



Sen. Laura M. Murphy

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10000SB2316sam001

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1 AMENDMENT TO SENATE BILL 2316

2 AMENDMENT NO. _____. Amend Senate Bill 2316 by replacing
3 everything after the enacting clause with the following:

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 provide
9 the post-mastectomy care benefits required to be covered by a
10 policy of accident and health insurance under Section 356t of
11 the Illinois Insurance Code. The program of health benefits
12 shall provide the coverage required under Sections 356g,
13 356g.5, 356g.5-1, 356m, 356u, 356w, 356x, 356z.2, 356z.4,
14 356z.6, 356z.8, 356z.9, 356z.10, 356z.11, 356z.12, 356z.13,
15 356z.14, 356z.15, 356z.17, 356z.22, ~~and~~ 356z.25, 356z.26, and
16 356z.29 of the Illinois Insurance Code. The program of health

1 benefits must comply with Sections 155.22a, 155.37, 355b,
2 356z.19, 370c, and 370c.1 of the Illinois Insurance Code.

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. 99-480, eff. 9-9-15; 100-24, eff. 7-18-17;
10 100-138, eff. 8-18-17; revised 10-3-17.)

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

13 (55 ILCS 5/5-1069.3)

14 Sec. 5-1069.3. Required health benefits. If a county,
15 including a home rule county, is a self-insurer for purposes of
16 providing health insurance coverage for its employees, the
17 coverage shall include coverage for the post-mastectomy care
18 benefits required to be covered by a policy of accident and
19 health insurance under Section 356t and the coverage required
20 under Sections 356g, 356g.5, 356g.5-1, 356u, 356w, 356x,
21 356z.6, 356z.8, 356z.9, 356z.10, 356z.11, 356z.12, 356z.13,
22 356z.14, 356z.15, 356z.22, ~~and~~ 356z.25, 356z.26, and 356z.29 of
23 the Illinois Insurance Code. The coverage shall comply with
24 Sections 155.22a, 355b, 356z.19, and 370c of the Illinois

1 Insurance Code. The requirement that health benefits be covered
2 as provided in this Section is an exclusive power and function
3 of the State and is a denial and limitation under Article VII,
4 Section 6, subsection (h) of the Illinois Constitution. A home
5 rule county to which this Section applies must comply with
6 every provision of this Section.

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

13 (Source: P.A. 99-480, eff. 9-9-15; 100-24, eff. 7-18-17;
14 100-138, eff. 8-18-17; revised 10-5-17.)

15 Section 15. 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 coverage
22 for the post-mastectomy care benefits required to be covered by
23 a policy of accident and health insurance under Section 356t
24 and the coverage required under Sections 356g, 356g.5,

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

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

17 (Source: P.A. 99-480, eff. 9-9-15; 100-24, eff. 7-18-17;
18 100-138, eff. 8-18-17; revised 10-5-17.)

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

21 (105 ILCS 5/10-22.3f)

22 Sec. 10-22.3f. Required health benefits. Insurance
23 protection and benefits for employees shall provide the
24 post-mastectomy care benefits required to be covered by a

1 policy of accident and health insurance under Section 356t and
2 the coverage required under Sections 356g, 356g.5, 356g.5-1,
3 356u, 356w, 356x, 356z.6, 356z.8, 356z.9, 356z.11, 356z.12,
4 356z.13, 356z.14, 356z.15, 356z.22, ~~and~~ 356z.25, 356z.26, and
5 356z.29 of the Illinois Insurance Code. Insurance policies
6 shall comply with Section 356z.19 of the Illinois Insurance
7 Code. The coverage shall comply with Sections 155.22a and 355b
8 of the Illinois Insurance Code.

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

15 (Source: P.A. 100-24, eff. 7-18-17; 100-138, eff. 8-18-17;
16 revised 9-25-17.)

17 Section 25. The Illinois Insurance Code is amended by
18 adding Section 356z.29 as follows:

19 (215 ILCS 5/356z.29 new)

20 Sec. 356z.29. Coverage for equine-assisted psychotherapy,
21 hippotherapy, and therapeutic riding.

22 (a) As used in this Section:

23 "Disability" means a determinable physical or mental
24 characteristic of a person that may result from a disease,

1 injury, or congenital condition of birth or a functional
2 disorder.

3 "Equine-assisted psychotherapy" means therapy utilizing a
4 team approach composed of a licensed mental health
5 professional, an equine specialist certified by the Equine
6 Assisted Growth and Learning Association, and a therapy horse
7 working together with a client on the ground under the
8 direction of the professional treatment team.

9 "Hippotherapy" means physical, occupational, or speech
10 therapy, prescribed by a physician and delivered by a licensed
11 occupational therapist, physical therapist, or speech-language
12 pathologist, in conjunction with a person credentialed by the
13 American Hippotherapy Association and a therapy horse.

14 "Therapeutic riding" means horseback riding lessons
15 adapted to individuals with a disability, delivered by a
16 therapeutic riding instructor certified by the Professional
17 Association of Therapeutic Horsemanship International and a
18 therapy horse.

19 (b) A group or individual policy of accident and health
20 insurance or managed care plan that is amended, delivered,
21 issued, or renewed after the effective date of this amendatory
22 Act of the 100th General Assembly shall provide coverage for
23 equine-assisted psychotherapy, hippotherapy, and therapeutic
24 riding.

25 (c) If, at any time before or after the effective date of
26 this Amendatory Act of the 100th General Assembly, the

1 Secretary of the United States Department of Health and Human
2 Services, or its successor agency, promulgates rules or
3 regulations to be published in the Federal Register, publishes
4 a comment in the Federal Register, or issues an opinion,
5 guidance, or other action that would require the State,
6 pursuant to any provision of the Patient Protection and
7 Affordable Care Act (Pub. L. 111-148), including, but not
8 limited to, 42 U.S.C. 18031(d)(3)(B) or any successor
9 provision, to defray the cost of any coverage under this
10 Section, then this Section is inoperative with respect to all
11 such coverage other than that authorized under Section 1902 of
12 the Social Security Act, 42 U.S.C. 1396a, and the State shall
13 not assume any obligation for the cost of coverage under this
14 Section.

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

17 (215 ILCS 125/5-3) (from Ch. 111 1/2, par. 1411.2)

18 Sec. 5-3. Insurance Code provisions.

19 (a) Health Maintenance Organizations shall be subject to
20 the provisions of Sections 133, 134, 136, 137, 139, 140, 141.1,
21 141.2, 141.3, 143, 143c, 147, 148, 149, 151, 152, 153, 154,
22 154.5, 154.6, 154.7, 154.8, 155.04, 155.22a, 355.2, 355.3,
23 355b, 356g.5-1, 356m, 356v, 356w, 356x, 356y, 356z.2, 356z.4,
24 356z.5, 356z.6, 356z.8, 356z.9, 356z.10, 356z.11, 356z.12,

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

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

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

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

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

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

25 (1) the Director shall give primary consideration to
26 the continuation of benefits to enrollees and the financial

1 conditions of the acquired Health Maintenance Organization
2 after the merger, consolidation, or other acquisition of
3 control takes effect;

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

11 (3) the Director shall have the power to require the
12 following information:

13 (A) certification by an independent actuary of the
14 adequacy of the reserves of the Health Maintenance
15 Organization sought to be acquired;

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

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

1 (D) such other information as the Director shall
2 require.

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

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

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

26 (i) the amount of, and other terms and conditions with

1 respect to, the refund or additional premium are set forth
2 in the group or enrollment unit contract agreed in advance
3 of the period for which a refund is to be paid or
4 additional premium is to be charged (which period shall not
5 be less than one year); and

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

21 The Health Maintenance Organization shall include a
22 statement in the evidence of coverage issued to each enrollee
23 describing the possibility of a refund or additional premium,
24 and upon request of any group or enrollment unit, provide to
25 the group or enrollment unit a description of the method used
26 to calculate (1) the Health Maintenance Organization's

1 profitable experience with respect to the group or enrollment
2 unit and the resulting refund to the group or enrollment unit
3 or (2) the Health Maintenance Organization's unprofitable
4 experience with respect to the group or enrollment unit and the
5 resulting additional premium to be paid by the group or
6 enrollment unit.

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

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

17 (Source: P.A. 99-761, eff. 1-1-18; 100-24, eff. 7-18-17;
18 100-138, eff. 8-18-17; revised 10-5-17.)".