



Rep. Greg Harris

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09600HB5085ham002

LRB096 17984 RPM 39504 a

1 AMENDMENT TO HOUSE BILL 5085

2 AMENDMENT NO. _____. Amend House Bill 5085 by replacing
3 everything after the enacting clause with the following:

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 provide
9 the post-mastectomy care benefits required to be covered by a
10 policy of accident and health insurance under Section 356t of
11 the Illinois Insurance Code. The program of health benefits
12 shall provide the coverage required under Sections 356g,
13 356g.5, 356g.5-1, 356m, 356u, 356w, 356x, 356z.2, 356z.4,
14 356z.6, 356z.8, 356z.9, 356z.10, 356z.11, 356z.12, ~~and~~
15 356z.13, ~~and~~ 356z.14, 356z.15 ~~and 356z.14,~~ ~~and~~ 356z.17 ~~356z.15,~~
16 and 364.01 of the Illinois Insurance Code. The program of

1 health benefits must comply with Section 155.37 of the Illinois
2 Insurance Code.

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

10 (Source: P.A. 95-189, eff. 8-16-07; 95-422, eff. 8-24-07;
11 95-520, eff. 8-28-07; 95-876, eff. 8-21-08; 95-958, eff.
12 6-1-09; 95-978, eff. 1-1-09; 95-1005, eff. 12-12-08; 95-1044,
13 eff. 3-26-09; 95-1045, eff. 3-27-09; 95-1049, eff. 1-1-10;
14 96-139, eff. 1-1-10; 96-328, eff. 8-11-09; 96-639, eff. 1-1-10;
15 revised 10-22-09.)

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

18 (55 ILCS 5/5-1069.3)

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

1 under Sections 356g, 356g.5, 356g.5-1, 356u, 356w, 356x,
2 356z.6, 356z.8, 356z.9, 356z.10, 356z.11, 356z.12, ~~and~~
3 356z.13, ~~and~~ 356z.14, ~~and~~ 356z.15 ~~356z.14~~, and 364.01 of the
4 Illinois Insurance Code. The requirement that health benefits
5 be covered as provided in this Section is an exclusive power
6 and function of the State and is a denial and limitation under
7 Article VII, Section 6, subsection (h) of the Illinois
8 Constitution. A home rule county to which this Section applies
9 must comply with every provision of this Section.

10 Rulemaking authority to implement Public Act 95-1045 ~~this~~
11 ~~amendatory Act of the 95th General Assembly~~, if any, is
12 conditioned on the rules being adopted in accordance with all
13 provisions of the Illinois Administrative Procedure Act and all
14 rules and procedures of the Joint Committee on Administrative
15 Rules; any purported rule not so adopted, for whatever reason,
16 is unauthorized.

17 (Source: P.A. 95-189, eff. 8-16-07; 95-422, eff. 8-24-07;
18 95-520, eff. 8-28-07; 95-876, eff. 8-21-08; 95-958, eff.
19 6-1-09; 95-978, eff. 1-1-09; 95-1005, eff. 12-12-08; 95-1045,
20 eff. 3-27-09; 95-1049, eff. 1-1-10; 96-139, eff. 1-1-10;
21 96-328, eff. 8-11-09; revised 10-22-09.)

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

24 (65 ILCS 5/10-4-2.3)

1 Sec. 10-4-2.3. Required health benefits. If a
2 municipality, including a home rule municipality, is a
3 self-insurer for purposes of providing health insurance
4 coverage for its employees, the coverage shall include coverage
5 for the post-mastectomy care benefits required to be covered by
6 a policy of accident and health insurance under Section 356t
7 and the coverage required under Sections 356g, 356g.5,
8 356g.5-1, 356u, 356w, 356x, 356z.6, 356z.8, 356z.9, 356z.10,
9 356z.11, 356z.12, ~~and~~ 356z.13, ~~and~~ 356z.14, ~~and~~ 356z.15
10 ~~356z.14,~~ and 364.01 of the Illinois Insurance Code. The
11 requirement that health benefits be covered as provided in this
12 is an exclusive power and function of the State and is a denial
13 and limitation under Article VII, Section 6, subsection (h) of
14 the Illinois Constitution. A home rule municipality to which
15 this Section applies must comply with every provision of this
16 Section.

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

24 (Source: P.A. 95-189, eff. 8-16-07; 95-422, eff. 8-24-07;
25 95-520, eff. 8-28-07; 95-876, eff. 8-21-08; 95-958, eff.
26 6-1-09; 95-978, eff. 1-1-09; 95-1005, eff. 12-12-08; 95-1045,

1 eff. 3-27-09; 95-1049, eff. 1-1-10; 96-139, eff. 1-1-10;
2 96-328, eff. 8-11-09; revised 10-23-09.)

3 Section 20. The School Code is amended by changing Section
4 10-22.3f as follows:

5 (105 ILCS 5/10-22.3f)

6 Sec. 10-22.3f. Required health benefits. Insurance
7 protection and benefits for employees shall provide the
8 post-mastectomy care benefits required to be covered by a
9 policy of accident and health insurance under Section 356t and
10 the coverage required under Sections 356g, 356g.5, 356g.5-1,
11 356u, 356w, 356x, 356z.6, 356z.8, 356z.9, 356z.11, 356z.12,
12 356z.13, ~~and 356z.14, and 356z.15~~ 356z.14, and 364.01 of the
13 Illinois Insurance Code.

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

21 (Source: P.A. 95-189, eff. 8-16-07; 95-422, eff. 8-24-07;
22 95-876, eff. 8-21-08; 95-958, eff. 6-1-09; 95-978, eff. 1-1-09;
23 95-1005, 12-12-08; 95-1045, eff. 3-27-09; 95-1049, eff.
24 1-1-10; 96-139, eff. 1-1-10; 96-328, eff. 8-11-09; revised

1 10-23-09.)

2 Section 25. The Illinois Insurance Code is amended by
3 changing Section 364.01 as follows:

4 (215 ILCS 5/364.01)

5 Sec. 364.01. Qualified clinical cancer trials.

6 (a) No individual or group policy of accident and health
7 insurance issued or renewed in this State may be cancelled or
8 non-renewed for any individual based on that individual's
9 participation in a qualified clinical cancer trial.

10 (b) Qualified clinical cancer trials must meet the
11 following criteria:

12 (1) the effectiveness of the treatment has not been
13 determined relative to established therapies;

14 (2) the trial is under clinical investigation as part
15 of an approved cancer research trial in Phase II, Phase
16 III, or Phase IV of investigation;

17 (3) the trial is:

18 (A) approved by the Food and Drug Administration;

19 or

20 (B) approved and funded by the National Institutes
21 of Health, the Centers for Disease Control and
22 Prevention, the Agency for Healthcare Research and
23 Quality, the United States Department of Defense, the
24 United States Department of Veterans Affairs, or the

1 United States Department of Energy in the form of an
2 investigational new drug application, or a cooperative
3 group or center of any entity described in this
4 subdivision (B); and

5 (4) the patient's primary care physician, if any, is
6 involved in the coordination of care.

7 (c) No group policy of accident and health insurance shall
8 exclude coverage for any routine patient care administered to
9 an insured who is a qualified individual participating in a
10 qualified clinical cancer trial, if the policy covers that same
11 routine patient care of insureds not enrolled in a qualified
12 clinical cancer trial.

13 (d) The coverage that may not be excluded under subsection
14 (c) of this Section is subject to all terms, conditions,
15 restrictions, exclusions, and limitations that apply to the
16 same routine patient care received by an insured not enrolled
17 in a qualified clinical cancer trial, including the application
18 of any authorization requirement, utilization review, or
19 medical management practices.

20 (e) If the group policy of accident and health insurance
21 uses a preferred provider program and a preferred provider
22 provides routine patient care in connection with a qualified
23 clinical cancer trial, then the insurer may require the insured
24 to use the preferred provider if the preferred provider agrees
25 to provide to the insured that routine patient care.

26 (f) A group policy of accident and health insurance with a

1 preferred provider program shall reimburse:

2 (1) a preferred provider for routine patient care in
3 connection with a qualified clinical cancer trial at the
4 preferred provider's negotiated rate, less any applicable
5 insured cost sharing; and

6 (2) a nonpreferred provider at rates comparable to
7 negotiated rates for preferred providers; the nonpreferred
8 provider shall accept those amounts plus any applicable
9 copayments, coinsurance, and deductible as payment in full
10 for items billed.

11 The preferred provider and the nonpreferred provider may
12 bill the insured any applicable deductible, copayment, and
13 coinsurance.

14 (g) A qualified clinical cancer trial may not pay or refuse
15 to pay for routine patient care of a individual participating
16 in the trial, based in whole or in part on the person's having
17 or not having coverage for routine patient care under a group
18 policy of accident and health insurance.

19 (h) Nothing in this Section shall be construed to limit an
20 insurer's coverage with respect to clinical trials.

21 (i) Nothing in this Section shall require coverage for
22 out-of-network services where the underlying health benefit
23 plan does not provide coverage for out-of-network services.

24 (j) As used in this Section, "routine patient care" means
25 all health care services provided in the qualified clinical
26 cancer trial that are otherwise generally covered under the

1 policy if those items or services were not provided in
2 connection with a qualified clinical cancer trial consistent
3 with the standard of care for the treatment of cancer,
4 including the type and frequency of any diagnostic modality,
5 that a provider typically provides to a cancer patient who is
6 not enrolled in a qualified clinical cancer trial. "Routine
7 patient care" does not include, and a group policy of accident
8 and health insurance may exclude, coverage for:

9 (1) a health care service, item, or drug that is the
10 subject of the cancer clinical trial;

11 (2) a health care service, item, or drug provided
12 solely to satisfy data collection and analysis needs for
13 the qualified clinical cancer trial that is not used in the
14 direct clinical management of the patient;

15 (3) an investigational drug or device that has not been
16 approved for market by the United States Food and Drug
17 Administration;

18 (4) transportation, lodging, food, or other expenses
19 for the patient or a family member or companion of the
20 patient that are associated with the travel to or from a
21 facility providing the qualified clinical cancer trial;

22 (5) a health care service, item, or drug customarily
23 provided by the qualified clinical cancer trial sponsors
24 free of charge for any patient;

25 (6) a health care service or item, which except for the
26 fact that it is being provided in a qualified clinical

1 cancer trial, is otherwise specifically excluded from
2 coverage under the insured's policy, including:

3 (A) costs of extra treatments, services,
4 procedures, tests, or drugs that would not be performed
5 or administered except for the fact that the insured is
6 participating in the cancer clinical trial; and

7 (B) costs of nonhealth care services that the
8 patient is required to receive as a result of
9 participation in the approved cancer clinical trial;

10 (7) the cost of an oncologic drug, if the qualified
11 clinical cancer trial's purpose is to study the use of the
12 oncologic drug in the particular cancer in question or
13 study the administration of the drug in a new manner;

14 (8) costs for services, items, or drugs that are
15 eligible for reimbursement from a source other than a
16 patient's contract or policy providing for third-party
17 payment or prepayment of health or medical expenses,
18 including the sponsor of the approved cancer clinical
19 trial; or

20 (9) costs associated with approved cancer clinical
21 trials designed exclusively to test toxicity or disease
22 pathophysiology; or

23 (10) a health care service or item that is eligible for
24 reimbursement by a source other than the insured's policy,
25 including the sponsor of the qualified clinical cancer
26 trial.

1 The definitions of the terms "health care services",
2 "Non-Preferred Provider", "Preferred Provider", and "Preferred
3 Provider Program", stated in 50 IL Adm. Code Part 2051
4 Preferred Provider Programs apply to these terms in this
5 Section.

6 (Source: P.A. 93-1000, eff. 1-1-05.)

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

9 (215 ILCS 125/5-3) (from Ch. 111 1/2, par. 1411.2)

10 (Text of Section before amendment by P.A. 96-833)

11 Sec. 5-3. Insurance Code provisions.

12 (a) Health Maintenance Organizations shall be subject to
13 the provisions of Sections 133, 134, 137, 140, 141.1, 141.2,
14 141.3, 143, 143c, 147, 148, 149, 151, 152, 153, 154, 154.5,
15 154.6, 154.7, 154.8, 155.04, 355.2, 356g.5-1, 356m, 356v, 356w,
16 356x, 356y, 356z.2, 356z.4, 356z.5, 356z.6, 356z.8, 356z.9,
17 356z.10, 356z.11, 356z.12, 356z.13, 356z.14, 356z.15 ~~356z.14,~~
18 356z.17 ~~356z.15,~~ 364.01, 367.2, 367.2-5, 367i, 368a, 368b,
19 368c, 368d, 368e, 370c, 401, 401.1, 402, 403, 403A, 408, 408.2,
20 409, 412, 444, and 444.1, paragraph (c) of subsection (2) of
21 Section 367, and Articles IIA, VIII 1/2, XII, XII 1/2, XIII,
22 XIII 1/2, XXV, and XXVI of the Illinois Insurance Code.

23 (b) For purposes of the Illinois Insurance Code, except for
24 Sections 444 and 444.1 and Articles XIII and XIII 1/2, Health

1 Maintenance Organizations in the following categories are
2 deemed to be "domestic companies":

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

5 (2) a corporation organized under the laws of this
6 State; or

7 (3) a corporation organized under the laws of another
8 state, 30% or more of the enrollees of which are residents
9 of this State, except a corporation subject to
10 substantially the same requirements in its state of
11 organization as is a "domestic company" under Article VIII
12 1/2 of the Illinois Insurance Code.

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

16 (1) the Director shall give primary consideration to
17 the continuation of benefits to enrollees and the financial
18 conditions of the acquired Health Maintenance Organization
19 after the merger, consolidation, or other acquisition of
20 control takes effect;

21 (2) (i) the criteria specified in subsection (1) (b) of
22 Section 131.8 of the Illinois Insurance Code shall not
23 apply and (ii) the Director, in making his determination
24 with respect to the merger, consolidation, or other
25 acquisition of control, need not take into account the
26 effect on competition of the merger, consolidation, or

1 other acquisition of control;

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

4 (A) certification by an independent actuary of the
5 adequacy of the reserves of the Health Maintenance
6 Organization sought to be acquired;

7 (B) pro forma financial statements reflecting the
8 combined balance sheets of the acquiring company and
9 the Health Maintenance Organization sought to be
10 acquired as of the end of the preceding year and as of
11 a date 90 days prior to the acquisition, as well as pro
12 forma financial statements reflecting projected
13 combined operation for a period of 2 years;

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

18 (D) such other information as the Director shall
19 require.

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

26 (e) In considering any management contract or service

1 agreement subject to Section 141.1 of the Illinois Insurance
2 Code, the Director (i) shall, in addition to the criteria
3 specified in Section 141.2 of the Illinois Insurance Code, take
4 into account the effect of the management contract or service
5 agreement on the continuation of benefits to enrollees and the
6 financial condition of the health maintenance organization to
7 be managed or serviced, and (ii) need not take into account the
8 effect of the management contract or service agreement on
9 competition.

10 (f) Except for small employer groups as defined in the
11 Small Employer Rating, Renewability and Portability Health
12 Insurance Act and except for medicare supplement policies as
13 defined in Section 363 of the Illinois Insurance Code, a Health
14 Maintenance Organization may by contract agree with a group or
15 other enrollment unit to effect refunds or charge additional
16 premiums under the following terms and conditions:

17 (i) the amount of, and other terms and conditions with
18 respect to, the refund or additional premium are set forth
19 in the group or enrollment unit contract agreed in advance
20 of the period for which a refund is to be paid or
21 additional premium is to be charged (which period shall not
22 be less than one year); and

23 (ii) the amount of the refund or additional premium
24 shall not exceed 20% of the Health Maintenance
25 Organization's profitable or unprofitable experience with
26 respect to the group or other enrollment unit for the

1 period (and, for purposes of a refund or additional
2 premium, the profitable or unprofitable experience shall
3 be calculated taking into account a pro rata share of the
4 Health Maintenance Organization's administrative and
5 marketing expenses, but shall not include any refund to be
6 made or additional premium to be paid pursuant to this
7 subsection (f)). The Health Maintenance Organization and
8 the group or enrollment unit may agree that the profitable
9 or unprofitable experience may be calculated taking into
10 account the refund period and the immediately preceding 2
11 plan years.

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

24 In no event shall the Illinois Health Maintenance
25 Organization Guaranty Association be liable to pay any
26 contractual obligation of an insolvent organization to pay any

1 refund authorized under this Section.

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

9 (Source: P.A. 95-422, eff. 8-24-07; 95-520, eff. 8-28-07;
10 95-876, eff. 8-21-08; 95-958, eff. 6-1-09; 95-978, eff. 1-1-09;
11 95-1005, eff. 12-12-08; 95-1045, eff. 3-27-09; 95-1049, eff.
12 1-1-10; 96-328, eff. 8-11-09; 96-639, eff. 1-1-10; revised
13 10-23-09.)

14 (Text of Section after amendment by P.A. 96-833)

15 Sec. 5-3. Insurance Code provisions.

16 (a) Health Maintenance Organizations shall be subject to
17 the provisions of Sections 133, 134, 137, 140, 141.1, 141.2,
18 141.3, 143, 143c, 147, 148, 149, 151, 152, 153, 154, 154.5,
19 154.6, 154.7, 154.8, 155.04, 355.2, 356g.5-1, 356m, 356v, 356w,
20 356x, 356y, 356z.2, 356z.4, 356z.5, 356z.6, 356z.8, 356z.9,
21 356z.10, 356z.11, 356z.12, 356z.13, 356z.14, 356z.15, 356z.17,
22 356z.18, 364.01, 367.2, 367.2-5, 367i, 368a, 368b, 368c, 368d,
23 368e, 370c, 401, 401.1, 402, 403, 403A, 408, 408.2, 409, 412,
24 444, and 444.1, paragraph (c) of subsection (2) of Section 367,
25 and Articles IIA, VIII 1/2, XII, XII 1/2, XIII, XIII 1/2, XXV,

1 and XXVI of the Illinois Insurance Code.

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

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

8 (2) a corporation organized under the laws of this
9 State; or

10 (3) a corporation organized under the laws of another
11 state, 30% or more of the enrollees of which are residents
12 of this State, except a corporation subject to
13 substantially the same requirements in its state of
14 organization as is a "domestic company" under Article VIII
15 1/2 of the Illinois Insurance Code.

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

19 (1) the Director shall give primary consideration to
20 the continuation of benefits to enrollees and the financial
21 conditions of the acquired Health Maintenance Organization
22 after the merger, consolidation, or other acquisition of
23 control takes effect;

24 (2) (i) the criteria specified in subsection (1)(b) of
25 Section 131.8 of the Illinois Insurance Code shall not
26 apply and (ii) the Director, in making his determination

1 with respect to the merger, consolidation, or other
2 acquisition of control, need not take into account the
3 effect on competition of the merger, consolidation, or
4 other acquisition of control;

5 (3) the Director shall have the power to require the
6 following information:

7 (A) certification by an independent actuary of the
8 adequacy of the reserves of the Health Maintenance
9 Organization sought to be acquired;

10 (B) pro forma financial statements reflecting the
11 combined balance sheets of the acquiring company and
12 the Health Maintenance Organization sought to be
13 acquired as of the end of the preceding year and as of
14 a date 90 days prior to the acquisition, as well as pro
15 forma financial statements reflecting projected
16 combined operation for a period of 2 years;

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

21 (D) such other information as the Director shall
22 require.

23 (d) The provisions of Article VIII 1/2 of the Illinois
24 Insurance Code and this Section 5-3 shall apply to the sale by
25 any health maintenance organization of greater than 10% of its
26 enrollee population (including without limitation the health

1 maintenance organization's right, title, and interest in and to
2 its health care certificates).

3 (e) In considering any management contract or service
4 agreement subject to Section 141.1 of the Illinois Insurance
5 Code, the Director (i) shall, in addition to the criteria
6 specified in Section 141.2 of the Illinois Insurance Code, take
7 into account the effect of the management contract or service
8 agreement on the continuation of benefits to enrollees and the
9 financial condition of the health maintenance organization to
10 be managed or serviced, and (ii) need not take into account the
11 effect of the management contract or service agreement on
12 competition.

13 (f) Except for small employer groups as defined in the
14 Small Employer Rating, Renewability and Portability Health
15 Insurance Act and except for medicare supplement policies as
16 defined in Section 363 of the Illinois Insurance Code, a Health
17 Maintenance Organization may by contract agree with a group or
18 other enrollment unit to effect refunds or charge additional
19 premiums under the following terms and conditions:

20 (i) the amount of, and other terms and conditions with
21 respect to, the refund or additional premium are set forth
22 in the group or enrollment unit contract agreed in advance
23 of the period for which a refund is to be paid or
24 additional premium is to be charged (which period shall not
25 be less than one year); and

26 (ii) the amount of the refund or additional premium

1 shall not exceed 20% of the Health Maintenance
2 Organization's profitable or unprofitable experience with
3 respect to the group or other enrollment unit for the
4 period (and, for purposes of a refund or additional
5 premium, the profitable or unprofitable experience shall
6 be calculated taking into account a pro rata share of the
7 Health Maintenance Organization's administrative and
8 marketing expenses, but shall not include any refund to be
9 made or additional premium to be paid pursuant to this
10 subsection (f)). The Health Maintenance Organization and
11 the group or enrollment unit may agree that the profitable
12 or unprofitable experience may be calculated taking into
13 account the refund period and the immediately preceding 2
14 plan years.

15 The Health Maintenance Organization shall include a
16 statement in the evidence of coverage issued to each enrollee
17 describing the possibility of a refund or additional premium,
18 and upon request of any group or enrollment unit, provide to
19 the group or enrollment unit a description of the method used
20 to calculate (1) the Health Maintenance Organization's
21 profitable experience with respect to the group or enrollment
22 unit and the resulting refund to the group or enrollment unit
23 or (2) the Health Maintenance Organization's unprofitable
24 experience with respect to the group or enrollment unit and the
25 resulting additional premium to be paid by the group or
26 enrollment unit.

1 In no event shall the Illinois Health Maintenance
2 Organization Guaranty Association be liable to pay any
3 contractual obligation of an insolvent organization to pay any
4 refund authorized under this Section.

5 (g) Rulemaking authority to implement Public Act 95-1045,
6 if 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. 95-422, eff. 8-24-07; 95-520, eff. 8-28-07;
12 95-876, eff. 8-21-08; 95-958, eff. 6-1-09; 95-978, eff. 1-1-09;
13 95-1005, eff. 12-12-08; 95-1045, eff. 3-27-09; 95-1049, eff.
14 1-1-10; 96-328, eff. 8-11-09; 96-639, eff. 1-1-10; 96-833, eff.
15 6-1-10.)

16 Section 35. The Voluntary Health Services Plans Act is
17 amended by changing Section 10 as follows:

18 (215 ILCS 165/10) (from Ch. 32, par. 604)

19 (Text of Section before amendment by P.A. 96-833)

20 Sec. 10. Application of Insurance Code provisions. Health
21 services plan corporations and all persons interested therein
22 or dealing therewith shall be subject to the provisions of
23 Articles IIA and XII 1/2 and Sections 3.1, 133, 140, 143, 143c,
24 149, 155.37, 354, 355.2, 356g, 356g.5, 356g.5-1, 356r, 356t,

1 356u, 356v, 356w, 356x, 356y, 356z.1, 356z.2, 356z.4, 356z.5,
2 356z.6, 356z.8, 356z.9, 356z.10, 356z.11, 356z.12, 356z.13,
3 356z.14, 356z.15 ~~356z.14~~, 364.01, 367.2, 368a, 401, 401.1, 402,
4 403, 403A, 408, 408.2, and 412, and paragraphs (7) and (15) of
5 Section 367 of the Illinois Insurance Code.

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

13 (Source: P.A. 95-189, eff. 8-16-07; 95-331, eff. 8-21-07;
14 95-422, eff. 8-24-07; 95-520, eff. 8-28-07; 95-876, eff.
15 8-21-08; 95-958, eff. 6-1-09; 95-978, eff. 1-1-09; 95-1005,
16 eff. 12-12-08; 95-1045, eff. 3-27-09; 95-1049, eff. 1-1-10;
17 96-328, eff. 8-11-09; revised 9-25-09.)

18 (Text of Section after amendment by P.A. 96-833)

19 Sec. 10. Application of Insurance Code provisions. Health
20 services plan corporations and all persons interested therein
21 or dealing therewith shall be subject to the provisions of
22 Articles IIA and XII 1/2 and Sections 3.1, 133, 140, 143, 143c,
23 149, 155.37, 354, 355.2, 356g, 356g.5, 356g.5-1, 356r, 356t,
24 356u, 356v, 356w, 356x, 356y, 356z.1, 356z.2, 356z.4, 356z.5,
25 356z.6, 356z.8, 356z.9, 356z.10, 356z.11, 356z.12, 356z.13,

1 356z.14, 356z.15, 356z.18, 364.01, 367.2, 368a, 401, 401.1,
2 402, 403, 403A, 408, 408.2, and 412, and paragraphs (7) and
3 (15) of Section 367 of the Illinois Insurance Code.

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

10 (Source: P.A. 95-189, eff. 8-16-07; 95-331, eff. 8-21-07;
11 95-422, eff. 8-24-07; 95-520, eff. 8-28-07; 95-876, eff.
12 8-21-08; 95-958, eff. 6-1-09; 95-978, eff. 1-1-09; 95-1005,
13 eff. 12-12-08; 95-1045, eff. 3-27-09; 95-1049, eff. 1-1-10;
14 96-328, eff. 8-11-09; 96-833, eff. 6-1-10.)

15 Section 97. No acceleration or delay. Where this Act makes
16 changes in a statute that is represented in this Act by text
17 that is not yet or no longer in effect (for example, a Section
18 represented by multiple versions), the use of that text does
19 not accelerate or delay the taking effect of (i) the changes
20 made by this Act or (ii) provisions derived from any other
21 Public Act.

22 Section 99. Effective date. This Act takes effect January
23 1, 2011."