



Rep. Bob Morgan

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10400SB2762ham002

LRB104 16499 BAB 38211 a

1 AMENDMENT TO SENATE BILL 2762

2 AMENDMENT NO. _____. Amend Senate Bill 2762 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Counties Code is amended by changing
5 Section 5-1069.3 as follows:

6 (55 ILCS 5/5-1069.3)

7 (Text of Section before amendment by P.A. 104-446)

8 Sec. 5-1069.3. Required health benefits. If a county,
9 including a home rule county, is a self-insurer for purposes
10 of providing health insurance coverage for its employees, the
11 coverage shall include coverage for the post-mastectomy care
12 benefits required to be covered by a policy of accident and
13 health insurance under Section 356t and the coverage required
14 under Sections 356g, 356g.5, 356g.5-1, 356m, 356q, 356u,
15 356u.10, 356w, 356x, 356z.4, 356z.4a, 356z.6, 356z.8, 356z.9,
16 356z.10, 356z.11, 356z.12, 356z.13, 356z.14, 356z.15, 356z.22,

1 356z.25, 356z.26, 356z.29, 356z.30, 356z.32, 356z.33, 356z.36,
2 356z.40, 356z.41, 356z.45, 356z.46, 356z.47, 356z.48, 356z.51,
3 356z.53, 356z.54, 356z.56, 356z.57, 356z.59, 356z.60, 356z.61,
4 356z.62, 356z.64, 356z.67, 356z.68, 356z.70, 356z.71, 356z.74,
5 ~~and~~ 356z.77, 356z.79, and 356z.80, 356z.81, 356z.82, 356z.83,
6 356z.84, 356z.85, and 356z.88 of the Illinois Insurance Code.

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

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

22 (Source: P.A. 103-84, eff. 1-1-24; 103-91, eff. 1-1-24;
23 103-420, eff. 1-1-24; 103-445, eff. 1-1-24; 103-535, eff.
24 8-11-23; 103-551, eff. 8-11-23; 103-605, eff. 7-1-24; 103-718,
25 eff. 7-19-24; 103-751, eff. 8-2-24; 103-914, eff. 1-1-25;
26 103-918, eff. 1-1-25; 103-1024, eff. 1-1-25; 104-1, eff.

1 6-9-25; 104-42, eff. 8-1-25; 104-68, eff. 1-1-26; 104-73, eff.
2 1-1-26; 104-289, eff. 1-1-26; 104-324, eff. 1-1-26; 104-379,
3 eff. 1-1-26; 104-417, eff. 8-15-25; revised 1-7-26.)

4 (Text of Section after amendment by P.A. 104-446)

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, 356z.70, 356z.71, 356z.74,
18 ~~and~~ 356z.77, 356z.79, and 356z.80, 356z.81, 356z.82, 356z.83,
19 356z.84, 356z.85, and 356z.88 of the Illinois Insurance Code.
20 The coverage shall comply with Sections 155.22a, 355b,
21 356z.19, 370c, and 370c.4 of the Illinois Insurance Code. The
22 Department of Insurance shall enforce the requirements of this
23 Section. The requirement that health benefits be covered as
24 provided in this Section is an exclusive power and function of
25 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. 103-84, eff. 1-1-24; 103-91, eff. 1-1-24;
11 103-420, eff. 1-1-24; 103-445, eff. 1-1-24; 103-535, eff.
12 8-11-23; 103-551, eff. 8-11-23; 103-605, eff. 7-1-24; 103-718,
13 eff. 7-19-24; 103-751, eff. 8-2-24; 103-914, eff. 1-1-25;
14 103-918, eff. 1-1-25; 103-1024, eff. 1-1-25; 104-1, eff.
15 6-9-25; 104-42, eff. 8-1-25; 104-68, eff. 1-1-26; 104-73, eff.
16 1-1-26; 104-289, eff. 1-1-26; 104-324, eff. 1-1-26; 104-379,
17 eff. 1-1-26; 104-417, eff. 8-15-25; 104-446, eff. 6-1-26;
18 revised 1-7-26.)

19 Section 10. The Illinois Municipal Code is amended by
20 changing Section 10-4-2.3 as follows:

21 (65 ILCS 5/10-4-2.3)

22 (Text of Section before amendment by P.A. 104-446)

23 Sec. 10-4-2.3. Required health benefits. If a
24 municipality, including a home rule municipality, is a

1 self-insurer for purposes of providing health insurance
2 coverage for its employees, the coverage shall include
3 coverage for the post-mastectomy care benefits required to be
4 covered by a policy of accident and health insurance under
5 Section 356t and the coverage required under Sections 356g,
6 356g.5, 356g.5-1, 356m, 356q, 356u, 356u.10, 356w, 356x,
7 356z.4, 356z.4a, 356z.6, 356z.8, 356z.9, 356z.10, 356z.11,
8 356z.12, 356z.13, 356z.14, 356z.15, 356z.22, 356z.25, 356z.26,
9 356z.29, 356z.30, 356z.32, 356z.33, 356z.36, 356z.40, 356z.41,
10 356z.45, 356z.46, 356z.47, 356z.48, 356z.51, 356z.53, 356z.54,
11 356z.56, 356z.57, 356z.59, 356z.60, 356z.61, 356z.62, 356z.64,
12 356z.67, 356z.68, 356z.70, 356z.71, 356z.74, ~~and~~ 356z.77,
13 356z.79, ~~and~~ 356z.80, 356z.81, 356z.82, 356z.83, 356z.84,
14 356z.85, and 356z.88 of the Illinois Insurance Code. The
15 coverage shall comply with Sections 155.22a, 355b, 356z.19,
16 and 370c of the Illinois Insurance Code. The Department of
17 Insurance shall enforce the requirements of this Section. The
18 requirement that health benefits be covered as provided in
19 this Section is an exclusive power and function of the State
20 and is a denial and limitation under Article VII, Section 6,
21 subsection (h) of the Illinois Constitution. A home rule
22 municipality to which this Section applies must comply with
23 every provision of this Section.

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

1 Act and all rules and procedures of the Joint Committee on
2 Administrative Rules; any purported rule not so adopted, for
3 whatever reason, is unauthorized.

4 (Source: P.A. 103-84, eff. 1-1-24; 103-91, eff. 1-1-24;
5 103-420, eff. 1-1-24; 103-445, eff. 1-1-24; 103-535, eff.
6 8-11-23; 103-551, eff. 8-11-23; 103-605, eff. 7-1-24; 103-718,
7 eff. 7-19-24; 103-751, eff. 8-2-24; 103-914, eff. 1-1-25;
8 103-918, eff. 1-1-25; 103-1024, eff. 1-1-25; 104-1, eff.
9 6-9-25; 104-42, eff. 8-1-25; 104-68, eff. 1-1-26; 104-73, eff.
10 1-1-26; 104-289, eff. 1-1-26; 104-324, eff. 1-1-26; 104-379,
11 eff. 1-1-26; 104-417, eff. 8-15-25; revised 1-8-26.)

12 (Text of Section after amendment by P.A. 104-446)

13 Sec. 10-4-2.3. Required health benefits. If a
14 municipality, including a home rule municipality, is a
15 self-insurer for purposes of providing health insurance
16 coverage for its employees, the coverage shall include
17 coverage for the post-mastectomy care benefits required to be
18 covered by a policy of accident and health insurance under
19 Section 356t and the coverage required under Sections 356g,
20 356g.5, 356g.5-1, 356m, 356q, 356u, 356u.10, 356w, 356x,
21 356z.4, 356z.4a, 356z.6, 356z.8, 356z.9, 356z.10, 356z.11,
22 356z.12, 356z.13, 356z.14, 356z.15, 356z.22, 356z.25, 356z.26,
23 356z.29, 356z.30, 356z.32, 356z.33, 356z.36, 356z.40, 356z.41,
24 356z.45, 356z.46, 356z.47, 356z.48, 356z.51, 356z.53, 356z.54,
25 356z.56, 356z.57, 356z.59, 356z.60, 356z.61, 356z.62, 356z.64,

1 356z.67, 356z.68, 356z.70, 356z.71, 356z.74, ~~and~~ 356z.77,
2 356z.79, ~~and~~ 356z.80, 356z.81, 356z.82, 356z.83, 356z.84,
3 356z.85, and 356z.88 of the Illinois Insurance Code. The
4 coverage shall comply with Sections 155.22a, 355b, 356z.19,
5 370c, and 370c.4 of the Illinois Insurance Code. The
6 Department of Insurance shall enforce the requirements of this
7 Section. The requirement that health benefits be covered as
8 provided in this Section is an exclusive power and function of
9 the State and is a denial and limitation under Article VII,
10 Section 6, subsection (h) of the Illinois Constitution. A home
11 rule municipality to which this Section applies must comply
12 with every provision of this Section.

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

19 (Source: P.A. 103-84, eff. 1-1-24; 103-91, eff. 1-1-24;
20 103-420, eff. 1-1-24; 103-445, eff. 1-1-24; 103-535, eff.
21 8-11-23; 103-551, eff. 8-11-23; 103-605, eff. 7-1-24; 103-718,
22 eff. 7-19-24; 103-751, eff. 8-2-24; 103-914, eff. 1-1-25;
23 103-918, eff. 1-1-25; 103-1024, eff. 1-1-25; 104-1, eff.
24 6-9-25; 104-42, eff. 8-1-25; 104-68, eff. 1-1-26; 104-73, eff.
25 1-1-26; 104-289, eff. 1-1-26; 104-324, eff. 1-1-26; 104-379,
26 eff. 1-1-26; 104-417, eff. 8-15-25; 104-446, eff. 6-1-26;

1 revised 1-8-26.)

2 Section 15. The School Code is amended by changing Section
3 10-22.3f as follows:

4 (105 ILCS 5/10-22.3f)

5 (Text of Section before amendment by P.A. 104-446)

6 Sec. 10-22.3f. Required health benefits. Insurance
7 protection and benefits for employees shall provide the
8 post-mastectomy care benefits required to be covered by a
9 policy of accident and health insurance under Section 356t and
10 the coverage required under Sections 356g, 356g.5, 356g.5-1,
11 356m, 356q, 356u, 356u.10, 356w, 356x, 356z.4, 356z.4a,
12 356z.6, 356z.8, 356z.9, 356z.11, 356z.12, 356z.13, 356z.14,
13 356z.15, 356z.22, 356z.25, 356z.26, 356z.29, 356z.30, 356z.32,
14 356z.33, 356z.36, 356z.40, 356z.41, 356z.45, 356z.46, 356z.47,
15 356z.51, 356z.53, 356z.54, 356z.56, 356z.57, 356z.59, 356z.60,
16 356z.61, 356z.62, 356z.64, 356z.67, 356z.68, 356z.70, 356z.71,
17 356z.74, ~~and 356z.77, 356z.79, and 356z.80,~~ 356z.81, 356z.82,
18 356z.83, 356z.84, 356z.85, and 356z.88 of the Illinois
19 Insurance Code. Insurance policies shall comply with Section
20 356z.19 of the Illinois Insurance Code. The coverage shall
21 comply with Sections 155.22a, 355b, and 370c and Article
22 XXXIIB of the Illinois Insurance Code. The Department of
23 Insurance shall enforce the requirements of this Section.

24 Rulemaking authority to implement Public Act 95-1045, if

1 any, is conditioned on the rules being adopted in accordance
2 with all provisions of the Illinois Administrative Procedure
3 Act and all rules and procedures of the Joint Committee on
4 Administrative Rules; any purported rule not so adopted, for
5 whatever reason, is unauthorized.

6 (Source: P.A. 103-84, eff. 1-1-24; 103-91, eff. 1-1-24;
7 103-420, eff. 1-1-24; 103-445, eff. 1-1-24; 103-535, eff.
8 8-11-23; 103-551, eff. 8-11-23; 103-605, eff. 7-1-24; 103-718,
9 eff. 7-19-24; 103-751, eff. 8-2-24; 103-914, eff. 1-1-25;
10 103-918, eff. 1-1-25; 103-1024, eff. 1-1-25; 104-1, eff.
11 6-9-25; 104-27, eff. 1-1-26; 104-42, eff. 8-1-25; 104-68, eff.
12 1-1-26; 104-73, eff. 1-1-26; 104-289, eff. 1-1-26; 104-324,
13 eff. 1-1-26; 104-379, eff. 1-1-26; 104-417, eff. 8-15-25;
14 revised 1-8-26.)

15 (Text of Section after amendment by P.A. 104-446)

16 Sec. 10-22.3f. Required health benefits. Insurance
17 protection and benefits for employees shall provide the
18 post-mastectomy care benefits required to be covered by a
19 policy of accident and health insurance under Section 356t and
20 the coverage required under Sections 356g, 356g.5, 356g.5-1,
21 356m, 356q, 356u, 356u.10, 356w, 356x, 356z.4, 356z.4a,
22 356z.6, 356z.8, 356z.9, 356z.11, 356z.12, 356z.13, 356z.14,
23 356z.15, 356z.22, 356z.25, 356z.26, 356z.29, 356z.30, 356z.32,
24 356z.33, 356z.36, 356z.40, 356z.41, 356z.45, 356z.46, 356z.47,
25 356z.51, 356z.53, 356z.54, 356z.56, 356z.57, 356z.59, 356z.60,

1 356z.61, 356z.62, 356z.64, 356z.67, 356z.68, 356z.70, 356z.71,
2 356z.74, ~~and~~ 356z.77, 356z.79, and 356z.80, 356z.81, 356z.82,
3 356z.83, 356z.84, 356z.85, and 356z.88 of the Illinois
4 Insurance Code. Insurance policies shall comply with Section
5 356z.19 of the Illinois Insurance Code. The coverage shall
6 comply with Sections 155.22a, 355b, 370c, and 370c.4 and
7 Article XXXIIB of the Illinois Insurance Code. The Department
8 of Insurance shall enforce the requirements of this Section.

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

15 (Source: P.A. 103-84, eff. 1-1-24; 103-91, eff. 1-1-24;
16 103-420, eff. 1-1-24; 103-445, eff. 1-1-24; 103-535, eff.
17 8-11-23; 103-551, eff. 8-11-23; 103-605, eff. 7-1-24; 103-718,
18 eff. 7-19-24; 103-751, eff. 8-2-24; 103-914, eff. 1-1-25;
19 103-918, eff. 1-1-25; 103-1024, eff. 1-1-25; 104-1, eff.
20 6-9-25; 104-27, eff. 1-1-26; 104-42, eff. 8-1-25; 104-68, eff.
21 1-1-26; 104-73, eff. 1-1-26; 104-289, eff. 1-1-26; 104-324,
22 eff. 1-1-26; 104-379, eff. 1-1-26; 104-417, eff. 8-15-25;
23 104-446, eff. 6-1-26; revised 1-8-26.)

24 Section 20. The Illinois Insurance Code is amended by
25 adding Section 356z.88 as follows:

1 (215 ILCS 5/356z.88 new)

2 Sec. 356z.88. Coverage for seizure detection devices.

3 (a) For the purposes of this Section, "seizure detection
4 device" means a monitoring device cleared by the United States
5 Food and Drug Administration, and any related technology,
6 application, service, or subscription supporting the
7 prescribed use of the device, that provides the following:

8 (1) individual monitoring and alert services relating
9 to seizure activity;

10 (2) detection or prediction of seizure activity and
11 transmission of notification of the seizure activity to
12 the individual or a caregiver for appropriate medical
13 response; or

14 (3) collection of data of the seizure activity of the
15 individual that can be used by a health care provider to
16 diagnose or appropriately treat a health care condition
17 that causes the seizure activity.

18 (b) A group or individual plan of accident and health
19 insurance or managed care plan amended, delivered, issued, or
20 renewed on or after January 1, 2029 shall provide coverage for
21 medically prescribed seizure detection devices.

22 (c) All seizure detection devices covered under this
23 Section shall be approved for use by individuals, and the
24 choice of device shall be made based upon the individual's
25 circumstances and medical needs in consultation with the

1 individual's medical provider.

2 (d) Any individual who has been prescribed a seizure
3 detection device shall not be required to obtain prior
4 authorization for coverage for a seizure detection device, and
5 coverage shall be continuous once the seizure detection device
6 is prescribed.

7 (e) A group or individual policy of accident and health
8 insurance or a managed care plan that is amended, delivered,
9 issued, or renewed on or after January 1, 2028 shall not impose
10 a deductible, coinsurance, copayment, or any other
11 cost-sharing requirement of more than \$50 on the coverage of a
12 seizure detection device per plan year. The provisions of this
13 subsection do not apply to coverage under this Section to the
14 extent that the coverage would disqualify a high-deductible
15 health plan from eligibility for a health savings account.

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 Sec. 5-3. Illinois 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, 355.7, 355b, 355c, 356f,

1 356g, 356g.5-1, 356m, 356q, 356u.10, 356v, 356w, 356x, 356z.2,
2 356z.3a, 356z.4, 356z.4a, 356z.5, 356z.6, 356z.8, 356z.9,
3 356z.10, 356z.11, 356z.12, 356z.13, 356z.14, 356z.15, 356z.17,
4 356z.18, 356z.19, 356z.20, 356z.21, 356z.22, 356z.23, 356z.24,
5 356z.25, 356z.26, 356z.28, 356z.29, 356z.30, 356z.31, 356z.32,
6 356z.33, 356z.34, 356z.35, 356z.36, 356z.37, 356z.38, 356z.39,
7 356z.40, 356z.40a, 356z.41, 356z.44, 356z.45, 356z.46,
8 356z.47, 356z.48, 356z.49, 356z.50, 356z.51, 356z.53, 356z.54,
9 356z.55, 356z.56, 356z.57, 356z.58, 356z.59, 356z.60, 356z.61,
10 356z.62, 356z.63, 356z.64, 356z.65, 356z.66, 356z.67, 356z.68,
11 356z.69, 356z.70, 356z.71, 356z.72, 356z.73, 356z.74, 356z.75,
12 356z.76, 356z.77, 356z.78, 356z.79, 356z.80, 356z.81, 356z.82,
13 356z.83, 356z.84, 356z.85, 356z.88, 364, 364.01, 364.3, 367.2,
14 367.2-5, 367i, 368a, 368b, 368c, 368d, 368e, 370a, 370c,
15 370c.1, 401, 401.1, 402, 403, 403A, 408, 408.2, 409, 412, 444,
16 and 444.1, paragraph (c) of subsection (2) of Section 367, and
17 Articles IIA, VIII 1/2, XII, XII 1/2, XIII, XIII 1/2, XXV,
18 XXVI, and XXXIIB of the Illinois Insurance Code.

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

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

25 (2) a corporation organized under the laws of this
26 State; or

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 adopted, for whatever reason, is unauthorized.

2 (Source: P.A. 103-84, eff. 1-1-24; 103-91, eff. 1-1-24;
3 103-123, eff. 1-1-24; 103-154, eff. 6-30-23; 103-420, eff.
4 1-1-24; 103-426, eff. 8-4-23; 103-445, eff. 1-1-24; 103-551,
5 eff. 8-11-23; 103-605, eff. 7-1-24; 103-618, eff. 1-1-25;
6 103-649, eff. 1-1-25; 103-656, eff. 1-1-25; 103-700, eff.
7 1-1-25; 103-718, eff. 7-19-24; 103-751, eff. 8-2-24; 103-753,
8 eff. 8-2-24; 103-758, eff. 1-1-25; 103-777, eff. 8-2-24;
9 103-808, eff. 1-1-26; 103-914, eff. 1-1-25; 103-918, eff.
10 1-1-25; 103-1024, eff. 1-1-25; 104-1, eff. 6-9-25; 104-28,
11 eff. 1-1-26; 104-42, eff. 8-1-25; 104-68, eff. 1-1-26; 104-73,
12 eff. 1-1-26; 104-98, eff. 1-1-26; 104-289, eff. 1-1-26;
13 104-324, eff. 1-1-26; 104-334, eff. 8-15-25; 104-379, eff.
14 1-1-26; 104-417, eff. 8-15-25; revised 11-21-25.)

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

17 (215 ILCS 130/4003) (from Ch. 73, par. 1504-3)

18 Sec. 4003. Illinois Insurance Code provisions. Limited
19 health service organizations shall be subject to the
20 provisions of Sections 133, 134, 136, 137, 139, 140, 141.1,
21 141.2, 141.3, 143, 143.31, 143c, 147, 148, 149, 151, 152, 153,
22 154, 154.5, 154.6, 154.7, 154.8, 155.04, 155.37, 155.49, 352c,
23 355.2, 355.3, 355b, 355d, 356m, 356q, 356v, 356z.4, 356z.4a,
24 356z.10, 356z.21, 356z.22, 356z.25, 356z.26, 356z.29, 356z.32,

1 356z.33, 356z.41, 356z.46, 356z.47, 356z.51, 356z.53, 356z.54,
2 356z.57, 356z.59, 356z.61, 356z.64, 356z.67, 356z.68, 356z.71,
3 356z.73, 356z.74, 356z.75, 356z.79, 356z.80, 356z.81, 356z.83,
4 356z.84, 356z.85, 356z.88, 364.3, 368a, 370a, 401, 401.1, 402,
5 403, 403A, 408, 408.2, 409, 412, 444, and 444.1 and Articles
6 IIA, VIII 1/2, XII, XII 1/2, XIII, XIII 1/2, XXV, XXVI, and
7 XXXIIB 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. 103-84, eff. 1-1-24; 103-91, eff. 1-1-24;
22 103-420, eff. 1-1-24; 103-426, eff. 8-4-23; 103-445, eff.
23 1-1-24; 103-605, eff. 7-1-24; 103-649, eff. 1-1-25; 103-656,
24 eff. 1-1-25; 103-700, eff. 1-1-25; 103-718, eff. 7-19-24;
25 103-751, eff. 8-2-24; 103-758, eff. 1-1-25; 103-832, eff.
26 1-1-25; 103-1024, eff. 1-1-25; 104-1, eff. 6-9-25; 104-42,

1 eff. 8-1-25; 104-73, eff. 1-1-26; 104-98, eff. 1-1-26;
2 104-289, eff. 1-1-26; 104-324, eff. 1-1-26; 104-334, eff.
3 8-15-25; 104-379, eff. 1-1-26; 104-417, eff. 8-15-25; revised
4 11-21-25.)

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 Illinois Insurance Code
9 provisions. Health services plan corporations and all persons
10 interested therein or dealing therewith shall be subject to
11 the provisions of Articles IIA and XII 1/2 and Sections 3.1,
12 133, 136, 139, 140, 143, 143.31, 143c, 149, 155.22a, 155.37,
13 354, 355.2, 355.3, 355.7, 355b, 355d, 356g, 356g.5, 356g.5-1,
14 356m, 356q, 356r, 356t, 356u, 356u.10, 356v, 356w, 356x, 356y,
15 356z.1, 356z.2, 356z.3a, 356z.4, 356z.4a, 356z.5, 356z.6,
16 356z.8, 356z.9, 356z.10, 356z.11, 356z.12, 356z.13, 356z.14,
17 356z.15, 356z.18, 356z.19, 356z.21, 356z.22, 356z.25, 356z.26,
18 356z.29, 356z.30, 356z.32, 356z.32a, 356z.33, 356z.40,
19 356z.41, 356z.46, 356z.47, 356z.51, 356z.53, 356z.54, 356z.56,
20 356z.57, 356z.59, 356z.60, 356z.61, 356z.62, 356z.64, 356z.67,
21 356z.68, 356z.71, 356z.72, 356z.74, 356z.75, 356z.77, 356z.79,
22 356z.80, 356z.81, 356z.83, 356z.84, 356z.85, 356z.88, 364.01,
23 364.3, 367.2, 368a, 370a, 401, 401.1, 402, 403, 403A, 408,
24 408.2, and 412, and paragraphs (7) and (15) of Section 367 of

1 the Illinois Insurance Code.

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

8 (Source: P.A. 103-84, eff. 1-1-24; 103-91, eff. 1-1-24;
9 103-420, eff. 1-1-24; 103-445, eff. 1-1-24; 103-551, eff.
10 8-11-23; 103-605, eff. 7-1-24; 103-656, eff. 1-1-25; 103-718,
11 eff. 7-19-24; 103-751, eff. 8-2-24; 103-753, eff. 8-2-24;
12 103-758, eff. 1-1-25; 103-832, eff. 1-1-25; 103-914, eff.
13 1-1-25; 103-918, eff. 1-1-25; 103-1024, eff. 1-1-25; 104-1,
14 eff. 6-9-25; 104-28, eff. 1-1-26; 104-42, eff. 8-1-25; 104-73,
15 eff. 1-1-26; 104-98, eff. 1-1-26; 104-289, eff. 1-1-26;
16 104-324, eff. 1-1-26; 104-379, eff. 1-1-26; 104-417, eff.
17 8-15-25; revised 11-21-25.)

18 Section 95. No acceleration or delay. Where this Act makes
19 changes in a statute that is represented in this Act by text
20 that is not yet or no longer in effect (for example, a Section
21 represented by multiple versions), the use of that text does
22 not accelerate or delay the taking effect of (i) the changes
23 made by this Act or (ii) provisions derived from any other
24 Public Act.

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