



## 102ND GENERAL ASSEMBLY

### State of Illinois

2021 and 2022

HB5383

Introduced 1/31/2022, by Rep. Joyce Mason

#### SYNOPSIS AS INTRODUCED:

5 ILCS 375/6.11  
55 ILCS 5/5-1069.3  
65 ILCS 5/10-4-2.3  
105 ILCS 5/10-22.3f  
215 ILCS 5/356z.53 new  
215 ILCS 125/5-3

from Ch. 111 1/2, par. 1411.2

Amends the Illinois Insurance Code. Provides that a group or individual policy of accident and health insurance or managed care plan that is amended, delivered, issued, or renewed after the effective date of the amendatory Act shall provide coverage for hippotherapy and other forms of therapeutic riding. Makes conforming changes in the State Employees Group Insurance Act of 1971, the Counties Code, the Illinois Municipal Code, the School Code, and the Health Maintenance Organization Act.

LRB102 25335 BMS 34611 b

STATE MANDATES  
ACT MAY REQUIRE  
REIMBURSEMENT

A BILL FOR

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 356z.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 for hippotherapy and therapeutic  
21 riding.

22 (a) As used in this Section:

23 "Disability" means a determinable physical or mental  
24 characteristic of a person, including, but not limited to, a

1 determinable physical characteristic that necessitates the  
2 person's use of a guide, hearing, or support dog, that may  
3 result from a disease, injury, or congenital condition of  
4 birth or a functional disorder.

5 "Hippotherapy" means physical, occupational, or speech  
6 therapy, prescribed by a physician and delivered by a licensed  
7 occupational therapist, physical therapist, or speech-language  
8 pathologist, in conjunction with a professional horse handler  
9 and a therapy horse.

10 "Therapeutic riding" means horseback riding lessons  
11 adapted to an individual with a disability, delivered by a  
12 professional horse handler and a therapy horse.

13 (b) A group or individual policy of accident and health  
14 insurance or managed care plan that is amended, delivered,  
15 issued, or renewed after the effective date of this amendatory  
16 Act of the 102nd General Assembly shall provide coverage for  
17 hippotherapy and other forms of therapeutic riding.

18  
19 Section 30. The Health Maintenance Organization Act is  
20 amended by changing Section 5-3 as follows:

21 (215 ILCS 125/5-3) (from Ch. 111 1/2, par. 1411.2)

22 Sec. 5-3. Insurance Code provisions.

23 (a) Health Maintenance Organizations shall be subject to  
24 the provisions of Sections 133, 134, 136, 137, 139, 140,



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

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

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

21 (2) a corporation organized under the laws of this  
22 State; or

23 (3) a corporation organized under the laws of another  
24 state, 30% or more of the enrollees of which are residents  
25 of this State, except a corporation subject to  
26 substantially the same requirements in its state of

1 organization as is a "domestic company" under Article VIII  
2 1/2 of the Illinois Insurance Code.

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

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

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

18 (3) the Director shall have the power to require the  
19 following information:

20 (A) certification by an independent actuary of the  
21 adequacy of the reserves of the Health Maintenance  
22 Organization sought to be acquired;

23 (B) pro forma financial statements reflecting the  
24 combined balance sheets of the acquiring company and  
25 the Health Maintenance Organization sought to be  
26 acquired as of the end of the preceding year and as of

1 a date 90 days prior to the acquisition, as well as pro  
2 forma financial statements reflecting projected  
3 combined operation for a period of 2 years;

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

8 (D) such other information as the Director shall  
9 require.

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

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

26 (f) Except for small employer groups as defined in the

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

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

13 (ii) the amount of the refund or additional premium  
14 shall not exceed 20% of the Health Maintenance  
15 Organization's profitable or unprofitable experience with  
16 respect to the group or other enrollment unit for the  
17 period (and, for purposes of a refund or additional  
18 premium, the profitable or unprofitable experience shall  
19 be calculated taking into account a pro rata share of the  
20 Health Maintenance Organization's administrative and  
21 marketing expenses, but shall not include any refund to be  
22 made or additional premium to be paid pursuant to this  
23 subsection (f)). The Health Maintenance Organization and  
24 the group or enrollment unit may agree that the profitable  
25 or unprofitable experience may be calculated taking into  
26 account the refund period and the immediately preceding 2

1 plan years.

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

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

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

24 (Source: P.A. 101-13, eff. 6-12-19; 101-81, eff. 7-12-19;  
25 101-281, eff. 1-1-20; 101-371, eff. 1-1-20; 101-393, eff.  
26 1-1-20; 101-452, eff. 1-1-20; 101-461, eff. 1-1-20; 101-625,

1 eff. 1-1-21; 102-30, eff. 1-1-22; 102-34, eff. 6-25-21;  
2 102-203, eff. 1-1-22; 102-306, eff. 1-1-22; 102-443, eff.  
3 1-1-22; 102-589, eff. 1-1-22; 102-642, eff. 1-1-22; 102-665,  
4 eff. 10-8-21; revised 10-27-21.)