



Sen. Karina Villa

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LRB104 05991 BAB 27049 a

1 AMENDMENT TO HOUSE BILL 1085

2 AMENDMENT NO. _____. Amend House Bill 1085 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Illinois Administrative Procedure Act is
5 amended by changing Section 1-70 as follows:

6 (5 ILCS 100/1-70) (from Ch. 127, par. 1001-70)

7 Sec. 1-70. "Rule" means each agency statement of general
8 applicability that implements, applies, interprets, or
9 prescribes law or policy, but does not include (i) statements
10 concerning only the internal management of an agency and not
11 affecting private rights or procedures available to persons or
12 entities outside the agency, (ii) informal advisory rulings
13 issued under Section 5-150, (iii) intra-agency memoranda, (iv)
14 the prescription of standardized forms, (v) documents prepared
15 or filed or actions taken by the Legislative Reference Bureau
16 under Section 5.04 of the Legislative Reference Bureau Act, ~~or~~

1 (vi) guidance documents prepared by the Illinois Environmental
2 Protection Agency under Section 39.5 or subsection (s) of
3 Section 39 of the Environmental Protection Act, or (vii) the
4 report the University of Illinois at Chicago School of Public
5 Health issues to the General Assembly under Section 370c.3 of
6 the Illinois Insurance Code.

7 (Source: P.A. 97-95, eff. 7-12-11; 97-1081, eff. 8-24-12.)

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

10 (55 ILCS 5/5-1069.3)

11 Sec. 5-1069.3. Required health benefits. If a county,
12 including a home rule county, is a self-insurer for purposes
13 of providing health insurance coverage for its employees, the
14 coverage shall include coverage for the post-mastectomy care
15 benefits required to be covered by a policy of accident and
16 health insurance under Section 356t and the coverage required
17 under Sections 356g, 356g.5, 356g.5-1, 356m, 356q, 356u,
18 356u.10, 356w, 356x, 356z.4, 356z.4a, 356z.6, 356z.8, 356z.9,
19 356z.10, 356z.11, 356z.12, 356z.13, 356z.14, 356z.15, 356z.22,
20 356z.25, 356z.26, 356z.29, 356z.30, 356z.32, 356z.33, 356z.36,
21 356z.40, 356z.41, 356z.45, 356z.46, 356z.47, 356z.48, 356z.51,
22 356z.53, 356z.54, 356z.56, 356z.57, 356z.59, 356z.60, 356z.61,
23 356z.62, 356z.64, 356z.67, 356z.68, ~~and~~ 356z.70, ~~and~~ 356z.71, and
24 356z.74, and 356z.77 of the Illinois Insurance Code. The

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

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

16 (Source: P.A. 102-30, eff. 1-1-22; 102-103, eff. 1-1-22;
17 102-203, eff. 1-1-22; 102-306, eff. 1-1-22; 102-443, eff.
18 1-1-22; 102-642, eff. 1-1-22; 102-665, eff. 10-8-21; 102-731,
19 eff. 1-1-23; 102-804, eff. 1-1-23; 102-813, eff. 5-13-22;
20 102-816, eff. 1-1-23; 102-860, eff. 1-1-23; 102-1093, eff.
21 1-1-23; 102-1117, eff. 1-13-23; 103-84, eff. 1-1-24; 103-91,
22 eff. 1-1-24; 103-420, eff. 1-1-24; 103-445, eff. 1-1-24;
23 103-535, eff. 8-11-23; 103-551, eff. 8-11-23; 103-605, eff.
24 7-1-24; 103-718, eff. 7-19-24; 103-751, eff. 8-2-24; 103-914,
25 eff. 1-1-25; 103-918, eff. 1-1-25; 103-1024, eff. 1-1-25;
26 revised 11-26-24.)

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, 356m, 356q, 356u, 356u.10, 356w, 356x,
12 356z.4, 356z.4a, 356z.6, 356z.8, 356z.9, 356z.10, 356z.11,
13 356z.12, 356z.13, 356z.14, 356z.15, 356z.22, 356z.25, 356z.26,
14 356z.29, 356z.30, 356z.32, 356z.33, 356z.36, 356z.40, 356z.41,
15 356z.45, 356z.46, 356z.47, 356z.48, 356z.51, 356z.53, 356z.54,
16 356z.56, 356z.57, 356z.59, 356z.60, 356z.61, 356z.62, 356z.64,
17 356z.67, 356z.68, ~~and~~ 356z.70, ~~and~~ 356z.71, 356z.74, and
18 356z.77 of the Illinois Insurance Code. The coverage shall
19 comply with Sections 155.22a, 355b, 356z.19, ~~and~~ 370c, and
20 370c.3 of the Illinois Insurance Code. The Department of
21 Insurance shall enforce the requirements of this Section. The
22 requirement that health benefits be covered as provided in
23 this is an exclusive power and function of the State and is a
24 denial and limitation under Article VII, Section 6, subsection

1 (h) of the Illinois Constitution. A home rule municipality to
2 which this Section applies must comply with every provision of
3 this 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. 102-30, eff. 1-1-22; 102-103, eff. 1-1-22;
11 102-203, eff. 1-1-22; 102-306, eff. 1-1-22; 102-443, eff.
12 1-1-22; 102-642, eff. 1-1-22; 102-665, eff. 10-8-21; 102-731,
13 eff. 1-1-23; 102-804, eff. 1-1-23; 102-813, eff. 5-13-22;
14 102-816, eff. 1-1-23; 102-860, eff. 1-1-23; 102-1093, eff.
15 1-1-23; 102-1117, eff. 1-13-23; 103-84, eff. 1-1-24; 103-91,
16 eff. 1-1-24; 103-420, eff. 1-1-24; 103-445, eff. 1-1-24;
17 103-535, eff. 8-11-23; 103-551, eff. 8-11-23; 103-605, eff.
18 7-1-24; 103-718, eff. 7-19-24; 103-751, eff. 8-2-24; 103-914,
19 eff. 1-1-25; 103-918, eff. 1-1-25; 103-1024, eff. 1-1-25;
20 revised 11-26-24.)

21 Section 20. The School Code is amended by changing Section
22 10-22.3f as follows:

23 (105 ILCS 5/10-22.3f)

24 Sec. 10-22.3f. Required health benefits. Insurance

1 protection and benefits for employees shall provide the
2 post-mastectomy care benefits required to be covered by a
3 policy of accident and health insurance under Section 356t and
4 the coverage required under Sections 356g, 356g.5, 356g.5-1,
5 356m, 356q, 356u, 356u.10, 356w, 356x, 356z.4, 356z.4a,
6 356z.6, 356z.8, 356z.9, 356z.11, 356z.12, 356z.13, 356z.14,
7 356z.15, 356z.22, 356z.25, 356z.26, 356z.29, 356z.30, 356z.32,
8 356z.33, 356z.36, 356z.40, 356z.41, 356z.45, 356z.46, 356z.47,
9 356z.51, 356z.53, 356z.54, 356z.56, 356z.57, 356z.59, 356z.60,
10 356z.61, 356z.62, 356z.64, 356z.67, 356z.68, ~~and~~ 356z.70, ~~and~~
11 356z.71, 356z.74, and 356z.77 of the Illinois Insurance Code.
12 Insurance policies shall comply with Section 356z.19 of the
13 Illinois Insurance Code. The coverage shall comply with
14 Sections 155.22a, 355b, ~~and~~ 370c, and 370c.3 of the Illinois
15 Insurance Code. The Department of Insurance shall enforce the
16 requirements of this Section.

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

23 (Source: P.A. 102-30, eff. 1-1-22; 102-103, eff. 1-1-22;
24 102-203, eff. 1-1-22; 102-306, eff. 1-1-22; 102-642, eff.
25 1-1-22; 102-665, eff. 10-8-21; 102-731, eff. 1-1-23; 102-804,
26 eff. 1-1-23; 102-813, eff. 5-13-22; 102-816, eff. 1-1-23;

1 102-860, eff. 1-1-23; 102-1093, eff. 1-1-23; 102-1117, eff.
2 1-13-23; 103-84, eff. 1-1-24; 103-91, eff. 1-1-24; 103-420,
3 eff. 1-1-24; 103-445, eff. 1-1-24; 103-535, eff. 8-11-23;
4 103-551, eff. 8-11-23; 103-605, eff. 7-1-24; 103-718, eff.
5 7-19-24; 103-751, eff. 8-2-24; 103-914, eff. 1-1-25; 103-918,
6 eff. 1-1-25; 103-1024, eff. 1-1-25; revised 11-26-24.)

7 Section 25. The Illinois Insurance Code is amended by
8 adding Section 370c.3 as follows:

9 (215 ILCS 5/370c.3 new)

10 Sec. 370c.3. Mental health and substance use parity.

11 (a) In this Section:

12 "Application" means a person's or facility's application
13 to become a participating provider with an insurer in at least
14 one of the insurer's provider networks.

15 "Applying provider" means a provider or facility that has
16 submitted a completed application to become a participating
17 provider or facility with an insurer.

18 "Behavioral health trainee" means any person: (1) engaged
19 in the provision of mental health or substance use disorder
20 clinical services as part of that person's supervised course
21 of study while enrolled in a master's or doctoral psychology,
22 social work, counseling, or marriage or family therapy program
23 or as a postdoctoral graduate working toward licensure; and
24 (2) who is working toward clinical State licensure under the

1 clinical supervision of a fully licensed mental health or
2 substance use disorder treatment provider.

3 "Completed application" means a person's or facility's
4 application to become a participating provider that has been
5 submitted to the insurer and includes all the required
6 information for the application to be considered by the
7 insurer according to the insurer's policies and procedures for
8 verifying a provider's or facility's credentials.

9 "Contracting process" means the process by which a mental
10 health or substance use disorder treatment provider or
11 facility makes a completed application with an insurer to
12 become a participating provider with the insurer until the
13 effective date of a final contract between the provider or
14 facility and the insurer. "Contracting process" includes the
15 process of verifying a provider's credentials.

16 "Participating provider" means any mental health or
17 substance use disorder treatment provider that has a contract
18 to provide mental health or substance use disorder services
19 with an insurer.

20 (b) Consistent with the principles of the federal Mental
21 Health Parity and Addiction Equity Act of 2008, and for the
22 purposes of strengthening network adequacy for mental health
23 and substance use disorder services and lowering
24 out-of-network utilization, the University of Illinois at
25 Chicago School of Public Health shall determine a
26 reimbursement rate floor for all in-network mental health and

1 substance use disorder services, including inpatient services,
2 outpatient services, office visits, and residential care,
3 delivered by Illinois providers and facilities using the
4 Illinois data in Research Triangle Institute International's
5 study, Behavioral Health Parity - Pervasive Disparities in
6 Access to In-Network Care Continue, Mark, T.L., & Parish, W.
7 (April 2024). The reimbursement rate floor for mental health
8 and substance use disorder services requires that
9 reimbursement for each service, classified by Healthcare
10 Common Procedure Coding System and Current Procedural
11 Terminology codes, must be equal to or greater than the rate
12 set by the University of Illinois at Chicago School of Public
13 Health and shall apply to all group or individual policies of
14 accident and health insurance that are amended, delivered,
15 issued, or renewed on or after January 1, 2027 or any
16 contracted third party administering the behavioral health
17 benefits for the insurer. The University of Illinois at
18 Chicago School of Public Health shall use the benchmark it
19 deems appropriate for setting a reimbursement rate floor for
20 mental health and substance use disorder services, but it
21 shall have the effect of the reimbursement rate floor being
22 between the average reimbursement and the 75th percentile of
23 reimbursement for all medical and surgical reimbursement using
24 Appendix C-13 of the Research Triangle Institute International
25 study. In establishing the rate floor, the University of
26 Illinois at Chicago School of Public Health shall take into

1 consideration the need to reimburse above the average
2 reimbursement to incentivize providers in short supply to
3 participate in-network and shall set a reimbursement rate
4 floor that is above the average reimbursement rate paid by the
5 preferred provider organizations operated by the largest
6 health insurer in the State of Illinois for mental health and
7 substance use disorder services. If the University of Illinois
8 at Chicago School of Public Health uses a rate benchmark that
9 is tied to a federal health care program in which the
10 reimbursement rates fluctuate, for any year the benchmark
11 selected by the University of Illinois at Chicago School of
12 Public Health decreases, the reimbursement rate floor for the
13 purposes of this Section shall remain at the level it was the
14 previous year. If at any time the average reimbursement for
15 in-network medical and surgical services delivered by Illinois
16 providers exceeds the rate floor the University of Illinois at
17 Chicago School of Public Health establishes for mental health
18 and substance use disorder services, then the reimbursement
19 for mental health and substance use disorder treatment
20 services must be equal to or greater than that average.
21 Nothing in this Section gives the University of Illinois at
22 Chicago School of Public Health any regulatory authority over
23 an insurer or its contracted third party administering the
24 behavioral health benefits. The University of Illinois at
25 Chicago School of Public Health shall issue a report to the
26 General Assembly by May 1, 2026 detailing a reimbursement rate

1 floor. The report shall explain the University of Illinois at
2 Chicago School of Public Health's specific methodology and
3 data sources used to arrive at the rate floor and shall
4 identify the relevant provisions of this Section authorizing
5 the use of the methodology and data sources. The rate floor
6 shall become effective and legally binding on insurers and
7 their contracted third parties administering behavioral health
8 benefits starting January 1, 2027. The Department of Insurance
9 has the authority to enforce and monitor insurers' and their
10 contracted third parties' compliance with the reimbursement
11 rate floor set by the University of Illinois at Chicago School
12 of Public Health pursuant to this Section, but the Department
13 of Insurance shall have no authority to set or modify a rate
14 floor or to approve or disapprove a rate floor set by the
15 University of Illinois at Chicago School of Public Health.

16 (c) A group or individual policy of accident and health
17 insurance that is amended, delivered, issued, or renewed on or
18 after January 1, 2026, or contracted third party administering
19 the behavioral health benefits for the insurer, shall cover
20 all medically necessary mental health or substance use
21 disorder services received by the same insured on the same day
22 from the same or different mental health or substance use
23 provider or facility for both outpatient and inpatient care.

24 (d) A group or individual policy of accident and health
25 insurance that is amended, delivered, issued, or renewed on or
26 after January 1, 2026, or any contracted third party

1 administering the behavioral health benefits for the insurer,
2 shall cover any medically necessary mental health or substance
3 use disorder service provided by a behavioral health trainee
4 when the trainee is working toward clinical State licensure
5 and is under the supervision of a fully licensed mental health
6 or substance use disorder treatment provider, which is a
7 physician licensed to practice medicine in all its branches,
8 licensed clinical psychologist, licensed clinical social
9 worker, licensed clinical professional counselor, licensed
10 marriage and family therapist, licensed speech-language
11 pathologist, or other licensed or certified professional at a
12 program licensed pursuant to the Substance Use Disorder Act
13 who is engaged in treating mental, emotional, nervous, or
14 substance use disorders or conditions. Services provided by
15 the trainee must be billed under the supervising clinician's
16 rendering National Provider Identifier.

17 (e) A group or individual policy of accident and health
18 insurance that is amended, delivered, issued, or renewed on or
19 after January 1, 2026, or any contracted third party
20 administering the behavioral health benefits for the insurer,
21 shall:

22 (1) cover medically necessary 60-minute psychotherapy
23 billed using the Current Procedural Terminology Code 90837
24 for Individual Therapy;

25 (2) not impose more onerous documentation requirements
26 on the provider than is required for other psychotherapy

1 Current Procedural Terminology Codes; and

2 (3) not audit the use of Current Procedural
3 Terminology Code 90837 any more frequently than audits for
4 the use of other psychotherapy Current Procedural
5 Terminology Codes.

6 (f)(1) Any group or individual policy of accident and
7 health insurance that is amended, delivered, issued, or
8 renewed on or after January 1, 2026, or any contracted third
9 party administering the behavioral health benefits for the
10 insurer, shall complete the contracting process with a mental
11 health or substance use disorder treatment provider or
12 facility for becoming a participating provider in the
13 insurer's network, including the verification of the
14 provider's credentials, within 60 days from the date of a
15 completed application to the insurer to become a participating
16 provider. Nothing in this paragraph (1), however, presumes or
17 establishes a contract between an insurer and a provider.

18 (2) Any group or individual policy of accident and health
19 insurance that is amended, delivered, issued, or renewed on or
20 after January 1, 2026, or any contracted third party
21 administering the behavioral health benefits for the insurer,
22 shall reimburse a participating mental health or substance use
23 disorder treatment provider or facility at the contracted
24 reimbursement rate for any medically necessary services
25 provided to an insured from the date of submission of the
26 provider's or facility's completed application to become a

1 participating provider with the insurer up to the effective
2 date of the provider's contract. The provider's claims for
3 such services shall be reimbursed only when submitted after
4 the effective date of the provider's contract with the
5 insurer. This paragraph (2) does not apply to a provider that
6 does not have a completed contract with an insurer. If a
7 provider opts to submit claims for medically necessary mental
8 health or substance use disorder services pursuant to this
9 paragraph (2), the provider must notify the insured following
10 submission of the claims to the insurer that the services
11 provided to the insured may be treated as in-network services.

12 (3) Any group or individual policy of accident and health
13 insurance that is amended, delivered, issued, or renewed on or
14 after January 1, 2026, or any contracted third party
15 administering the behavioral health benefits for the insurer,
16 shall cover any medically necessary mental health or substance
17 use disorder service provided by a fully licensed mental
18 health or substance use disorder treatment provider affiliated
19 with a mental health or substance use disorder treatment group
20 practice who has submitted a completed application to become a
21 participating provider with an insurer who is delivering
22 services under the supervision of another fully licensed
23 participating mental health or substance use disorder
24 treatment provider within the same group practice up to the
25 effective date of the applying provider's contract with the
26 insurer as a participating provider. Services provided by the

1 applying provider must be billed under the supervising
2 licensed provider's rendering National Provider Identifier.

3 (4) Upon request, an insurer, or any contracted third
4 party administering the behavioral health benefits for the
5 insurer, shall provide an applying provider with the insurer's
6 credentialing policies and procedures. An insurer, or any
7 contracted third party administering the behavioral health
8 benefits for the insurer, shall post the following
9 nonproprietary information on its website and make that
10 information available to all applicants:

11 (A) a list of the information required to be included
12 in an application;

13 (B) a checklist of the materials that must be
14 submitted in the credentialing process; and

15 (C) designated contact information of a network
16 representative, including a designated point of contact,
17 an email address, and a telephone number, to which an
18 applicant may address any credentialing inquiries.

19 (g) The Department has the same authority to enforce this
20 Section as it has to enforce compliance with Sections 370c and
21 370c.1. Additionally, if the Department determines that an
22 insurer or a contracted third party administering the
23 behavioral health benefits for the insurer has violated this
24 Section, the Department shall, after appropriate notice and
25 opportunity for hearing in accordance with Section 402, by
26 order assess a civil penalty of \$1,000 for each violation. The

1 Department shall establish any processes or procedures
2 necessary to monitor compliance with this Section.

3 (h) At the end of 2 years, 7 years, and 12 years following
4 the implementation of subsection (b) of this Section, the
5 Department shall review the impact of this Section on network
6 adequacy for mental health and substance use disorder
7 treatment and access to affordable mental health and substance
8 use care. By no later than December 31, 2030, December 31,
9 2035, and December 31, 2040, the Department shall submit a
10 report in each of those years to the General Assembly that
11 includes its analyses and findings. For the purpose of
12 evaluating trends in network adequacy, the Department is
13 granted the authority to examine out-of-network utilization
14 and out-of-pocket costs for insureds for mental health and
15 substance use disorder treatment and services for all plans to
16 compare with in-network utilization for purposes of evaluating
17 access to care. The Department shall conduct an analysis of
18 the impact, if any, of the reimbursement rate floor for mental
19 health and substance use disorder services on health insurance
20 premiums across the State-regulated health insurance markets,
21 taking into consideration the need to expand network adequacy
22 to improve access to care.

23 (i) This Section does not apply to a health care plan
24 serving Medicaid populations that provides, arranges for, pays
25 for, or reimburses the cost of any health care service for
26 persons who are enrolled under the Illinois Public Aid Code or

1 under the Children's Health Insurance Program Act.

2 Section 99. Effective date. This Act takes effect upon
3 becoming law.".