



104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

SB1488

Introduced 1/31/2025, by Sen. Doris Turner

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.80 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 managed care plan that is amended, delivered, issued, or renewed on or after January 1, 2026 shall provide coverage for medically necessary general anesthesia, regardless of the duration, for any procedure covered by the policy, and that medical necessity shall be determined by the attending anesthesiologist or licensed anesthesia provider. Provides that an individual or group policy of accident and health insurance is prohibited from denying payment or reimbursement for anesthesia services solely because the duration of care exceeded a preset time limit. Amends 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 Services Plans Act, and the Illinois Public Aid Code to require coverage under those provisions. Effective immediately.

LRB104 09864 SPS 19932 b

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 22. 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. Coverage for general anesthesia.

5 (a) A group or individual policy of accident and health
6 insurance or a managed care plan that is amended, delivered,
7 issued, or renewed on or after January 1, 2026 shall provide
8 coverage for medically necessary general anesthesia,
9 regardless of the duration, for any procedure covered by the
10 policy. Medical necessity shall be determined by the attending
11 anesthesiologist or licensed anesthesia provider.

12 (b) An individual or group policy of accident and health
13 insurance is prohibited from denying payment or reimbursement
14 for anesthesia services solely because the duration of care
15 exceeded a preset time limit.

16 Section 25. The Health Maintenance Organization Act is
17 amended by changing Section 5-3 as follows:

18 (215 ILCS 125/5-3) (from Ch. 111 1/2, par. 1411.2)

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

20 Sec. 5-3. Insurance Code provisions.

21 (a) Health Maintenance Organizations shall be subject to
22 the provisions of Sections 133, 134, 136, 137, 139, 140,
23 141.1, 141.2, 141.3, 143, 143.31, 143c, 147, 148, 149, 151,

1 152, 153, 154, 154.5, 154.6, 154.7, 154.8, 155.04, 155.22a,
2 155.49, 352c, 355.2, 355.3, 355.6, 355b, 355c, 356f, 356g.5-1,
3 356m, 356q, 356u.10, 356v, 356w, 356x, 356z.2, 356z.3a,
4 356z.4, 356z.4a, 356z.5, 356z.6, 356z.8, 356z.9, 356z.10,
5 356z.11, 356z.12, 356z.13, 356z.14, 356z.15, 356z.17, 356z.18,
6 356z.19, 356z.20, 356z.21, 356z.22, 356z.23, 356z.24, 356z.25,
7 356z.26, 356z.28, 356z.29, 356z.30, 356z.31, 356z.32, 356z.33,
8 356z.34, 356z.35, 356z.36, 356z.37, 356z.38, 356z.39, 356z.40,
9 356z.40a, 356z.41, 356z.44, 356z.45, 356z.46, 356z.47,
10 356z.48, 356z.49, 356z.50, 356z.51, 356z.53, 356z.54, 356z.55,
11 356z.56, 356z.57, 356z.58, 356z.59, 356z.60, 356z.61, 356z.62,
12 356z.63, 356z.64, 356z.65, 356z.66, 356z.67, 356z.68, 356z.69,
13 356z.70, 356z.71, 356z.72, 356z.73, 356z.74, 356z.75, 356z.77,
14 356z.80, 364, 364.01, 364.3, 367.2, 367.2-5, 367i, 368a, 368b,
15 368c, 368d, 368e, 370c, 370c.1, 401, 401.1, 402, 403, 403A,
16 408, 408.2, 409, 412, 444, and 444.1, paragraph (c) of
17 subsection (2) of Section 367, and Articles IIA, VIII 1/2,
18 XII, XII 1/2, XIII, XIII 1/2, XXV, XXVI, and XXXIIB of the
19 Illinois Insurance Code.

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

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

26 (2) a corporation organized under the laws of this

1 State; or

2 (3) a corporation organized under the laws of another
3 state, 30% or more of the enrollees of which are residents
4 of this State, except a corporation subject to
5 substantially the same requirements in its state of
6 organization as is a "domestic company" under Article VIII
7 1/2 of the Illinois Insurance Code.

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

11 (1) the Director shall give primary consideration to
12 the continuation of benefits to enrollees and the
13 financial conditions of the acquired Health Maintenance
14 Organization after the merger, consolidation, or other
15 acquisition of control takes effect;

16 (2) (i) the criteria specified in subsection (1) (b) of
17 Section 131.8 of the Illinois Insurance Code shall not
18 apply and (ii) the Director, in making his determination
19 with respect to the merger, consolidation, or other
20 acquisition of control, need not take into account the
21 effect on competition of the merger, consolidation, or
22 other acquisition of control;

23 (3) the Director shall have the power to require the
24 following information:

25 (A) certification by an independent actuary of the
26 adequacy of the reserves of the Health Maintenance

1 Organization sought to be acquired;

2 (B) pro forma financial statements reflecting the
3 combined balance sheets of the acquiring company and
4 the Health Maintenance Organization sought to be
5 acquired as of the end of the preceding year and as of
6 a date 90 days prior to the acquisition, as well as pro
7 forma financial statements reflecting projected
8 combined operation for a period of 2 years;

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

13 (D) such other information as the Director shall
14 require.

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

21 (e) In considering any management contract or service
22 agreement subject to Section 141.1 of the Illinois Insurance
23 Code, the Director (i) shall, in addition to the criteria
24 specified in Section 141.2 of the Illinois Insurance Code,
25 take into account the effect of the management contract or
26 service agreement on the continuation of benefits to enrollees

1 and the financial condition of the health maintenance
2 organization to be managed or serviced, and (ii) need not take
3 into account the effect of the management contract or service
4 agreement on competition.

5 (f) Except for small employer groups as defined in the
6 Small Employer Rating, Renewability and Portability Health
7 Insurance Act and except for medicare supplement policies as
8 defined in Section 363 of the Illinois Insurance Code, a
9 Health Maintenance Organization may by contract agree with a
10 group or other enrollment unit to effect refunds or charge
11 additional premiums under the following terms and conditions:

12 (i) the amount of, and other terms and conditions with
13 respect to, the refund or additional premium are set forth
14 in the group or enrollment unit contract agreed in advance
15 of the period for which a refund is to be paid or
16 additional premium is to be charged (which period shall
17 not be less than one year); and

18 (ii) the amount of the refund or additional premium
19 shall not exceed 20% of the Health Maintenance
20 Organization's profitable or unprofitable experience with
21 respect to the group or other enrollment unit for the
22 period (and, for purposes of a refund or additional
23 premium, the profitable or unprofitable experience shall
24 be calculated taking into account a pro rata share of the
25 Health Maintenance Organization's administrative and
26 marketing expenses, but shall not include any refund to be

1 made or additional premium to be paid pursuant to this
2 subsection (f)). The Health Maintenance Organization and
3 the group or enrollment unit may agree that the profitable
4 or unprofitable experience may be calculated taking into
5 account the refund period and the immediately preceding 2
6 plan years.

7 The Health Maintenance Organization shall include a
8 statement in the evidence of coverage issued to each enrollee
9 describing the possibility of a refund or additional premium,
10 and upon request of any group or enrollment unit, provide to
11 the group or enrollment unit a description of the method used
12 to calculate (1) the Health Maintenance Organization's
13 profitable experience with respect to the group or enrollment
14 unit and the resulting refund to the group or enrollment unit
15 or (2) the Health Maintenance Organization's unprofitable
16 experience with respect to the group or enrollment unit and
17 the resulting additional premium to be paid by the group or
18 enrollment unit.

19 In no event shall the Illinois Health Maintenance
20 Organization Guaranty Association be liable to pay any
21 contractual obligation of an insolvent organization to pay any
22 refund authorized under this Section.

23 (g) Rulemaking authority to implement Public Act 95-1045,
24 if any, is conditioned on the rules being adopted in
25 accordance with all provisions of the Illinois Administrative
26 Procedure Act and all rules and procedures of the Joint

1 Committee on Administrative Rules; any purported rule not so
2 adopted, for whatever reason, is unauthorized.

3 (Source: P.A. 102-30, eff. 1-1-22; 102-34, eff. 6-25-21;
4 102-203, eff. 1-1-22; 102-306, eff. 1-1-22; 102-443, eff.
5 1-1-22; 102-589, eff. 1-1-22; 102-642, eff. 1-1-22; 102-665,
6 eff. 10-8-21; 102-731, eff. 1-1-23; 102-775, eff. 5-13-22;
7 102-804, eff. 1-1-23; 102-813, eff. 5-13-22; 102-816, eff.
8 1-1-23; 102-860, eff. 1-1-23; 102-901, eff. 7-1-22; 102-1093,
9 eff. 1-1-23; 102-1117, eff. 1-13-23; 103-84, eff. 1-1-24;
10 103-91, eff. 1-1-24; 103-123, eff. 1-1-24; 103-154, eff.
11 6-30-23; 103-420, eff. 1-1-24; 103-426, eff. 8-4-23; 103-445,
12 eff. 1-1-24; 103-551, eff. 8-11-23; 103-605, eff. 7-1-24;
13 103-618, eff. 1-1-25; 103-649, eff. 1-1-25; 103-656, eff.
14 1-1-25; 103-700, eff. 1-1-25; 103-718, eff. 7-19-24; 103-751,
15 eff. 8-2-24; 103-753, eff. 8-2-24; 103-758, eff. 1-1-25;
16 103-777, eff. 8-2-24; 103-914, eff. 1-1-25; 103-918, eff.
17 1-1-25; 103-1024, eff. 1-1-25; revised 9-26-24.)

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

19 Sec. 5-3. Insurance Code provisions.

20 (a) Health Maintenance Organizations shall be subject to
21 the provisions of Sections 133, 134, 136, 137, 139, 140,
22 141.1, 141.2, 141.3, 143, 143.31, 143c, 147, 148, 149, 151,
23 152, 153, 154, 154.5, 154.6, 154.7, 154.8, 155.04, 155.22a,
24 155.49, 352c, 355.2, 355.3, 355.6, 355b, 355c, 356f, 356g,
25 356g.5-1, 356m, 356q, 356u.10, 356v, 356w, 356x, 356z.2,

1 356z.3a, 356z.4, 356z.4a, 356z.5, 356z.6, 356z.8, 356z.9,
2 356z.10, 356z.11, 356z.12, 356z.13, 356z.14, 356z.15, 356z.17,
3 356z.18, 356z.19, 356z.20, 356z.21, 356z.22, 356z.23, 356z.24,
4 356z.25, 356z.26, 356z.28, 356z.29, 356z.30, 356z.31, 356z.32,
5 356z.33, 356z.34, 356z.35, 356z.36, 356z.37, 356z.38, 356z.39,
6 356z.40, 356z.40a, 356z.41, 356z.44, 356z.45, 356z.46,
7 356z.47, 356z.48, 356z.49, 356z.50, 356z.51, 356z.53, 356z.54,
8 356z.55, 356z.56, 356z.57, 356z.58, 356z.59, 356z.60, 356z.61,
9 356z.62, 356z.63, 356z.64, 356z.65, 356z.66, 356z.67, 356z.68,
10 356z.69, 356z.70, 356z.71, 356z.72, 356z.73, 356z.74, 356z.75,
11 356z.77, 356z.80, 364, 364.01, 364.3, 367.2, 367.2-5, 367i,
12 368a, 368b, 368c, 368d, 368e, 370c, 370c.1, 401, 401.1, 402,
13 403, 403A, 408, 408.2, 409, 412, 444, and 444.1, paragraph (c)
14 of subsection (2) of Section 367, and Articles IIA, VIII 1/2,
15 XII, XII 1/2, XIII, XIII 1/2, XXV, XXVI, and XXXIIB of the
16 Illinois Insurance Code.

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

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

23 (2) a corporation organized under the laws of this
24 State; or

25 (3) a corporation organized under the laws of another
26 state, 30% or more of the enrollees of which are residents

1 of this State, except a corporation subject to
2 substantially the same requirements in its state of
3 organization as is a "domestic company" under Article VIII
4 1/2 of the Illinois Insurance Code.

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

8 (1) the Director shall give primary consideration to
9 the continuation of benefits to enrollees and the
10 financial conditions of the acquired Health Maintenance
11 Organization after the merger, consolidation, or other
12 acquisition of control takes effect;

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

20 (3) the Director shall have the power to require the
21 following information:

22 (A) certification by an independent actuary of the
23 adequacy of the reserves of the Health Maintenance
24 Organization sought to be acquired;

25 (B) pro forma financial statements reflecting the
26 combined balance sheets of the acquiring company and

1 the Health Maintenance Organization sought to be
2 acquired as of the end of the preceding year and as of
3 a date 90 days prior to the acquisition, as well as pro
4 forma financial statements reflecting projected
5 combined operation for a period of 2 years;

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

10 (D) such other information as the Director shall
11 require.

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

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

1 agreement on competition.

2 (f) Except for small employer groups as defined in the
3 Small Employer Rating, Renewability and Portability Health
4 Insurance Act and except for medicare supplement policies as
5 defined in Section 363 of the Illinois Insurance Code, a
6 Health Maintenance Organization may by contract agree with a
7 group or other enrollment unit to effect refunds or charge
8 additional premiums under the following terms and conditions:

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

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

1 or unprofitable experience may be calculated taking into
2 account the refund period and the immediately preceding 2
3 plan years.

4 The Health Maintenance Organization shall include a
5 statement in the evidence of coverage issued to each enrollee
6 describing the possibility of a refund or additional premium,
7 and upon request of any group or enrollment unit, provide to
8 the group or enrollment unit a description of the method used
9 to calculate (1) the Health Maintenance Organization's
10 profitable experience with respect to the group or enrollment
11 unit and the resulting refund to the group or enrollment unit
12 or (2) the Health Maintenance Organization's unprofitable
13 experience with respect to the group or enrollment unit and
14 the resulting additional premium to be paid by the group or
15 enrollment unit.

16 In no event shall the Illinois Health Maintenance
17 Organization Guaranty Association be liable to pay any
18 contractual obligation of an insolvent organization to pay any
19 refund authorized under this Section.

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

26 (Source: P.A. 102-30, eff. 1-1-22; 102-34, eff. 6-25-21;

1 102-203, eff. 1-1-22; 102-306, eff. 1-1-22; 102-443, eff.
2 1-1-22; 102-589, eff. 1-1-22; 102-642, eff. 1-1-22; 102-665,
3 eff. 10-8-21; 102-731, eff. 1-1-23; 102-775, eff. 5-13-22;
4 102-804, eff. 1-1-23; 102-813, eff. 5-13-22; 102-816, eff.
5 1-1-23; 102-860, eff. 1-1-23; 102-901, eff. 7-1-22; 102-1093,
6 eff. 1-1-23; 102-1117, eff. 1-13-23; 103-84, eff. 1-1-24;
7 103-91, eff. 1-1-24; 103-123, eff. 1-1-24; 103-154, eff.
8 6-30-23; 103-420, eff. 1-1-24; 103-426, eff. 8-4-23; 103-445,
9 eff. 1-1-24; 103-551, eff. 8-11-23; 103-605, eff. 7-1-24;
10 103-618, eff. 1-1-25; 103-649, eff. 1-1-25; 103-656, eff.
11 1-1-25; 103-700, eff. 1-1-25; 103-718, eff. 7-19-24; 103-751,
12 eff. 8-2-24; 103-753, eff. 8-2-24; 103-758, eff. 1-1-25;
13 103-777, eff. 8-2-24; 103-808, eff. 1-1-26; 103-914, eff.
14 1-1-25; 103-918, eff. 1-1-25; 103-1024, eff. 1-1-25; revised
15 11-26-24.)

16 Section 30. The Limited Health Service Organization Act is
17 amended by changing Section 4003 as follows:

18 (215 ILCS 130/4003) (from Ch. 73, par. 1504-3)

19 Sec. 4003. Illinois Insurance Code provisions. Limited
20 health service organizations shall be subject to the
21 provisions of Sections 133, 134, 136, 137, 139, 140, 141.1,
22 141.2, 141.3, 143, 143.31, 143c, 147, 148, 149, 151, 152, 153,
23 154, 154.5, 154.6, 154.7, 154.8, 155.04, 155.37, 155.49, 352c,
24 355.2, 355.3, 355b, 355d, 356m, 356q, 356v, 356z.4, 356z.4a,

1 356z.10, 356z.21, 356z.22, 356z.25, 356z.26, 356z.29, 356z.32,
2 356z.33, 356z.41, 356z.46, 356z.47, 356z.51, 356z.53, 356z.54,
3 356z.57, 356z.59, 356z.61, 356z.64, 356z.67, 356z.68, 356z.71,
4 356z.73, 356z.74, 356z.75, 356z.80, 364.3, 368a, 401, 401.1,
5 402, 403, 403A, 408, 408.2, 409, 412, 444, and 444.1 and
6 Articles IIA, VIII 1/2, XII, XII 1/2, XIII, XIII 1/2, XXV, and
7 XXVI of the Illinois Insurance Code. Nothing in this Section
8 shall require a limited health care plan to cover any service
9 that is not a limited health service. For purposes of the
10 Illinois Insurance Code, except for Sections 444 and 444.1 and
11 Articles XIII and XIII 1/2, limited health service
12 organizations in the following categories are deemed to be
13 domestic companies:

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

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

21 (Source: P.A. 102-30, eff. 1-1-22; 102-203, eff. 1-1-22;
22 102-306, eff. 1-1-22; 102-642, eff. 1-1-22; 102-731, eff.
23 1-1-23; 102-775, eff. 5-13-22; 102-813, eff. 5-13-22; 102-816,
24 eff. 1-1-23; 102-860, eff. 1-1-23; 102-1093, eff. 1-1-23;
25 102-1117, eff. 1-13-23; 103-84, eff. 1-1-24; 103-91, eff.
26 1-1-24; 103-420, eff. 1-1-24; 103-426, eff. 8-4-23; 103-445,

1 eff. 1-1-24; 103-605, eff. 7-1-24; 103-649, eff. 1-1-25;
2 103-656, eff. 1-1-25; 103-700, eff. 1-1-25; 103-718, eff.
3 7-19-24; 103-751, eff. 8-2-24; 103-758, eff. 1-1-25; 103-832,
4 eff. 1-1-25; 103-1024, eff. 1-1-25; revised 11-26-24.)

5 Section 35. The Voluntary Health Services Plans Act is
6 amended by changing Section 10 as follows:

7 (215 ILCS 165/10) (from Ch. 32, par. 604)

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

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. 102-30, eff. 1-1-22; 102-203, eff. 1-1-22;
8 102-306, eff. 1-1-22; 102-642, eff. 1-1-22; 102-665, eff.
9 10-8-21; 102-731, eff. 1-1-23; 102-775, eff. 5-13-22; 102-804,
10 eff. 1-1-23; 102-813, eff. 5-13-22; 102-816, eff. 1-1-23;
11 102-860, eff. 1-1-23; 102-901, eff. 7-1-22; 102-1093, eff.
12 1-1-23; 102-1117, eff. 1-13-23; 103-84, eff. 1-1-24; 103-91,
13 eff. 1-1-24; 103-420, eff. 1-1-24; 103-445, eff. 1-1-24;
14 103-551, eff. 8-11-23; 103-605, eff. 7-1-24; 103-656, eff.
15 1-1-25; 103-718, eff. 7-19-24; 103-751, eff. 8-2-24; 103-753,
16 eff. 8-2-24; 103-758, eff. 1-1-25; 103-832, eff. 1-1-25;
17 103-914, eff. 1-1-25; 103-918, eff. 1-1-25; 103-1024, eff.
18 1-1-25; revised 11-26-24.)

19 Section 40. The Illinois Public Aid Code is amended by
20 changing Section 5-16.8 as follows:

21 (305 ILCS 5/5-16.8)

22 Sec. 5-16.8. Required health benefits. The medical
23 assistance program shall (i) provide the post-mastectomy care
24 benefits required to be covered by a policy of accident and

1 health insurance under Section 356t and the coverage required
2 under Sections 356g.5, 356q, 356u, 356w, 356x, 356z.6,
3 356z.26, 356z.29, 356z.32, 356z.33, 356z.34, 356z.35, 356z.46,
4 356z.47, 356z.51, 356z.53, 356z.59, 356z.60, 356z.61, 356z.64,
5 ~~and~~ 356z.67, ~~and~~ 356z.71, 356z.75, and 356z.80 of the Illinois
6 Insurance Code, (ii) be subject to the provisions of Sections
7 356z.19, 356z.44, 356z.49, 364.01, 370c, and 370c.1 of the
8 Illinois Insurance Code, and (iii) be subject to the
9 provisions of subsection (d-5) of Section 10 of the Network
10 Adequacy and Transparency Act.

11 The Department, by rule, shall adopt a model similar to
12 the requirements of Section 356z.39 of the Illinois Insurance
13 Code.

14 On and after July 1, 2012, the Department shall reduce any
15 rate of reimbursement for services or other payments or alter
16 any methodologies authorized by this Code to reduce any rate
17 of reimbursement for services or other payments in accordance
18 with Section 5-5e.

19 To ensure full access to the benefits set forth in this
20 Section, on and after January 1, 2016, the Department shall
21 ensure that provider and hospital reimbursement for
22 post-mastectomy care benefits required under this Section are
23 no lower than the Medicare reimbursement rate.

24 (Source: P.A. 102-30, eff. 1-1-22; 102-144, eff. 1-1-22;
25 102-203, eff. 1-1-22; 102-306, eff. 1-1-22; 102-530, eff.
26 1-1-22; 102-642, eff. 1-1-22; 102-804, eff. 1-1-23; 102-813,

1 eff. 5-13-22; 102-816, eff. 1-1-23; 102-1093, eff. 1-1-23;
2 102-1117, eff. 1-13-23; 103-84, eff. 1-1-24; 103-91, eff.
3 1-1-24; 103-420, eff. 1-1-24; 103-605, eff. 7-1-24; 103-703,
4 eff. 1-1-25; 103-758, eff. 1-1-25; 103-1024, eff. 1-1-25;
5 revised 11-26-24.)

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

13 Section 99. Effective date. This Act takes effect upon
14 becoming law.