

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, 356u.10,  
14 356w, 356x, 356z.2, 356z.4, 356z.4a, 356z.5, 356z.6, 356z.8,  
15 356z.9, 356z.10, 356z.11, 356z.12, 356z.13, 356z.14, 356z.15,  
16 356z.17, 356z.22, 356z.25, 356z.26, 356z.29, 356z.30, 356z.32,  
17 356z.33, 356z.36, 356z.40, 356z.41, 356z.45, 356z.46, 356z.47,  
18 356z.51, 356z.53, 356z.54, 356z.55, 356z.56, 356z.57, 356z.59,  
19 356z.60, 356z.61, 356z.62, 356z.64, 356z.67, 356z.68, ~~and~~  
20 356z.70, ~~and~~ 356z.71, 356z.74, 356z.76, 356z.77, and 356z.80  
21 of the Illinois Insurance Code. The program of health benefits  
22 must comply with Sections 155.22a, 155.37, 355b, 356z.19,  
23 370c, and 370c.1 and Article XXXIIB of the Illinois Insurance

1 Code. The program of health benefits shall provide the  
2 coverage required under Section 356m of the Illinois Insurance  
3 Code and, for the employees of the State Employee Group  
4 Insurance Program only, the coverage as also provided in  
5 Section 6.11B of this Act. The Department of Insurance shall  
6 enforce the requirements of this Section with respect to  
7 Sections 370c and 370c.1 of the Illinois Insurance Code; all  
8 other requirements of this Section shall be enforced by the  
9 Department of Central Management Services.

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; 102-642, eff.  
18 1-1-22; 102-665, eff. 10-8-21; 102-731, eff. 1-1-23; 102-768,  
19 eff. 1-1-24; 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; 103-8, eff. 1-1-24; 103-84,  
22 eff. 1-1-24; 103-91, eff. 1-1-24; 103-420, eff. 1-1-24;  
23 103-445, eff. 1-1-24; 103-535, eff. 8-11-23; 103-551, eff.  
24 8-11-23; 103-605, eff. 7-1-24; 103-718, eff. 7-19-24; 103-751,  
25 eff. 8-2-24; 103-870, eff. 1-1-25; 103-914, eff. 1-1-25;  
26 103-918, eff. 1-1-25; 103-951, eff. 1-1-25; 103-1024, eff.

1 1-1-25; revised 11-26-24.)

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

4 (55 ILCS 5/5-1069.3)

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

18 356z.74, 356z.77, and 356z.80 of the Illinois Insurance Code.

19 The coverage shall comply with Sections 155.22a, 355b,  
20 356z.19, and 370c of the Illinois Insurance Code. The  
21 Department of Insurance shall enforce the requirements of this  
22 Section. The requirement that health benefits be covered as  
23 provided in this Section is an exclusive power and function of  
24 the State and is a denial and limitation under Article VII,

1 Section 6, subsection (h) of the Illinois Constitution. A home  
2 rule county to which this Section applies must comply with  
3 every provision of 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 15. The Illinois Municipal Code is amended by  
22 changing Section 10-4-2.3 as follows:

23 (65 ILCS 5/10-4-2.3)

24 Sec. 10-4-2.3. Required health benefits. If a

1 municipality, including a home rule municipality, is a  
2 self-insurer for purposes of providing health insurance  
3 coverage for its employees, the coverage shall include  
4 coverage for the post-mastectomy care benefits required to be  
5 covered by a policy of accident and health insurance under  
6 Section 356t and the coverage required under Sections 356g,  
7 356g.5, 356g.5-1, 356m, 356q, 356u, 356u.10, 356w, 356x,  
8 356z.4, 356z.4a, 356z.6, 356z.8, 356z.9, 356z.10, 356z.11,  
9 356z.12, 356z.13, 356z.14, 356z.15, 356z.22, 356z.25, 356z.26,  
10 356z.29, 356z.30, 356z.32, 356z.33, 356z.36, 356z.40, 356z.41,  
11 356z.45, 356z.46, 356z.47, 356z.48, 356z.51, 356z.53, 356z.54,  
12 356z.56, 356z.57, 356z.59, 356z.60, 356z.61, 356z.62, 356z.64,  
13 356z.67, 356z.68, ~~and~~ 356z.70, ~~and~~ 356z.71, 356z.74, 356z.77,  
14 and 356z.80 of the Illinois Insurance Code. The coverage shall  
15 comply with Sections 155.22a, 355b, 356z.19, and 370c of the  
16 Illinois Insurance Code. The Department of Insurance shall  
17 enforce the requirements of this Section. The requirement that  
18 health benefits be covered as provided in this is an exclusive  
19 power and function of the State and is a denial and limitation  
20 under Article VII, Section 6, subsection (h) of the Illinois  
21 Constitution. A home rule municipality to which this Section  
22 applies must comply with every provision of this Section.

23 Rulemaking authority to implement Public Act 95-1045, if  
24 any, is conditioned on the rules being adopted in accordance  
25 with all provisions of the Illinois Administrative Procedure  
26 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. 102-30, eff. 1-1-22; 102-103, eff. 1-1-22;  
4 102-203, eff. 1-1-22; 102-306, eff. 1-1-22; 102-443, eff.  
5 1-1-22; 102-642, eff. 1-1-22; 102-665, eff. 10-8-21; 102-731,  
6 eff. 1-1-23; 102-804, eff. 1-1-23; 102-813, eff. 5-13-22;  
7 102-816, eff. 1-1-23; 102-860, eff. 1-1-23; 102-1093, eff.  
8 1-1-23; 102-1117, eff. 1-13-23; 103-84, eff. 1-1-24; 103-91,  
9 eff. 1-1-24; 103-420, eff. 1-1-24; 103-445, eff. 1-1-24;  
10 103-535, eff. 8-11-23; 103-551, eff. 8-11-23; 103-605, eff.  
11 7-1-24; 103-718, eff. 7-19-24; 103-751, eff. 8-2-24; 103-914,  
12 eff. 1-1-25; 103-918, eff. 1-1-25; 103-1024, eff. 1-1-25;  
13 revised 11-26-24.)

14 Section 20. The School Code is amended by changing Section  
15 10-22.3f as follows:

16 (105 ILCS 5/10-22.3f)

17 Sec. 10-22.3f. Required health benefits. Insurance  
18 protection and benefits for employees shall provide the  
19 post-mastectomy care benefits required to be covered by a  
20 policy of accident and health insurance under Section 356t and  
21 the coverage required under Sections 356g, 356g.5, 356g.5-1,  
22 356m, 356q, 356u, 356u.10, 356w, 356x, 356z.4, 356z.4a,  
23 356z.6, 356z.8, 356z.9, 356z.11, 356z.12, 356z.13, 356z.14,  
24 356z.15, 356z.22, 356z.25, 356z.26, 356z.29, 356z.30, 356z.32,

1 356z.33, 356z.36, 356z.40, 356z.41, 356z.45, 356z.46, 356z.47,  
2 356z.51, 356z.53, 356z.54, 356z.56, 356z.57, 356z.59, 356z.60,  
3 356z.61, 356z.62, 356z.64, 356z.67, 356z.68, ~~and~~ 356z.70, ~~and~~  
4 356z.71, 356z.74, 356z.77, and 356z.80 of the Illinois  
5 Insurance Code. Insurance policies shall comply with Section  
6 356z.19 of the Illinois Insurance Code. The coverage shall  
7 comply with Sections 155.22a, 355b, and 370c of the Illinois  
8 Insurance Code. The Department of Insurance shall enforce the  
9 requirements 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; 102-642, eff.  
18 1-1-22; 102-665, eff. 10-8-21; 102-731, eff. 1-1-23; 102-804,  
19 eff. 1-1-23; 102-813, eff. 5-13-22; 102-816, eff. 1-1-23;  
20 102-860, eff. 1-1-23; 102-1093, eff. 1-1-23; 102-1117, eff.  
21 1-13-23; 103-84, eff. 1-1-24; 103-91, eff. 1-1-24; 103-420,  
22 eff. 1-1-24; 103-445, eff. 1-1-24; 103-535, eff. 8-11-23;  
23 103-551, eff. 8-11-23; 103-605, eff. 7-1-24; 103-718, eff.  
24 7-19-24; 103-751, eff. 8-2-24; 103-914, eff. 1-1-25; 103-918,  
25 eff. 1-1-25; 103-1024, eff. 1-1-25; revised 11-26-24.)

1       Section 25. The Illinois Insurance Code is amended by  
2 adding Section 356z.80 as follows:

3       (215 ILCS 5/356z.80 new)

4       Sec. 356z.80. Laser hair removal. Any group or individual  
5 policy of accident or health insurance or a managed care plan  
6 that is amended, delivered, issued, or renewed after January  
7 1, 2027 shall provide coverage for medically necessary laser  
8 hair removal if the procedure is a prescribed medical  
9 treatment in accordance with generally accepted standards of  
10 medical care.

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

13       (215 ILCS 125/5-3) (from Ch. 111 1/2, par. 1411.2)

14       (Text of Section before amendment by P.A. 103-808)

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, 143.31, 143c, 147, 148, 149, 151,  
19 152, 153, 154, 154.5, 154.6, 154.7, 154.8, 155.04, 155.22a,  
20 155.49, 352c, 355.2, 355.3, 355.6, 355b, 355c, 356f, 356g.5-1,  
21 356m, 356q, 356u.10, 356v, 356w, 356x, 356z.2, 356z.3a,  
22 356z.4, 356z.4a, 356z.5, 356z.6, 356z.8, 356z.9, 356z.10,  
23 356z.11, 356z.12, 356z.13, 356z.14, 356z.15, 356z.17, 356z.18,



1 356z.19, 356z.20, 356z.21, 356z.22, 356z.23, 356z.24, 356z.25,  
2 356z.26, 356z.28, 356z.29, 356z.30, 356z.31, 356z.32, 356z.33,  
3 356z.34, 356z.35, 356z.36, 356z.37, 356z.38, 356z.39, 356z.40,  
4 356z.40a, 356z.41, 356z.44, 356z.45, 356z.46, 356z.47,  
5 356z.48, 356z.49, 356z.50, 356z.51, 356z.53, 356z.54, 356z.55,  
6 356z.56, 356z.57, 356z.58, 356z.59, 356z.60, 356z.61, 356z.62,  
7 356z.63, 356z.64, 356z.65, 356z.66, 356z.67, 356z.68, 356z.69,  
8 356z.70, 356z.71, 356z.72, 356z.73, 356z.74, 356z.75, 356z.77,  
9 356z.80, 364, 364.01, 364.3, 367.2, 367.2-5, 367i, 368a, 368b,  
10 368c, 368d, 368e, 370c, 370c.1, 401, 401.1, 402, 403, 403A,  
11 408, 408.2, 409, 412, 444, and 444.1, paragraph (c) of  
12 subsection (2) of Section 367, and Articles IIA, VIII 1/2,  
13 XII, XII 1/2, XIII, XIII 1/2, XXV, XXVI, and XXXIIB of the  
14 Illinois 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. 102-30, eff. 1-1-22; 102-34, eff. 6-25-21;  
25 102-203, eff. 1-1-22; 102-306, eff. 1-1-22; 102-443, eff.  
26 1-1-22; 102-589, eff. 1-1-22; 102-642, eff. 1-1-22; 102-665,

1 eff. 10-8-21; 102-731, eff. 1-1-23; 102-775, eff. 5-13-22;  
2 102-804, eff. 1-1-23; 102-813, eff. 5-13-22; 102-816, eff.  
3 1-1-23; 102-860, eff. 1-1-23; 102-901, eff. 7-1-22; 102-1093,  
4 eff. 1-1-23; 102-1117, eff. 1-13-23; 103-84, eff. 1-1-24;  
5 103-91, eff. 1-1-24; 103-123, eff. 1-1-24; 103-154, eff.  
6 6-30-23; 103-420, eff. 1-1-24; 103-426, eff. 8-4-23; 103-445,  
7 eff. 1-1-24; 103-551, eff. 8-11-23; 103-605, eff. 7-1-24;  
8 103-618, eff. 1-1-25; 103-649, eff. 1-1-25; 103-656, eff.  
9 1-1-25; 103-700, eff. 1-1-25; 103-718, eff. 7-19-24; 103-751,  
10 eff. 8-2-24; 103-753, eff. 8-2-24; 103-758, eff. 1-1-25;  
11 103-777, eff. 8-2-24; 103-914, eff. 1-1-25; 103-918, eff.  
12 1-1-25; 103-1024, eff. 1-1-25; revised 9-26-24.)

13 (Text of Section after amendment by P.A. 103-808)

14 Sec. 5-3. Insurance Code provisions.

15 (a) Health Maintenance Organizations shall be subject to  
16 the provisions of Sections 133, 134, 136, 137, 139, 140,  
17 141.1, 141.2, 141.3, 143, 143.31, 143c, 147, 148, 149, 151,  
18 152, 153, 154, 154.5, 154.6, 154.7, 154.8, 155.04, 155.22a,  
19 155.49, 352c, 355.2, 355.3, 355.6, 355b, 355c, 356f, 356g,  
20 356g.5-1, 356m, 356q, 356u.10, 356v, 356w, 356x, 356z.2,  
21 356z.3a, 356z.4, 356z.4a, 356z.5, 356z.6, 356z.8, 356z.9,  
22 356z.10, 356z.11, 356z.12, 356z.13, 356z.14, 356z.15, 356z.17,  
23 356z.18, 356z.19, 356z.20, 356z.21, 356z.22, 356z.23, 356z.24,  
24 356z.25, 356z.26, 356z.28, 356z.29, 356z.30, 356z.31, 356z.32,  
25 356z.33, 356z.34, 356z.35, 356z.36, 356z.37, 356z.38, 356z.39,

1 356z.40, 356z.40a, 356z.41, 356z.44, 356z.45, 356z.46,  
2 356z.47, 356z.48, 356z.49, 356z.50, 356z.51, 356z.53, 356z.54,  
3 356z.55, 356z.56, 356z.57, 356z.58, 356z.59, 356z.60, 356z.61,  
4 356z.62, 356z.63, 356z.64, 356z.65, 356z.66, 356z.67, 356z.68,  
5 356z.69, 356z.70, 356z.71, 356z.72, 356z.73, 356z.74, 356z.75,  
6 356z.77, 356z.80, 364, 364.01, 364.3, 367.2, 367.2-5, 367i,  
7 368a, 368b, 368c, 368d, 368e, 370c, 370c.1, 401, 401.1, 402,  
8 403, 403A, 408, 408.2, 409, 412, 444, and 444.1, paragraph (c)  
9 of subsection (2) of Section 367, and Articles IIA, VIII 1/2,  
10 XII, XII 1/2, XIII, XIII 1/2, XXV, XXVI, and XXXIIB of the  
11 Illinois Insurance Code.

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

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

18 (2) a corporation organized under the laws of this  
19 State; or

20 (3) a corporation organized under the laws of another  
21 state, 30% or more of the enrollees of which are residents  
22 of this State, except a corporation subject to  
23 substantially the same requirements in its state of  
24 organization as is a "domestic company" under Article VIII  
25 1/2 of the Illinois Insurance Code.

26 (c) In considering the merger, consolidation, or other

1 acquisition of control of a Health Maintenance Organization  
2 pursuant to Article VIII 1/2 of the Illinois Insurance Code,

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

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

15 (3) the Director shall have the power to require the  
16 following information:

17 (A) certification by an independent actuary of the  
18 adequacy of the reserves of the Health Maintenance  
19 Organization sought to be acquired;

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



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

5           (D) such other information as the Director shall  
6           require.

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

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

23          (f) Except for small employer groups as defined in the  
24          Small Employer Rating, Renewability and Portability Health  
25          Insurance Act and except for medicare supplement policies as  
26          defined in Section 363 of the Illinois Insurance Code, a

1 Health Maintenance Organization may by contract agree with a  
2 group or other enrollment unit to effect refunds or charge  
3 additional premiums under the following terms and conditions:

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

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

25 The Health Maintenance Organization shall include a  
26 statement in the evidence of coverage issued to each enrollee

1 describing the possibility of a refund or additional premium,  
2 and upon request of any group or enrollment unit, provide to  
3 the group or enrollment unit a description of the method used  
4 to calculate (1) the Health Maintenance Organization's  
5 profitable experience with respect to the group or enrollment  
6 unit and the resulting refund to the group or enrollment unit  
7 or (2) the Health Maintenance Organization's unprofitable  
8 experience with respect to the group or enrollment unit and  
9 the resulting additional premium to be paid by the group or  
10 enrollment unit.

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

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

21 (Source: P.A. 102-30, eff. 1-1-22; 102-34, eff. 6-25-21;  
22 102-203, eff. 1-1-22; 102-306, eff. 1-1-22; 102-443, eff.  
23 1-1-22; 102-589, eff. 1-1-22; 102-642, eff. 1-1-22; 102-665,  
24 eff. 10-8-21; 102-731, eff. 1-1-23; 102-775, eff. 5-13-22;  
25 102-804, eff. 1-1-23; 102-813, eff. 5-13-22; 102-816, eff.  
26 1-1-23; 102-860, eff. 1-1-23; 102-901, eff. 7-1-22; 102-1093,

1 eff. 1-1-23; 102-1117, eff. 1-13-23; 103-84, eff. 1-1-24;  
2 103-91, eff. 1-1-24; 103-123, eff. 1-1-24; 103-154, eff.  
3 6-30-23; 103-420, eff. 1-1-24; 103-426, eff. 8-4-23; 103-445,  
4 eff. 1-1-24; 103-551, eff. 8-11-23; 103-605, eff. 7-1-24;  
5 103-618, eff. 1-1-25; 103-649, eff. 1-1-25; 103-656, eff.  
6 1-1-25; 103-700, eff. 1-1-25; 103-718, eff. 7-19-24; 103-751,  
7 eff. 8-2-24; 103-753, eff. 8-2-24; 103-758, eff. 1-1-25;  
8 103-777, eff. 8-2-24; 103-808, eff. 1-1-26; 103-914, eff.  
9 1-1-25; 103-918, eff. 1-1-25; 103-1024, eff. 1-1-25; revised  
10 11-26-24.)

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

13 (215 ILCS 130/4003) (from Ch. 73, par. 1504-3)

14 Sec. 4003. Illinois Insurance Code provisions. Limited  
15 health service organizations shall be subject to the  
16 provisions of Sections 133, 134, 136, 137, 139, 140, 141.1,  
17 141.2, 141.3, 143, 143.31, 143c, 147, 148, 149, 151, 152, 153,  
18 154, 154.5, 154.6, 154.7, 154.8, 155.04, 155.37, 155.49, 352c,  
19 355.2, 355.3, 355b, 355d, 356m, 356q, 356v, 356z.4, 356z.4a,  
20 356z.10, 356z.21, 356z.22, 356z.25, 356z.26, 356z.29, 356z.32,  
21 356z.33, 356z.41, 356z.46, 356z.47, 356z.51, 356z.53, 356z.54,  
22 356z.57, 356z.59, 356z.61, 356z.64, 356z.67, 356z.68, 356z.71,  
23 356z.73, 356z.74, 356z.75, 356z.80, 364.3, 368a, 401, 401.1,  
24 402, 403, 403A, 408, 408.2, 409, 412, 444, and 444.1 and

1 Articles IIA, VIII 1/2, XII, XII 1/2, XIII, XIII 1/2, XXV, and  
2 XXVI of the Illinois Insurance Code. Nothing in this Section  
3 shall require a limited health care plan to cover any service  
4 that is not a limited health service. For purposes of the  
5 Illinois Insurance Code, except for Sections 444 and 444.1 and  
6 Articles XIII and XIII 1/2, limited health service  
7 organizations in the following categories are deemed to be  
8 domestic companies:

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

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

16 (Source: P.A. 102-30, eff. 1-1-22; 102-203, eff. 1-1-22;  
17 102-306, eff. 1-1-22; 102-642, eff. 1-1-22; 102-731, eff.  
18 1-1-23; 102-775, eff. 5-13-22; 102-813, eff. 5-13-22; 102-816,  
19 eff. 1-1-23; 102-860, eff. 1-1-23; 102-1093, eff. 1-1-23;  
20 102-1117, eff. 1-13-23; 103-84, eff. 1-1-24; 103-91, eff.  
21 1-1-24; 103-420, eff. 1-1-24; 103-426, eff. 8-4-23; 103-445,  
22 eff. 1-1-24; 103-605, eff. 7-1-24; 103-649, eff. 1-1-25;  
23 103-656, eff. 1-1-25; 103-700, eff. 1-1-25; 103-718, eff.  
24 7-19-24; 103-751, eff. 8-2-24; 103-758, eff. 1-1-25; 103-832,  
25 eff. 1-1-25; 103-1024, eff. 1-1-25; revised 11-26-24.)

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

3       (215 ILCS 165/10) (from Ch. 32, par. 604)

4       Sec. 10. Application of Insurance Code provisions. Health  
5       services plan corporations and all persons interested therein  
6       or dealing therewith shall be subject to the provisions of  
7       Articles IIA and XII 1/2 and Sections 3.1, 133, 136, 139, 140,  
8       143, 143.31, 143c, 149, 155.22a, 155.37, 354, 355.2, 355.3,  
9       355b, 355d, 356g, 356g.5, 356g.5-1, 356m, 356q, 356r, 356t,  
10      356u, 356u.10, 356v, 356w, 356x, 356y, 356z.1, 356z.2,  
11      356z.3a, 356z.4, 356z.4a, 356z.5, 356z.6, 356z.8, 356z.9,  
12      356z.10, 356z.11, 356z.12, 356z.13, 356z.14, 356z.15, 356z.18,  
13      356z.19, 356z.21, 356z.22, 356z.25, 356z.26, 356z.29, 356z.30,  
14      356z.32, 356z.32a, 356z.33, 356z.40, 356z.41, 356z.46,  
15      356z.47, 356z.51, 356z.53, 356z.54, 356z.56, 356z.57, 356z.59,  
16      356z.60, 356z.61, 356z.62, 356z.64, 356z.67, 356z.68, 356z.71,  
17      356z.72, 356z.74, 356z.75, 356z.77, 356z.80, 364.01, 364.3,  
18      367.2, 368a, 401, 401.1, 402, 403, 403A, 408, 408.2, and 412,  
19      and paragraphs (7) and (15) of Section 367 of the Illinois  
20      Insurance Code.

21      Rulemaking authority to implement Public Act 95-1045, if  
22      any, is conditioned on the rules being adopted in accordance  
23      with all provisions of the Illinois Administrative Procedure  
24      Act and all rules and procedures of the Joint Committee on  
25      Administrative Rules; any purported rule not so adopted, for

1 whatever reason, is unauthorized.

2 (Source: P.A. 102-30, eff. 1-1-22; 102-203, eff. 1-1-22;  
3 102-306, eff. 1-1-22; 102-642, eff. 1-1-22; 102-665, eff.  
4 10-8-21; 102-731, eff. 1-1-23; 102-775, eff. 5-13-22; 102-804,  
5 eff. 1-1-23; 102-813, eff. 5-13-22; 102-816, eff. 1-1-23;  
6 102-860, eff. 1-1-23; 102-901, eff. 7-1-22; 102-1093, eff.  
7 1-1-23; 102-1117, eff. 1-13-23; 103-84, eff. 1-1-24; 103-91,  
8 eff. 1-1-24; 103-420, eff. 1-1-24; 103-445, eff. 1-1-24;  
9 103-551, eff. 8-11-23; 103-605, eff. 7-1-24; 103-656, eff.  
10 1-1-25; 103-718, eff. 7-19-24; 103-751, eff. 8-2-24; 103-753,  
11 eff. 8-2-24; 103-758, eff. 1-1-25; 103-832, eff. 1-1-25;  
12 103-914, eff. 1-1-25; 103-918, eff. 1-1-25; 103-1024, eff.  
13 1-1-25; revised 11-26-24.)

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

16 (305 ILCS 5/5-16.8)

17 Sec. 5-16.8. Required health benefits. The medical  
18 assistance program shall (i) provide the post-mastectomy care  
19 benefits required to be covered by a policy of accident and  
20 health insurance under Section 356t and the coverage required  
21 under Sections 356g.5, 356q, 356u, 356w, 356x, 356z.6,  
22 356z.26, 356z.29, 356z.32, 356z.33, 356z.34, 356z.35, 356z.46,  
23 356z.47, 356z.51, 356z.53, 356z.59, 356z.60, 356z.61, 356z.64,  
24 ~~and 356z.67, and 356z.71~~, 356z.75, and 356z.80 of the Illinois

1 Insurance Code, (ii) be subject to the provisions of Sections  
2 356z.19, 356z.44, 356z.49, 364.01, 370c, and 370c.1 of the  
3 Illinois Insurance Code, and (iii) be subject to the  
4 provisions of subsection (d-5) of Section 10 of the Network  
5 Adequacy and Transparency Act.

6 The Department, by rule, shall adopt a model similar to  
7 the requirements of Section 356z.39 of the Illinois Insurance  
8 Code.

9 On and after July 1, 2012, the Department shall reduce any  
10 rate of reimbursement for services or other payments or alter  
11 any methodologies authorized by this Code to reduce any rate  
12 of reimbursement for services or other payments in accordance  
13 with Section 5-5e.

14 To ensure full access to the benefits set forth in this  
15 Section, on and after January 1, 2016, the Department shall  
16 ensure that provider and hospital reimbursement for  
17 post-mastectomy care benefits required under this Section are  
18 no lower than the Medicare reimbursement rate.

19 (Source: P.A. 102-30, eff. 1-1-22; 102-144, eff. 1-1-22;  
20 102-203, eff. 1-1-22; 102-306, eff. 1-1-22; 102-530, eff.  
21 1-1-22; 102-642, eff. 1-1-22; 102-804, eff. 1-1-23; 102-813,  
22 eff. 5-13-22; 102-816, eff. 1-1-23; 102-1093, eff. 1-1-23;  
23 102-1117, eff. 1-13-23; 103-84, eff. 1-1-24; 103-91, eff.  
24 1-1-24; 103-420, eff. 1-1-24; 103-605, eff. 7-1-24; 103-703,  
25 eff. 1-1-25; 103-758, eff. 1-1-25; 103-1024, eff. 1-1-25;  
26 revised 11-26-24.)



1       Section 95. No acceleration or delay. Where this Act makes  
2       changes in a statute that is represented in this Act by text  
3       that is not yet or no longer in effect (for example, a Section  
4       represented by multiple versions), the use of that text does  
5       not accelerate or delay the taking effect of (i) the changes  
6       made by this Act or (ii) provisions derived from any other  
7       Public Act.