



104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

SB2838

Introduced 1/13/2026, by Sen. Julie A. Morrison

SYNOPSIS AS INTRODUCED:

215 ILCS 5/Art. XLVIII heading new
215 ILCS 5/1800 new
215 ILCS 5/1805 new
215 ILCS 5/1810 new
815 ILCS 505/2MMMM new

Amends the Illinois Insurance Code to create the Hearing Care Plan Contracts Article. Provides that no hearing care organization that issues, delivers, amends, or renews a hearing care plan on or after the effective date of the amendatory Act shall issue a contract that requires a hearing instrument professional, as a condition of participation in the hearing care plan, to provide items or services to an enrollee at a fee set by the hearing care plan unless the items and services are covered items or covered services under the hearing care plan. Exempts de minimis reimbursements. Establishes notice and disclosure provisions for a hearing instrument professional who chooses not to accept as payment an amount set by a hearing care plan for items and services that are not covered and other hearing care plan contract requirements. Provides that, beginning on January 1, 2027, to conduct business in the State, a hearing care organization must register with the Department of Insurance and submit the specified registration materials. Requires the registrant to report any specified change in information to the Department in writing within 60 days after the change occurs. Sets forth provisions concerning issuance and expiration of a registration certificate. Grants the Department of Insurance rulemaking authority over the registration provisions. Amends the Consumer Fraud and Deceptive Business Practices Act to make it an unlawful practice under the meaning of the Act for any person to violate the Hearing Plan Contracts Article of the Illinois Insurance Code. Effective January 1, 2027.

LRB104 17737 BAB 31168 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 Illinois Insurance Code is amended by
5 adding Article XLVIII as follows:

6 (215 ILCS 5/Art. XLVIII heading new)

7 ARTICLE XLVIII. HEARING CARE PLAN CONTRACTS

8 (215 ILCS 5/1800 new)

9 Sec. 1800. Definitions. In this Article:

10 "Copayment, coinsurance, or deductible" means the dollar
11 amount the enrollee must contribute, out of pocket, toward the
12 costs of covered items and covered services listed as hearing
13 care benefits in a hearing care plan.

14 "Covered items" means items for which reimbursement from
15 the hearing care plan is provided to a hearing instrument
16 professional by an enrollee's plan contract or for which a
17 reimbursement would be available, but for the application of
18 the enrollee's contractual limitation of deductibles,
19 copayments, or coinsurance.

20 "Covered items" includes, but is not limited to,
21 prescription hearing aids, earmolds, domes or inserts,
22 assistive listening devices, and hearing aid supplies and

1 accessories. "Covered items" does not include over-the-counter
2 hearing aids as defined in 21 CFR 800.30(b).

3 "Covered services" means services for which reimbursement
4 from the hearing care plan is provided to a hearing instrument
5 professional by an enrollee's plan contract or for which a
6 reimbursement would be available but for the application of
7 the enrollee's contractual plan or summary of benefit
8 limitation of copayments, coinsurance, or deductibles.

9 "Discount or unfunded hearing care benefit" means a
10 hearing care benefit that is offered in the enrollee's plan
11 contract but is not funded, in whole or in part, by the hearing
12 care organization, hearing care plan, employer, or labor
13 union.

14 "Enrollee" means any individual enrolled in a hearing care
15 plan provided by a group, employer, or other entity that
16 purchases or supplies coverage for a hearing care plan.

17 "Funded hearing care benefit" means hearing care benefits
18 that are offered in the enrollee's plan contract and are
19 funded, in whole or in part, by the hearing care organization,
20 hearing care plan, employer, or labor union.

21 "Hearing care benefits" means the covered items or covered
22 services listed in an enrollee's plan contract or plan
23 documents.

24 "Hearing care organization" means an entity formed under
25 the laws of this State or another state that issues a hearing
26 care plan.

1 "Hearing care plan" means a plan that creates, promotes,
2 markets, sells, advertises, or administers an integrated or
3 stand-alone plan that provides coverage for covered items and
4 covered services.

5 "Hearing instrument professional" means a person who is
6 licensed in this State as an audiologist, a hearing instrument
7 dispenser, or a physician.

8 "Manufacturer" means the company that manufactures and
9 distributes hearing aids, earmolds, domes or inserts,
10 assistive listening devices, and hearing aid supplies and
11 accessories.

12 "Noncovered items and services" means items and services
13 that are not funded or covered by the enrollee's hearing care
14 plan and where the enrollee is fully responsible for the cost
15 of the item or service.

16 "Prescription hearing aid" means any instrument or device,
17 including an instrument or device dispensed pursuant to a
18 prescription or order, that is designed, intended, or offered
19 for the purpose of improving a person's hearing and any parts,
20 attachments, or accessories, including earmolds.

21 "Prescription hearing aid" does not include batteries,
22 cords, and individual or group auditory training devices and
23 any instrument or device used by a public utility in providing
24 telephone or other communication services.

25 "Routine hearing care services" means services that lack
26 medical necessity, such as pass or fail hearing screenings

1 that are used to determine the need for additional diagnostic
2 hearing testing.

3 "Subcontractor" means any company, group, or third-party
4 entity, including agents, servants, partially owned or wholly
5 owned subsidiaries, and controlled organizations, that the
6 hearing care plan contracts with to supply items or service
7 for a hearing instrument professional or enrollee to fulfill
8 the benefit plan of a hearing care plan.

9 (215 ILCS 5/1805 new)

10 Sec. 1805. Health care plan contracts.

11 (a) No hearing care organization that issues, delivers,
12 amends, or renews a hearing care plan on or after the effective
13 date of this amendatory Act of the 104th General Assembly
14 shall issue a contract that requires a hearing instrument
15 professional, as a condition of participation in the hearing
16 care plan, to provide items or services to an enrollee at a fee
17 set by the hearing care plan unless the items and services are
18 covered items or covered services under the hearing care plan.
19 De minimis reimbursements shall not qualify an item or service
20 as a covered item or service under this Article.

21 (b) A hearing instrument professional who chooses not to
22 accept as payment an amount set by a hearing care plan for
23 items and services that are not covered, in whole, by the
24 hearing care plan shall:

25 (1) post, in a conspicuous place, a notice stating the

1 following: "IMPORTANT: This hearing instrument
2 professional does not accept the fee schedule set by your
3 hearing care plan for hearing care items and services that
4 are not covered benefits under your plan, when the item or
5 service is provided prior to the hearing aid fitting,
6 after one year following the initial fitting of the
7 hearing aids, or after all of the allowed service visits
8 are exhausted. In these cases, the hearing instrument
9 professional may charge his or her usual and customary
10 fees for those items and services. This hearing instrument
11 professional will provide you with an estimated cost for
12 each noncovered item or service in accordance with the No
13 Surprises Act."; or

14 (2) provide the information required under paragraph
15 (1) in a document provided by the hearing instrument
16 professional to the patient.

17 (c) Hearing care benefits must be communicated in writing
18 by the hearing care organization to an enrollee, prospective
19 enrollee, and the hearing instrument professional. Noncovered
20 items and noncovered services must be identified in the
21 hearing care plan's marketing materials, contract, and plan
22 documents. If coverage of a specific item or service is not
23 stated, it will be considered a noncovered service or
24 noncovered item.

25 (d) No hearing care organization or its officers,
26 directors, agents, and employees may represent a discount or

1 unfunded hearing care benefit as a funded hearing care benefit
2 and must clearly list and document, in the definition of
3 benefits and in marketing materials and plan documents, the
4 specific dollar benefit amounts, copayments, coinsurance, or
5 deductibles applicable to hearing care benefits provided by
6 both in-network and out-of-network providers.

7 (e) A hearing care plan may enter into an agreement with a
8 health care plan to provide hearing care benefits that include
9 routine hearing care services and medically necessary
10 diagnostic hearing services in accordance with guidance
11 promulgated by the Centers for Medicare and Medicaid Services.
12 If hearing care benefits include routine hearing testing for
13 the purpose of fitting or modifying a hearing aid, the hearing
14 instrument professional shall be reimbursed for the costs of
15 performing the testing regardless of whether the enrollee
16 proceeds with the purchase of a prescription hearing aid.

17 (f) If a hearing care plan is owned and operated, in whole
18 or in part, by a hearing aid manufacturer and that
19 manufacturer offers prescription hearing aids within the
20 hearing care benefits or hearing care plan, that hearing care
21 plan must disclose, on its websites for enrollees or potential
22 enrollees, in its marketing communications, and in its
23 benefits or plan documents, their ownership or operational
24 interest and specify which prescription hearing aids are
25 available within the hearing care plan it manufacturers or
26 distributes.

1 (g) An enrollee is financially responsible for the total
2 allowed costs or copayment of hearing care benefits at a
3 discounted rate solely determined by the hearing care
4 organization, including hearing care plans where the plan
5 assigns a copayment or coinsurance to the claim and where the
6 enrollee pays a copayment or coinsurance amount that exceeds
7 20% of the total allowable rates of prescribed prescription
8 hearing aids and related items and services. The enrollee may
9 be subject to applicable copayments, coinsurance, or
10 deductibles, including hearing care plans where the plan
11 assigns a copayment or coinsurance to the claim and where the
12 enrollee pays a copayment or coinsurance amount that is less
13 than 20% of the total cost of prescribed prescription hearing
14 aids and related items and services.

15 (h) The provisions of this Act apply to any subcontractors
16 used by a hearing care organization to supply items or
17 services to a hearing instrument professional.

18 (215 ILCS 5/1810 new)

19 Sec. 1810. Health care plan licensure requirements.

20 (a) Beginning on January 1, 2027, to conduct business in
21 this State, a hearing care organization must register with the
22 Department. To initially register or to renew a registration,
23 a hearing care organization must submit:

24 (1) A nonrefundable fee not to exceed \$500.

25 (2) A copy of the registrant's corporate charter,

1 articles of incorporation, or other charter document.

2 (3) A completed registration form adopted by the
3 Department containing:

4 (A) The name and address of the registrant.

5 (B) The name, address, and official position of
6 each officer and director of the registrant.

7 (b) The registrant shall report any change in information
8 required under this Section to the Department in writing
9 within 60 days after the change occurs.

10 (c) Upon receipt of a completed registration form, the
11 required documents, and the registration fee, the Department
12 shall issue a registration certificate. The certificate may be
13 in paper or electronic form, and shall clearly indicate the
14 expiration date of the registration. Registration certificates
15 are nontransferable.

16 (d) A registration certificate is valid for 2 years after
17 its date of issue. The Department shall adopt by rule an
18 initial registration fee not to exceed \$500 and a registration
19 renewal fee not to exceed \$500, both of which shall be
20 nonrefundable.

21 (e) The Department may adopt any rules necessary to
22 implement this Section.

23 Section 10. The Consumer Fraud and Deceptive Business
24 Practices Act is amended by adding Section 2MMMM as follows:

1 (815 ILCS 505/2MMMM new)

2 Sec. 2MMMM. Violations of the Hearing Care Plan Contracts
3 Article of the Illinois Insurance Code. Any person who
4 violates Article XLVIII of the Illinois Insurance Code commits
5 an unlawful practice within the meaning of this Act.

6 Section 99. Effective date. This Act takes effect January
7 1, 2027.