

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, 356w, 356x,
14 356z.2, 356z.4, 356z.4a, 356z.6, 356z.8, 356z.9, 356z.10,
15 356z.11, 356z.12, 356z.13, 356z.14, 356z.15, 356z.17, 356z.22,
16 356z.25, 356z.26, 356z.29, 356z.30a, 356z.32, 356z.33,
17 356z.36, 356z.40, 356z.41, 356z.45, 356z.46, 356z.47, 356z.51,
18 and 356z.53 ~~and 356z.43~~ of the Illinois Insurance Code. The
19 program of health benefits must comply with Sections 155.22a,
20 155.37, 355b, 356z.19, 370c, and 370c.1 and Article XXXIIB of
21 the Illinois Insurance Code. The Department of Insurance shall
22 enforce the requirements of this Section with respect to
23 Sections 370c and 370c.1 of the Illinois Insurance Code; all

1 other requirements of this Section shall be enforced by the
2 Department of Central Management Services.

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

9 (Source: P.A. 101-13, eff. 6-12-19; 101-281, eff. 1-1-20;
10 101-393, eff. 1-1-20; 101-452, eff. 1-1-20; 101-461, eff.
11 1-1-20; 101-625, eff. 1-1-21; 102-30, eff. 1-1-22; 102-103,
12 eff. 1-1-22; 102-203, eff. 1-1-22; 102-306, eff. 1-1-22;
13 102-642, eff. 1-1-22; 102-665, eff. 10-8-21; revised
14 10-26-21.)

15 Section 10. The Counties Code is amended by changing
16 Section 5-1069.3 as follows:

17 (55 ILCS 5/5-1069.3)

18 Sec. 5-1069.3. Required health benefits. If a county,
19 including a home rule county, is a self-insurer for purposes
20 of providing health insurance coverage for its employees, the
21 coverage shall include coverage for the post-mastectomy care
22 benefits required to be covered by a policy of accident and
23 health insurance under Section 356t and the coverage required
24 under Sections 356g, 356g.5, 356g.5-1, 356q, 356u, 356w, 356x,

1 356z.6, 356z.8, 356z.9, 356z.10, 356z.11, 356z.12, 356z.13,
2 356z.14, 356z.15, 356z.22, 356z.25, 356z.26, 356z.29,
3 356z.30a, 356z.32, 356z.33, 356z.36, 356z.40, 356z.41,
4 356z.45, 356z.46, 356z.47, 356z.48, 356z.51, and 356.53 ~~and~~
5 ~~356z.43~~ of the Illinois Insurance Code. The coverage shall
6 comply with Sections 155.22a, 355b, 356z.19, and 370c of the
7 Illinois Insurance Code. The Department of Insurance shall
8 enforce the requirements of this Section. The requirement that
9 health benefits be covered as provided in this Section is an
10 exclusive power and function of the State and is a denial and
11 limitation under Article VII, Section 6, subsection (h) of the
12 Illinois Constitution. A home rule county to which this
13 Section applies must comply with every provision of this
14 Section.

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

21 (Source: P.A. 101-81, eff. 7-12-19; 101-281, eff. 1-1-20;
22 101-393, eff. 1-1-20; 101-461, eff. 1-1-20; 101-625, eff.
23 1-1-21; 102-30, eff. 1-1-22; 102-103, eff. 1-1-22; 102-203,
24 eff. 1-1-22; 102-306, eff. 1-1-22; 102-443, eff. 1-1-22;
25 102-642, eff. 1-1-22; 102-665, eff. 10-8-21; revised
26 10-26-21.)

1 Section 15. The Illinois Municipal Code is amended by
2 changing Section 10-4-2.3 as follows:

3 (65 ILCS 5/10-4-2.3)

4 Sec. 10-4-2.3. Required health benefits. If a
5 municipality, including a home rule municipality, is a
6 self-insurer for purposes of providing health insurance
7 coverage for its employees, the coverage shall include
8 coverage for the post-mastectomy care benefits required to be
9 covered by a policy of accident and health insurance under
10 Section 356t and the coverage required under Sections 356g,
11 356g.5, 356g.5-1, 356q, 356u, 356w, 356x, 356z.6, 356z.8,
12 356z.9, 356z.10, 356z.11, 356z.12, 356z.13, 356z.14, 356z.15,
13 356z.22, 356z.25, 356z.26, 356z.29, 356z.30a, 356z.32,
14 356z.33, 356z.36, 356z.40, 356z.41, 356z.45, 356z.46, 356z.47,
15 356z.48, 356z.51, and 356z.53 ~~and 356z.43~~ of the Illinois
16 Insurance Code. The coverage shall comply with Sections
17 155.22a, 355b, 356z.19, and 370c of the Illinois Insurance
18 Code. The Department of Insurance shall enforce the
19 requirements of this Section. The requirement that health
20 benefits be covered as provided in this is an exclusive power
21 and function of the State and is a denial and limitation under
22 Article VII, Section 6, subsection (h) of the Illinois
23 Constitution. A home rule municipality to which this Section
24 applies must comply with every provision of this Section.

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. 101-81, eff. 7-12-19; 101-281, eff. 1-1-20;
8 101-393, eff. 1-1-20; 101-461, eff. 1-1-20; 101-625, eff.
9 1-1-21; 102-30, eff. 1-1-22; 102-103, eff. 1-1-22; 102-203,
10 eff. 1-1-22; 102-306, eff. 1-1-22; 102-443, eff. 1-1-22;
11 102-642, eff. 1-1-22; 102-665, eff. 10-8-21; revised
12 10-26-21.)

13 Section 20. The School Code is amended by changing Section
14 10-22.3f as follows:

15 (105 ILCS 5/10-22.3f)

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 356q, 356u, 356w, 356x, 356z.6, 356z.8, 356z.9, 356z.11,
22 356z.12, 356z.13, 356z.14, 356z.15, 356z.22, 356z.25, 356z.26,
23 356z.29, 356z.30a, 356z.32, 356z.33, 356z.36, 356z.40,
24 356z.41, 356z.45, 356z.46, 356z.47, 356z.51, and 356z.53 and

1 ~~356z.43~~ of the Illinois Insurance Code. Insurance policies
2 shall comply with Section 356z.19 of the Illinois Insurance
3 Code. The coverage shall comply with Sections 155.22a, 355b,
4 and 370c of the Illinois Insurance Code. The Department of
5 Insurance shall enforce the requirements of this Section.

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

12 (Source: P.A. 101-81, eff. 7-12-19; 101-281, eff. 1-1-20;
13 101-393, eff. 1-1-20; 101-461, eff. 1-1-20; 101-625, eff.
14 1-1-21; 102-30, eff. 1-1-22; 102-103, eff. 1-1-22; 102-203,
15 eff. 1-1-22; 102-306, eff. 1-1-22; 102-642, eff. 1-1-22;
16 102-665, eff. 10-8-21; revised 10-27-21.)

17 Section 25. The Illinois Insurance Code is amended by
18 adding Section 356z.53 as follows:

19 (215 ILCS 5/356z.53 new)

20 Sec. 356z.53. Coverage of prescription estrogen.

21 (a) A group or individual policy of accident and health
22 insurance or a managed care plan that is amended, delivered,
23 issued, or renewed on or after January 1, 2024 and that
24 provides coverage for prescription drugs shall include

1 coverage for one or more therapeutic equivalent versions of
2 vaginal estrogen in its formulary. A policy is not required to
3 include all therapeutic equivalent versions of vaginal
4 estrogen in its formulary so long as at least one is included
5 and covered without cost sharing and in accordance with this
6 Section.

7 (b) If an individual's attending provider recommends a
8 particular vaginal estrogen product or its therapeutic
9 equivalent version approved by the United States Food and Drug
10 Administration based on the provider's determination, the
11 issuer must cover that service or item without cost sharing.

12 (c) A policy subject to this Section shall not impose a
13 deductible, coinsurance, copayment, or any other cost-sharing
14 requirement on the coverage provided; except that this
15 subsection does not apply to coverage of vaginal estrogen to
16 the extent such coverage would disqualify a high-deductible
17 health plan from eligibility for a health savings account
18 pursuant to Section 223 of the Internal Revenue Code.

19 (d) As used in this Section, "therapeutic equivalent
20 version" has the meaning given to that term in paragraph (2) of
21 subsection (a) of Section 356z.4.

22 Section 30. The Health Maintenance Organization Act is
23 amended by changing Section 5-3 as follows:

24 (215 ILCS 125/5-3) (from Ch. 111 1/2, par. 1411.2)

1 Sec. 5-3. Insurance Code provisions.

2 (a) Health Maintenance Organizations shall be subject to
3 the provisions of Sections 133, 134, 136, 137, 139, 140,
4 141.1, 141.2, 141.3, 143, 143c, 147, 148, 149, 151, 152, 153,
5 154, 154.5, 154.6, 154.7, 154.8, 155.04, 155.22a, 355.2,
6 355.3, 355b, 356g.5-1, 356m, 356q, 356v, 356w, 356x, 356y,
7 356z.2, 356z.4, 356z.4a, 356z.5, 356z.6, 356z.8, 356z.9,
8 356z.10, 356z.11, 356z.12, 356z.13, 356z.14, 356z.15, 356z.17,
9 356z.18, 356z.19, 356z.21, 356z.22, 356z.25, 356z.26, 356z.29,
10 356z.30, 356z.30a, 356z.32, 356z.33, 356z.35, 356z.36,
11 356z.40, 356z.41, 356z.43, 356z.46, 356z.47, 356z.48, 356z.50,
12 356z.51, 356z.53, 364, 364.01, 367.2, 367.2-5, 367i, 368a,
13 368b, 368c, 368d, 368e, 370c, 370c.1, 401, 401.1, 402, 403,
14 403A, 408, 408.2, 409, 412, 444, and 444.1, paragraph (c) of
15 subsection (2) of Section 367, and Articles IIA, VIII 1/2,
16 XII, XII 1/2, XIII, XIII 1/2, XXV, XXVI, and XXXIIB of the
17 Illinois Insurance Code.

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

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

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

26 (3) a corporation organized under the laws of another

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

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

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

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

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

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

26 (B) pro forma financial statements reflecting the

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

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

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

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

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

1 into account the effect of the management contract or service
2 agreement on competition.

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

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

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

1 the group or enrollment unit may agree that the profitable
2 or unprofitable experience may be calculated taking into
3 account the refund period and the immediately preceding 2
4 plan years.

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

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

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

1 (Source: P.A. 101-13, eff. 6-12-19; 101-81, eff. 7-12-19;
2 101-281, eff. 1-1-20; 101-371, eff. 1-1-20; 101-393, eff.
3 1-1-20; 101-452, eff. 1-1-20; 101-461, eff. 1-1-20; 101-625,
4 eff. 1-1-21; 102-30, eff. 1-1-22; 102-34, eff. 6-25-21;
5 102-203, eff. 1-1-22; 102-306, eff. 1-1-22; 102-443, eff.
6 1-1-22; 102-589, eff. 1-1-22; 102-642, eff. 1-1-22; 102-665,
7 eff. 10-8-21; revised 10-27-21.)

8 Section 35. The Limited Health Service Organization Act is
9 amended by changing Section 4003 as follows:

10 (215 ILCS 130/4003) (from Ch. 73, par. 1504-3)

11 Sec. 4003. Illinois Insurance Code provisions. Limited
12 health service organizations shall be subject to the
13 provisions of Sections 133, 134, 136, 137, 139, 140, 141.1,
14 141.2, 141.3, 143, 143c, 147, 148, 149, 151, 152, 153, 154,
15 154.5, 154.6, 154.7, 154.8, 155.04, 155.37, 355.2, 355.3,
16 355b, 356q, 356v, 356z.10, 356z.21, 356z.22, 356z.25, 356z.26,
17 356z.29, 356z.30a, 356z.32, 356z.33, 356z.41, 356z.46,
18 356z.47, 356z.51, 356z.53, ~~356z.43,~~ 368a, 401, 401.1, 402,
19 403, 403A, 408, 408.2, 409, 412, 444, and 444.1 and Articles
20 IIA, VIII 1/2, XII, XII 1/2, XIII, XIII 1/2, XXV, and XXVI of
21 the Illinois Insurance Code. For purposes of the Illinois
22 Insurance Code, except for Sections 444 and 444.1 and Articles
23 XIII and XIII 1/2, limited health service organizations in the
24 following categories are deemed to be domestic companies:

- 1 (1) a corporation under the laws of this State; or
2 (2) 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 (Source: P.A. 101-81, eff. 7-12-19; 101-281, eff. 1-1-20;
9 101-393, eff. 1-1-20; 101-625, eff. 1-1-21; 102-30, eff.
10 1-1-22; 102-203, eff. 1-1-22; 102-306, eff. 1-1-22; 102-642,
11 eff. 1-1-22; revised 10-27-21.)

12 Section 40. The Voluntary Health Services Plans Act is
13 amended by changing Section 10 as follows:

14 (215 ILCS 165/10) (from Ch. 32, par. 604)

15 Sec. 10. Application of Insurance Code provisions. Health
16 services plan corporations and all persons interested therein
17 or dealing therewith shall be subject to the provisions of
18 Articles IIA and XII 1/2 and Sections 3.1, 133, 136, 139, 140,
19 143, 143c, 149, 155.22a, 155.37, 354, 355.2, 355.3, 355b,
20 356g, 356g.5, 356g.5-1, 356q, 356r, 356t, 356u, 356v, 356w,
21 356x, 356y, 356z.1, 356z.2, 356z.4, 356z.4a, 356z.5, 356z.6,
22 356z.8, 356z.9, 356z.10, 356z.11, 356z.12, 356z.13, 356z.14,
23 356z.15, 356z.18, 356z.19, 356z.21, 356z.22, 356z.25, 356z.26,
24 356z.29, 356z.30, 356z.30a, 356z.32, 356z.33, 356z.40,

1 356z.41, 356z.46, 356z.47, 356z.51, 356z.53, ~~356z.43,~~ 364.01,
2 367.2, 368a, 401, 401.1, 402, 403, 403A, 408, 408.2, and 412,
3 and paragraphs (7) and (15) of Section 367 of the Illinois
4 Insurance Code.

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

11 (Source: P.A. 101-13, eff. 6-12-19; 101-81, eff. 7-12-19;
12 101-281, eff. 1-1-20; 101-393, eff. 1-1-20; 101-625, eff.
13 1-1-21; 102-30, eff. 1-1-22; 102-203, eff. 1-1-22; 102-306,
14 eff. 1-1-22; 102-642, eff. 1-1-22; 102-665, eff. 10-8-21;
15 revised 10-27-21.)

16 Section 45. The Illinois Public Aid Code is amended by
17 changing Section 5-16.8 as follows:

18 (305 ILCS 5/5-16.8)

19 Sec. 5-16.8. Required health benefits. The medical
20 assistance program shall (i) provide the post-mastectomy care
21 benefits required to be covered by a policy of accident and
22 health insurance under Section 356t and the coverage required
23 under Sections 356g.5, 356q, 356u, 356w, 356x, 356z.6,
24 356z.26, 356z.29, 356z.32, 356z.33, 356z.34, 356z.35, 356z.46,

1 356z.47, 356z.51, and 356z.53 ~~and 356z.43~~ of the Illinois
2 Insurance Code, (ii) be subject to the provisions of Sections
3 356z.19, ~~356z.43~~, 356z.44, 356z.49, 364.01, 370c, and 370c.1
4 of the Illinois Insurance Code, and (iii) be subject to the
5 provisions of subsection (d-5) of Section 10 of the Network
6 Adequacy and Transparency Act.

7 The Department, by rule, shall adopt a model similar to
8 the requirements of Section 356z.39 of the Illinois Insurance
9 Code.

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

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

20 (Source: P.A. 101-81, eff. 7-12-19; 101-218, eff. 1-1-20;
21 101-281, eff. 1-1-20; 101-371, eff. 1-1-20; 101-574, eff.
22 1-1-20; 101-649, eff. 7-7-20; 102-30, eff. 1-1-22; 102-144,
23 eff. 1-1-22; 102-203, eff. 1-1-22; 102-306, eff. 1-1-22;
24 102-530, eff. 1-1-22; 102-642, eff. 1-1-22; revised 10-27-21.)