

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 changing Section 356z.15 as follows:

6 (215 ILCS 5/356z.15)

7 Sec. 356z.15. Habilitative services for children.

8 (a) As used in this Section, "habilitative services" means  
9 occupational therapy, physical therapy, speech therapy, and  
10 other services prescribed by the insured's treating physician  
11 pursuant to a treatment plan to enhance the ability of a child  
12 to function with a congenital, genetic, or early acquired  
13 disorder. A congenital or genetic disorder includes, but is  
14 not limited to, hereditary disorders. An early acquired  
15 disorder refers to a disorder resulting from illness, trauma,  
16 injury, or some other event or condition suffered by a child  
17 prior to that child developing functional life skills such as,  
18 but not limited to, walking, talking, or self-help skills.  
19 Congenital, genetic, and early acquired disorders may include,  
20 but are not limited to, autism or an autism spectrum disorder,  
21 cerebral palsy, and other disorders resulting from early  
22 childhood illness, trauma, or injury.

23 (b) A group or individual policy of accident and health

1 insurance or managed care plan amended, delivered, issued, or  
2 renewed after the effective date of this amendatory Act of the  
3 95th General Assembly must provide coverage for habilitative  
4 services for children under 19 years of age with a congenital,  
5 genetic, or early acquired disorder so long as all of the  
6 following conditions are met:

7 (1) A physician licensed to practice medicine in all  
8 its branches has diagnosed the child's congenital,  
9 genetic, or early acquired disorder.

10 (2) The treatment is administered by a licensed  
11 speech-language pathologist, licensed audiologist,  
12 licensed occupational therapist, licensed physical  
13 therapist, licensed physician, licensed nurse, licensed  
14 optometrist, licensed nutritionist, licensed social  
15 worker, or licensed psychologist upon the referral of a  
16 physician licensed to practice medicine in all its  
17 branches.

18 (3) The initial or continued treatment must be  
19 medically necessary and therapeutic and not experimental  
20 or investigational.

21 (b-5) For any child under 19 years of age with an early  
22 acquired disorder that is diagnosed as a speech-language  
23 disorder, including stuttering, the coverage required under  
24 this Section shall include rehabilitative services in addition  
25 to habilitative services. As used in this subsection,  
26 "rehabilitative services" means speech therapy that helps a

1 child restore or improve skills and functions for daily living  
2 that have been lost or impaired.

3 (c) The coverage required by this Section shall be subject  
4 to other general exclusions and limitations of the policy,  
5 including coordination of benefits, participating provider  
6 requirements, restrictions on services provided by family or  
7 household members, utilization review of health care services,  
8 including review of medical necessity, case management,  
9 experimental, and investigational treatments, and other  
10 managed care provisions.

11 (d) Coverage under this Section does not apply to those  
12 services that are solely educational in nature or otherwise  
13 paid under State or federal law for purely educational  
14 services. Nothing in this subsection (d) relieves an insurer  
15 or similar third party from an otherwise valid obligation to  
16 provide or to pay for services provided to a child with a  
17 disability.

18 (e) Coverage under this Section for children under age 19  
19 shall not apply to treatment of mental or emotional disorders  
20 or illnesses as covered under Section 370 of this Code as well  
21 as any other benefit based upon a specific diagnosis that may  
22 be otherwise required by law.

23 (f) The provisions of this Section do not apply to  
24 short-term travel, accident-only, limited, or specific disease  
25 policies.

26 (g) Any denial of care for habilitative services shall be

1 subject to appeal and external independent review procedures  
2 as provided by Section 45 of the Managed Care Reform and  
3 Patient Rights Act.

4 (h) Upon request of the reimbursing insurer, the provider  
5 under whose supervision the habilitative services are being  
6 provided shall furnish medical records, clinical notes, or  
7 other necessary data to allow the insurer to substantiate that  
8 initial or continued medical treatment is medically necessary  
9 and that the patient's condition is clinically improving. When  
10 the treating provider anticipates that continued treatment is  
11 or will be required to permit the patient to achieve  
12 demonstrable progress, the insurer may request that the  
13 provider furnish a treatment plan consisting of diagnosis,  
14 proposed treatment by type, frequency, anticipated duration of  
15 treatment, the anticipated goals of treatment, and how  
16 frequently the treatment plan will be updated.

17 (i) Rulemaking authority to implement this amendatory Act  
18 of the 95th General Assembly, if any, is conditioned on the  
19 rules being adopted in accordance with all provisions of the  
20 Illinois Administrative Procedure Act and all rules and  
21 procedures of the Joint Committee on Administrative Rules; any  
22 purported rule not so adopted, for whatever reason, is  
23 unauthorized.

24 (j) An insurer may not deny or refuse to provide otherwise  
25 covered services under a group or individual policy of  
26 accident and health insurance or a managed care plan solely

1 because of the location wherein the clinically appropriate  
2 services are provided.

3 (Source: P.A. 102-322, eff. 1-1-22.)

4 Section 10. The Limited Health Service Organization Act is  
5 amended by changing Section 4003 as follows:

6 (215 ILCS 130/4003) (from Ch. 73, par. 1504-3)

7 Sec. 4003. Illinois Insurance Code provisions. Limited  
8 health service organizations shall be subject to the  
9 provisions of Sections 133, 134, 136, 137, 139, 140, 141.1,  
10 141.2, 141.3, 143, 143.31, 143c, 147, 148, 149, 151, 152, 153,  
11 154, 154.5, 154.6, 154.7, 154.8, 155.04, 155.37, 155.49, 352c,  
12 355.2, 355.3, 355b, 355d, 356m, 356q, 356v, 356z.4, 356z.4a,  
13 356z.10, 356z.15, 356z.21, 356z.22, 356z.25, 356z.26, 356z.29,  
14 356z.32, 356z.33, 356z.41, 356z.46, 356z.47, 356z.51, 356z.53,  
15 356z.54, 356z.57, 356z.59, 356z.61, 356z.64, 356z.67, 356z.68,  
16 356z.71, 356z.73, 356z.74, 356z.75, 356z.79, 356z.80, 356z.81,  
17 356z.83, 356z.84, 356z.85, 364.3, 368a, 370a, 401, 401.1, 402,  
18 403, 403A, 408, 408.2, 409, 412, 444, and 444.1 and Articles  
19 IIA, VIII 1/2, XII, XII 1/2, XIII, XIII 1/2, XXV, XXVI, and  
20 XXXIIB of the Illinois Insurance Code. Nothing in this Section  
21 shall require a limited health care plan to cover any service  
22 that is not a limited health service. For purposes of the  
23 Illinois Insurance Code, except for Sections 444 and 444.1 and  
24 Articles XIII and XIII 1/2, limited health service

1 organizations in the following categories are deemed to be  
2 domestic companies:

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

4 (2) a corporation organized under the laws of another  
5 state, 30% or more of the enrollees of which are residents  
6 of this State, except a corporation subject to  
7 substantially the same requirements in its state of  
8 organization as is a domestic company under Article VIII  
9 1/2 of the Illinois Insurance Code.

10 (Source: P.A. 103-84, eff. 1-1-24; 103-91, eff. 1-1-24;  
11 103-420, eff. 1-1-24; 103-426, eff. 8-4-23; 103-445, eff.  
12 1-1-24; 103-605, eff. 7-1-24; 103-649, eff. 1-1-25; 103-656,  
13 eff. 1-1-25; 103-700, eff. 1-1-25; 103-718, eff. 7-19-24;  
14 103-751, eff. 8-2-24; 103-758, eff. 1-1-25; 103-832, eff.  
15 1-1-25; 103-1024, eff. 1-1-25; 104-1, eff. 6-9-25; 104-42,  
16 eff. 8-1-25; 104-73, eff. 1-1-26; 104-98, eff. 1-1-26;  
17 104-289, eff. 1-1-26; 104-324, eff. 1-1-26; 104-334, eff.  
18 8-15-25; 104-379, eff. 1-1-26; 104-417, eff. 8-15-25; revised  
19 11-21-25.)

20 Section 15. The Illinois Public Aid Code is amended by  
21 adding Section 5-5j as follows:

22 (305 ILCS 5/5-5j new)

23 Sec. 5-5j. Speech-language rehabilitative and habilitative  
24 services. Subject to federal approval, for services beginning

1 on and after July 1, 2026, the medical assistance program  
2 shall provide coverage for medically necessary rehabilitative  
3 and habilitative services for individuals under the age of 21  
4 with an early acquired disorder that is diagnosed as a  
5 speech-language disorder, including stuttering. As used in  
6 this Section, "rehabilitative services" means speech therapy  
7 that helps an individual restore or improve skills and  
8 functions for daily living that have been lost or impaired.

9 Section 99. Effective date. This Act takes effect July 1,  
10 2026, except that Sections 5 and 10 take effect on January 1,  
11 2028.