-24, eff. 7-18-17; 100-138, eff. 8-18-17;
7 100-863, eff. 8-14-18; 100-1024, eff. 1-1-19; 100-1057, eff.
8 1-1-19; 100-1102, eff. 1-1-19; 101-81, eff. 7-12-19; 101-281,
9 eff. 1-1-20; 101-393, eff. 1-1-20; 101-461, eff. 1-1-20;
10 101-625, eff. 1-1-21.)

11 Section 25. The Illinois Insurance Code is amended by
12 adding Section 356z.43 as follows:

13 (215 ILCS 5/356z.43 new)

14 Sec. 356z.43. Coverage for hippotherapy and therapeutic
15 riding.

16 (a) As used in this Section:

17 "Disability" means a determinable physical or mental
18 characteristic of a person, including, but not limited to, a
19 determinable physical characteristic that necessitates the
20 person's use of a guide, hearing, or support dog, that may
21 result from a disease, injury, or congenital condition of
22 birth or a functional disorder.

23 "Hippotherapy" means physical, occupational, or speech
24 therapy, prescribed by a physician and delivered by a licensed

1 occupational therapist, physical therapist, or speech-language
2 pathologist, in conjunction with a professional horse handler
3 and a therapy horse.

4 "Therapeutic riding" means horseback riding lessons
5 adapted to an individual with a disability, delivered by a
6 professional horse handler and a therapy horse.

7 (b) A group or individual policy of accident and health
8 insurance or managed care plan that is amended, delivered,
9 issued, or renewed after the effective date of this amendatory
10 Act of the 102nd General Assembly shall provide coverage for
11 hippotherapy and other forms of therapeutic riding.

12 Section 30. 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 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, 143c, 147, 148, 149, 151, 152, 153,
19 154, 154.5, 154.6, 154.7, 154.8, 155.04, 155.22a, 355.2,
20 355.3, 355b, 356g.5-1, 356m, 356v, 356w, 356x, 356y, 356z.2,
21 356z.4, 356z.4a, 356z.5, 356z.6, 356z.8, 356z.9, 356z.10,
22 356z.11, 356z.12, 356z.13, 356z.14, 356z.15, 356z.17, 356z.18,
23 356z.19, 356z.21, 356z.22, 356z.25, 356z.26, 356z.29, 356z.30,
24 356z.30a, 356z.32, 356z.33, 356z.35, 356z.36, 356z.41,

1 356z.43, 364, 364.01, 367.2, 367.2-5, 367i, 368a, 368b, 368c,
2 368d, 368e, 370c, 370c.1, 401, 401.1, 402, 403, 403A, 408,
3 408.2, 409, 412, 444, and 444.1, paragraph (c) of subsection
4 (2) of Section 367, and Articles IIA, VIII 1/2, XII, XII 1/2,
5 XIII, XIII 1/2, XXV, XXVI, and XXXIIB of the Illinois
6 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. 100-24, eff. 7-18-17; 100-138, eff. 8-18-17;
17 100-863, eff. 8-14-18; 100-1026, eff. 8-22-18; 100-1057, eff.
18 1-1-19; 100-1102, eff. 1-1-19; 101-13, eff. 6-12-19; 101-81,
19 eff. 7-12-19; 101-281, eff. 1-1-20; 101-371, eff. 1-1-20;
20 101-393, eff. 1-1-20; 101-452, eff. 1-1-20; 101-461, eff.
21 1-1-20; 101-625, eff. 1-1-21.)