

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.