



102ND GENERAL ASSEMBLY

State of Illinois

2021 and 2022

SB4037

Introduced 1/21/2022, by Sen. Mike Simmons

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.53 new	
215 ILCS 125/5-3	from Ch. 111 1/2, par. 1411.2
215 ILCS 130/4003	from Ch. 73, par. 1504-3
215 ILCS 165/10	from Ch. 32, par. 604
305 ILCS 5/5-16.8	

Amends the Illinois Insurance Code. Provides that a group or individual policy of accident and health insurance or a managed care plan that is amended, delivered, issued, or renewed on or after the effective date of the amendatory Act shall provide coverage for preventative screenings for individuals 18 years of age or older and under the age of 65 at high risk for liver disease every 6 months without imposing a deductible, coinsurance, copayment, or any other cost-sharing requirement on the coverage provided. Makes conforming changes in the State Employees Group Insurance Act of 1971, the Counties Code, the Illinois Municipal Code, the School Code, the Health Maintenance Organization Act, the Limited Health Service Organization Act, the Voluntary Health Services Plans Act, and the Medical Assistance Article of the Illinois Public Aid Code.

LRB102 25715 BMS 35023 b

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, 356q, 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, 356z.40, 356z.41, 356z.45, 356z.46, 356z.47, 356z.51,
18 and 356z.53 ~~and 356z.43~~ of the Illinois Insurance Code. The
19 program of health benefits must comply with Sections 155.22a,
20 155.37, 355b, 356z.19, 370c, and 370c.1 and Article XXXIIB of
21 the Illinois Insurance Code. The Department of Insurance shall
22 enforce the requirements of this Section with respect to
23 Sections 370c and 370c.1 of the Illinois Insurance Code; all

1 other requirements of this Section shall be enforced by the
2 Department of Central Management Services.

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

9 (Source: P.A. 101-13, eff. 6-12-19; 101-281, eff. 1-1-20;
10 101-393, eff. 1-1-20; 101-452, eff. 1-1-20; 101-461, eff.
11 1-1-20; 101-625, eff. 1-1-21; 102-30, eff. 1-1-22; 102-103,
12 eff. 1-1-22; 102-203, eff. 1-1-22; 102-306, eff. 1-1-22;
13 102-642, eff. 1-1-22; 102-665, eff. 10-8-21; revised
14 10-26-21.)

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

17 (55 ILCS 5/5-1069.3)

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

1 356z.6, 356z.8, 356z.9, 356z.10, 356z.11, 356z.12, 356z.13,
2 356z.14, 356z.15, 356z.22, 356z.25, 356z.26, 356z.29,
3 356z.30a, 356z.32, 356z.33, 356z.36, 356z.40, 356z.41,
4 356z.45, 356z.46, 356z.47, 356z.48, 356z.51, and 356z.53 ~~and~~
5 ~~356z.43~~ of the Illinois Insurance Code. The coverage shall
6 comply with Sections 155.22a, 355b, 356z.19, and 370c of the
7 Illinois Insurance Code. The Department of Insurance shall
8 enforce the requirements of this Section. The requirement that
9 health benefits be covered as provided in this Section is an
10 exclusive power and function of the State and is a denial and
11 limitation under Article VII, Section 6, subsection (h) of the
12 Illinois Constitution. A home rule county to which this
13 Section applies must comply with every provision of this
14 Section.

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

21 (Source: P.A. 101-81, eff. 7-12-19; 101-281, eff. 1-1-20;
22 101-393, eff. 1-1-20; 101-461, eff. 1-1-20; 101-625, eff.
23 1-1-21; 102-30, eff. 1-1-22; 102-103, eff. 1-1-22; 102-203,
24 eff. 1-1-22; 102-306, eff. 1-1-22; 102-443, eff. 1-1-22;
25 102-642, eff. 1-1-22; 102-665, eff. 10-8-21; revised
26 10-26-21.)

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

3 (65 ILCS 5/10-4-2.3)

4 Sec. 10-4-2.3. Required health benefits. If a
5 municipality, including a home rule municipality, is a
6 self-insurer for purposes of providing health insurance
7 coverage for its employees, the coverage shall include
8 coverage for the post-mastectomy care benefits required to be
9 covered by a policy of accident and health insurance under
10 Section 356t and the coverage required under Sections 356g,
11 356g.5, 356g.5-1, 356q, 356u, 356w, 356x, 356z.6, 356z.8,
12 356z.9, 356z.10, 356z.11, 356z.12, 356z.13, 356z.14, 356z.15,
13 356z.22, 356z.25, 356z.26, 356z.29, 356z.30a, 356z.32,
14 356z.33, 356z.36, 356z.40, 356z.41, 356z.45, 356z.46, 356z.47,
15 356z.48, 356z.51, and 356z.53 ~~and 356z.43~~ of the Illinois
16 Insurance Code. The coverage shall comply with Sections
17 155.22a, 355b, 356z.19, and 370c of the Illinois Insurance
18 Code. The Department of Insurance shall enforce the
19 requirements of this Section. The requirement that health
20 benefits be covered as provided in this is an exclusive power
21 and function of the State and is a denial and limitation under
22 Article VII, Section 6, subsection (h) of the Illinois
23 Constitution. A home rule municipality to which this Section
24 applies must comply with every provision of this Section.

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

7 (Source: P.A. 101-81, eff. 7-12-19; 101-281, eff. 1-1-20;
8 101-393, eff. 1-1-20; 101-461, eff. 1-1-20; 101-625, eff.
9 1-1-21; 102-30, eff. 1-1-22; 102-103, eff. 1-1-22; 102-203,
10 eff. 1-1-22; 102-306, eff. 1-1-22; 102-443, eff. 1-1-22;
11 102-642, eff. 1-1-22; 102-665, eff. 10-8-21; revised
12 10-26-21.)

13 Section 20. The School Code is amended by changing Section
14 10-22.3f as follows:

15 (105 ILCS 5/10-22.3f)

16 Sec. 10-22.3f. Required health benefits. Insurance
17 protection and benefits for employees shall provide the
18 post-mastectomy care benefits required to be covered by a
19 policy of accident and health insurance under Section 356t and
20 the coverage required under Sections 356g, 356g.5, 356g.5-1,
21 356q, 356u, 356w, 356x, 356z.6, 356z.8, 356z.9, 356z.11,
22 356z.12, 356z.13, 356z.14, 356z.15, 356z.22, 356z.25, 356z.26,
23 356z.29, 356z.30a, 356z.32, 356z.33, 356z.36, 356z.40,
24 356z.41, 356z.45, 356z.46, 356z.47, 356z.51, and 356z.53 and

1 ~~356z.43~~ of the Illinois Insurance Code. Insurance policies
2 shall comply with Section 356z.19 of the Illinois Insurance
3 Code. The coverage shall comply with Sections 155.22a, 355b,
4 and 370c of the Illinois Insurance Code. The Department of
5 Insurance shall enforce the requirements of this Section.

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

12 (Source: P.A. 101-81, eff. 7-12-19; 101-281, eff. 1-1-20;
13 101-393, eff. 1-1-20; 101-461, eff. 1-1-20; 101-625, eff.
14 1-1-21; 102-30, eff. 1-1-22; 102-103, eff. 1-1-22; 102-203,
15 eff. 1-1-22; 102-306, eff. 1-1-22; 102-642, eff. 1-1-22;
16 102-665, eff. 10-8-21; revised 10-27-21.)

17 Section 25. The Illinois Insurance Code is amended by
18 adding Section 356z.53 as follows:

19 (215 ILCS 5/356z.53 new)

20 Sec. 356z.53. Coverage for liver disease screening. A
21 group or individual policy of accident and health insurance or
22 a managed care plan that is amended, delivered, issued, or
23 renewed on or after the effective date of this amendatory Act
24 of the 102nd General Assembly shall provide coverage for

1 preventative screenings for individuals 18 years of age or
2 older and under the age of 65 at high risk for liver disease,
3 including liver ultrasounds and alpha-fetoprotein blood tests
4 every 6 months, without imposing a deductible, coinsurance,
5 copayment, or any other cost-sharing requirement on the
6 coverage provided.

7 Section 30. The Health Maintenance Organization Act is
8 amended by changing Section 5-3 as follows:

9 (215 ILCS 125/5-3) (from Ch. 111 1/2, par. 1411.2)

10 Sec. 5-3. Insurance Code provisions.

11 (a) Health Maintenance Organizations shall be subject to
12 the provisions of Sections 133, 134, 136, 137, 139, 140,
13 141.1, 141.2, 141.3, 143, 143c, 147, 148, 149, 151, 152, 153,
14 154, 154.5, 154.6, 154.7, 154.8, 155.04, 155.22a, 355.2,
15 355.3, 355b, 356g.5-1, 356m, 356q, 356v, 356w, 356x, 356y,
16 356z.2, 356z.4, 356z.4a, 356z.5, 356z.6, 356z.8, 356z.9,
17 356z.10, 356z.11, 356z.12, 356z.13, 356z.14, 356z.15, 356z.17,
18 356z.18, 356z.19, 356z.21, 356z.22, 356z.25, 356z.26, 356z.29,
19 356z.30, 356z.30a, 356z.32, 356z.33, 356z.35, 356z.36,
20 356z.40, 356z.41, 356z.43, 356z.46, 356z.47, 356z.48, 356z.50,
21 356z.51, 356z.53, 364, 364.01, 367.2, 367.2-5, 367i, 368a,
22 368b, 368c, 368d, 368e, 370c, 370c.1, 401, 401.1, 402, 403,
23 403A, 408, 408.2, 409, 412, 444, and 444.1, paragraph (c) of
24 subsection (2) of Section 367, and Articles IIA, VIII 1/2,

1 XII, XII 1/2, XIII, XIII 1/2, XXV, XXVI, and XXXIIB of the
2 Illinois Insurance Code.

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

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

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

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

20 (1) the Director shall give primary consideration to
21 the continuation of benefits to enrollees and the
22 financial conditions of the acquired Health Maintenance
23 Organization after the merger, consolidation, or other
24 acquisition of control takes effect;

25 (2) (i) the criteria specified in subsection (1) (b) of
26 Section 131.8 of the Illinois Insurance Code shall not

1 apply and (ii) the Director, in making his determination
2 with respect to the merger, consolidation, or other
3 acquisition of control, need not take into account the
4 effect on competition of the merger, consolidation, or
5 other acquisition of control;

6 (3) the Director shall have the power to require the
7 following information:

8 (A) certification by an independent actuary of the
9 adequacy of the reserves of the Health Maintenance
10 Organization sought to be acquired;

11 (B) pro forma financial statements reflecting the
12 combined balance sheets of the acquiring company and
13 the Health Maintenance Organization sought to be
14 acquired as of the end of the preceding year and as of
15 a date 90 days prior to the acquisition, as well as pro
16 forma financial statements reflecting projected
17 combined operation for a period of 2 years;

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

22 (D) such other information as the Director shall
23 require.

24 (d) The provisions of Article VIII 1/2 of the Illinois
25 Insurance Code and this Section 5-3 shall apply to the sale by
26 any health maintenance organization of greater than 10% of its

1 enrollee population (including without limitation the health
2 maintenance organization's right, title, and interest in and
3 to its health care certificates).

4 (e) In considering any management contract or service
5 agreement subject to Section 141.1 of the Illinois Insurance
6 Code, the Director (i) shall, in addition to the criteria
7 specified in Section 141.2 of the Illinois Insurance Code,
8 take into account the effect of the management contract or
9 service agreement on the continuation of benefits to enrollees
10 and the financial condition of the health maintenance
11 organization to be managed or serviced, and (ii) need not take
12 into account the effect of the management contract or service
13 agreement on competition.

14 (f) Except for small employer groups as defined in the
15 Small Employer Rating, Renewability and Portability Health
16 Insurance Act and except for medicare supplement policies as
17 defined in Section 363 of the Illinois Insurance Code, a
18 Health Maintenance Organization may by contract agree with a
19 group or other enrollment unit to effect refunds or charge
20 additional premiums under the following terms and conditions:

21 (i) the amount of, and other terms and conditions with
22 respect to, the refund or additional premium are set forth
23 in the group or enrollment unit contract agreed in advance
24 of the period for which a refund is to be paid or
25 additional premium is to be charged (which period shall
26 not be less than one year); and

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

16 The Health Maintenance Organization shall include a
17 statement in the evidence of coverage issued to each enrollee
18 describing the possibility of a refund or additional premium,
19 and upon request of any group or enrollment unit, provide to
20 the group or enrollment unit a description of the method used
21 to calculate (1) the Health Maintenance Organization's
22 profitable experience with respect to the group or enrollment
23 unit and the resulting refund to the group or enrollment unit
24 or (2) the Health Maintenance Organization's unprofitable
25 experience with respect to the group or enrollment unit and
26 the resulting additional premium to be paid by the group or

1 enrollment unit.

2 In no event shall the Illinois Health Maintenance
3 Organization Guaranty Association be liable to pay any
4 contractual obligation of an insolvent organization to pay any
5 refund authorized under this Section.

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

12 (Source: P.A. 101-13, eff. 6-12-19; 101-81, eff. 7-12-19;
13 101-281, eff. 1-1-20; 101-371, eff. 1-1-20; 101-393, eff.
14 1-1-20; 101-452, eff. 1-1-20; 101-461, eff. 1-1-20; 101-625,
15 eff. 1-1-21; 102-30, eff. 1-1-22; 102-34, eff. 6-25-21;
16 102-203, eff. 1-1-22; 102-306, eff. 1-1-22; 102-443, eff.
17 1-1-22; 102-589, eff. 1-1-22; 102-642, eff. 1-1-22; 102-665,
18 eff. 10-8-21; revised 10-27-21.)

19 Section 35. The Limited Health Service Organization Act is
20 amended by changing Section 4003 as follows:

21 (215 ILCS 130/4003) (from Ch. 73, par. 1504-3)

22 Sec. 4003. Illinois Insurance Code provisions. Limited
23 health service organizations shall be subject to the
24 provisions of Sections 133, 134, 136, 137, 139, 140, 141.1,

1 141.2, 141.3, 143, 143c, 147, 148, 149, 151, 152, 153, 154,
2 154.5, 154.6, 154.7, 154.8, 155.04, 155.37, 355.2, 355.3,
3 355b, 356q, 356v, 356z.10, 356z.21, 356z.22, 356z.25, 356z.26,
4 356z.29, 356z.30a, 356z.32, 356z.33, 356z.41, 356z.46,
5 356z.47, 356z.51, 356z.53, ~~356z.43,~~ 368a, 401, 401.1, 402,
6 403, 403A, 408, 408.2, 409, 412, 444, and 444.1 and Articles
7 IIA, VIII 1/2, XII, XII 1/2, XIII, XIII 1/2, XXV, and XXVI of
8 the Illinois Insurance Code. For purposes of the Illinois
9 Insurance Code, except for Sections 444 and 444.1 and Articles
10 XIII and XIII 1/2, limited health service organizations in the
11 following categories are deemed to be domestic companies:

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

13 (2) a corporation organized under the laws of another
14 state, 30% or more of the enrollees of which are residents
15 of this State, except a corporation subject to
16 substantially the same requirements in its state of
17 organization as is a domestic company under Article VIII
18 1/2 of the Illinois Insurance Code.

19 (Source: P.A. 101-81, eff. 7-12-19; 101-281, eff. 1-1-20;
20 101-393, eff. 1-1-20; 101-625, eff. 1-1-21; 102-30, eff.
21 1-1-22; 102-203, eff. 1-1-22; 102-306, eff. 1-1-22; 102-642,
22 eff. 1-1-22; revised 10-27-21.)

23 Section 40. The Voluntary Health Services Plans Act is
24 amended by changing Section 10 as follows:

1 (215 ILCS 165/10) (from Ch. 32, par. 604)

2 Sec. 10. Application of Insurance Code provisions. Health
3 services plan corporations and all persons interested therein
4 or dealing therewith shall be subject to the provisions of
5 Articles IIA and XII 1/2 and Sections 3.1, 133, 136, 139, 140,
6 143, 143c, 149, 155.22a, 155.37, 354, 355.2, 355.3, 355b,
7 356g, 356g.5, 356g.5-1, 356q, 356r, 356t, 356u, 356v, 356w,
8 356x, 356y, 356z.1, 356z.2, 356z.4, 356z.4a, 356z.5, 356z.6,
9 356z.8, 356z.9, 356z.10, 356z.11, 356z.12, 356z.13, 356z.14,
10 356z.15, 356z.18, 356z.19, 356z.21, 356z.22, 356z.25, 356z.26,
11 356z.29, 356z.30, 356z.30a, 356z.32, 356z.33, 356z.40,
12 356z.41, 356z.46, 356z.47, 356z.51, 356z.53, ~~356z.43,~~ 364.01,
13 367.2, 368a, 401, 401.1, 402, 403, 403A, 408, 408.2, and 412,
14 and paragraphs (7) and (15) of Section 367 of the Illinois
15 Insurance Code.

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

22 (Source: P.A. 101-13, eff. 6-12-19; 101-81, eff. 7-12-19;
23 101-281, eff. 1-1-20; 101-393, eff. 1-1-20; 101-625, eff.
24 1-1-21; 102-30, eff. 1-1-22; 102-203, eff. 1-1-22; 102-306,
25 eff. 1-1-22; 102-642, eff. 1-1-22; 102-665, eff. 10-8-21;
26 revised 10-27-21.)

1 Section 45. The Illinois Public Aid Code is amended by
2 changing Section 5-16.8 as follows:

3 (305 ILCS 5/5-16.8)

4 Sec. 5-16.8. Required health benefits. The medical
5 assistance program shall (i) provide the post-mastectomy care
6 benefits required to be covered by a policy of accident and
7 health insurance under Section 356t and the coverage required
8 under Sections 356g.5, 356q, 356u, 356w, 356x, 356z.6,
9 356z.26, 356z.29, 356z.32, 356z.33, 356z.34, 356z.35, 356z.46,
10 356z.47, 356z.51, and 356z.53 ~~and 356z.43~~ of the Illinois
11 Insurance Code, (ii) be subject to the provisions of Sections
12 356z.19, ~~356z.43,~~ 356z.44, 356z.49, 364.01, 370c, and 370c.1
13 of the Illinois Insurance Code, and (iii) be subject to the
14 provisions of subsection (d-5) of Section 10 of the Network
15 Adequacy and Transparency Act.

16 The Department, by rule, shall adopt a model similar to
17 the requirements of Section 356z.39 of the Illinois Insurance
18 Code.

19 On and after July 1, 2012, the Department shall reduce any
20 rate of reimbursement for services or other payments or alter
21 any methodologies authorized by this Code to reduce any rate
22 of reimbursement for services or other payments in accordance
23 with Section 5-5e.

24 To ensure full access to the benefits set forth in this

1 Section, on and after January 1, 2016, the Department shall
2 ensure that provider and hospital reimbursement for
3 post-mastectomy care benefits required under this Section are
4 no lower than the Medicare reimbursement rate.

5 (Source: P.A. 101-81, eff. 7-12-19; 101-218, eff. 1-1-20;
6 101-281, eff. 1-1-20; 101-371, eff. 1-1-20; 101-574, eff.
7 1-1-20; 101-649, eff. 7-7-20; 102-30, eff. 1-1-22; 102-144,
8 eff. 1-1-22; 102-203, eff. 1-1-22; 102-306, eff. 1-1-22;
9 102-530, eff. 1-1-22; 102-642, eff. 1-1-22; revised 10-27-21.)