



Rep. Robyn Gabel

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10300HB0579ham001

LRB103 04164 BMS 58897 a

1 AMENDMENT TO HOUSE BILL 579

2 AMENDMENT NO. \_\_\_\_\_. Amend House Bill 579 by replacing  
3 everything after the enacting clause with the following:

4 "Section 5. The Illinois Administrative Procedure Act is  
5 amended by adding Section 5-45.35 as follows:

6 (5 ILCS 100/5-45.35 new)

7 Sec. 5-45.35. Emergency rulemaking; Illinois Health  
8 Benefits Exchange Law. To provide for the expeditious and  
9 timely implementation of Section 5-23 of the Illinois Health  
10 Benefits Exchange Law, emergency rules implementing Section  
11 5-23 of the Illinois Health Benefits Exchange Law may be  
12 adopted in accordance with Section 5-45 of this Act by the  
13 Department of Insurance and the Department of Healthcare and  
14 Family Services. The adoption of emergency rules authorized by  
15 Section 5-45 and this Section is deemed to be necessary for the  
16 public interest, safety, and welfare.

1        This Section is repealed 3 years after the effective date  
2        of this amendatory Act of the 103rd General Assembly.

3        Section 10. The Illinois Health Benefits Exchange Law is  
4        amended by changing Section 5-5 and by adding Sections 5-21,  
5        5-22, and 5-23 as follows:

6            (215 ILCS 122/5-5)

7            Sec. 5-5. State health benefits exchange. It is declared  
8        that this State, beginning October 1, 2013, in accordance with  
9        Section 1311 of the federal Patient Protection and Affordable  
10        Care Act, shall establish a State health benefits exchange to  
11        be known as the Illinois Health Benefits Exchange in order to  
12        help individuals and small employers with no more than 50  
13        employees shop for, select, and enroll in qualified,  
14        affordable private health plans that fit their needs at  
15        competitive prices. The Exchange shall separate coverage pools  
16        for individuals and small employers and shall supplement and  
17        not supplant any existing private health insurance market for  
18        individuals and small employers. The Department of Insurance  
19        shall operate the Illinois Health Benefits Exchange as a  
20        State-based exchange using the federal platform by plan year  
21        2025 and as a State-based exchange by plan year 2026. The  
22        Director of Insurance may require that all plans in the  
23        individual and small group markets, other than grandfathered  
24        health plans, be made available for comparison on the Illinois

1 Health Benefits Exchange, but may not require that all plans  
2 in the individual and small group markets be purchased  
3 exclusively on the Illinois Health Benefits Exchange. The  
4 Director of Insurance may require that plans offered on the  
5 exchange conform with standardized plan designs that provide  
6 for standardized cost sharing for covered health services.  
7 Except when it is inconsistent with State law, the Department  
8 of Insurance may enforce the coverage requirements under the  
9 federal Patient Protection and Affordable Care Act that apply  
10 to the individual and small group markets. The Director of  
11 Insurance may elect to add a small business health options  
12 program to the Illinois Health Benefits Exchange to help small  
13 employers enroll their employees in qualified health plans in  
14 the small group market. The General Assembly shall appropriate  
15 funds to establish the Illinois Health Benefits Exchange.

16 (Source: P.A. 97-142, eff. 7-14-11.)

17 (215 ILCS 122/5-21 new)

18 Sec. 5-21. Monthly assessments.

19 (a) The Director of Insurance may apply a monthly  
20 assessment to each health benefits plan sold on the Illinois  
21 Health Benefits Exchange. The assessment shall be paid by the  
22 issuer and to the Department of Insurance and shall be used  
23 only for the purpose of supporting the exchange through  
24 exchange operations, outreach, enrollment, and other means of  
25 supporting the exchange, including any efforts that may

1 increase market stabilization and that may result in a net  
2 benefit to policyholders. The assessment may be applied at a  
3 rate of:

4 (1) 0.5% of the total monthly premium charged by an  
5 issuer for each health benefits plan during any period  
6 that the State is on a State-based exchange using the  
7 federal platform; or

8 (2) 2.75% of the total monthly premium charged by an  
9 issuer for each health benefits plan during any period  
10 that the State is on the State-based exchange. The  
11 Director of Insurance may adjust this rate to ensure that  
12 the Illinois Health Benefits Exchange is fully funded.

13 (b) The Director of Insurance shall notify an issuer of  
14 its assessment rate for the subsequent year. Issuers must  
15 remit the assessment due in monthly installments to the  
16 Department of Insurance.

17 (c) The assessment described in this Section shall be  
18 considered a special purpose obligation and may not be applied  
19 by issuers to vary premium rates at the plan level.

20 (d) There is created a revolving fund to be known as the  
21 Illinois Health Benefits Exchange Fund, to be held by the  
22 Department of Insurance. The Illinois Health Benefits Exchange  
23 Fund shall be the repository for moneys collected pursuant to  
24 fees or assessments on exchange issuers, federal financial  
25 participation as appropriate, and other moneys received as  
26 grants or otherwise appropriated for the purposes of

1 supporting health insurance outreach, enrollment efforts, and  
2 plan management operations through an exchange. All moneys in  
3 the Fund shall be used only for the purpose of supporting the  
4 exchange through exchange operations, outreach, enrollment,  
5 and other means of supporting the exchange, including any  
6 efforts that may increase market stabilization and that may  
7 result in a net benefit to policyholders.

8 (215 ILCS 122/5-22 new)

9 Sec. 5-22. State medical assistance program coordination.

10 (a) The Department of Insurance and the Department of  
11 Healthcare and Family Services shall coordinate the operations  
12 of the exchange with the operations of State medical  
13 assistance programs. The Department of Healthcare and Family  
14 Services shall oversee and operate the exchange eligibility  
15 rules engine to ensure accurate assessments and determinations  
16 of exchange and State medical assistance program eligibility.

17 (b) The exchange may determine eligibility for State  
18 medical assistance programs that use the modified adjusted  
19 gross income methodology.

20 (c) The exchange may be used for enrollment into State  
21 medical assistance program health plans.

22 (d) The Department of Healthcare and Family Services may  
23 request federal financial participation funds from the Centers  
24 for Medicare and Medicaid Services for any integrated  
25 eligibility and enrollment functions of the exchange.

1 (215 ILCS 122/5-23 new)

2 Sec. 5-23. Department of Insurance and Department of  
3 Healthcare and Family Services authority.

4 (a) The Department of Insurance and the Department of  
5 Healthcare and Family Services, in addition to the powers  
6 granted under the Illinois Insurance Code and the Illinois  
7 Public Aid Code, have the power necessary to establish and  
8 operate the Illinois Health Benefits Exchange, including, but  
9 not limited to, the authority to:

10 (1) adopt rules deemed necessary by the departments to  
11 implement this Law;

12 (2) employ or retain sufficient personnel to provide  
13 administration, staffing, and necessary related support  
14 required to adequately discharge the duties described in  
15 this Law from funds held in the Illinois Health Benefits  
16 Exchange Fund;

17 (3) procure services, including a call center, and  
18 goods for the purpose of establishing the Illinois Health  
19 Benefits Exchange as emergency purchases as set forth in  
20 Section 20-30 of the Illinois Procurement Code; and

21 (4) require any exchange vendor to have experience  
22 operating a State-based exchange in another state.

23 (b) The Department of Insurance has the authority to  
24 employ a Chief Operating Officer of the Illinois Health  
25 Benefits Exchange. The Chief Operating Officer shall be

1 subject to confirmation by the Senate.

2           Section 99. Effective date. This Act takes effect upon  
3 becoming law.".