



## 98TH GENERAL ASSEMBLY

### State of Illinois

2013 and 2014

SB3319

Introduced 2/14/2014, by Sen. Don Harmon

#### SYNOPSIS AS INTRODUCED:

See Index

Creates the Telehealth Act. Provides that telehealth services consist of (1) the provision of services and the mode of delivering health care services, including, but not limited to, primary care, counseling, psychiatry, emergency care, and specialty care and public health services via information and communication technologies, including, but not limited to, remote patient monitoring, to facilitate the examination, assessment, diagnosis, consultation, treatment, education, care management, and self-management of a patient's health care while the patient is at the originating site and the health care provider is at a distant site and (2) as it relates to the delivery of health care, mental health care, or substance use disorder treatment, the use of interactive audio, video, or other telecommunications or electronic technology by a health care provider to deliver a health care service within the scope of practice of the health care provider from the distant site to the originating site at which the patient is located. Sets forth the requirements for the delivery of telehealth services and telepsychiatry services. Amends the Illinois Insurance Code, the State Employees Group Insurance Act of 1971, the Counties Code, the Illinois Municipal Code, the School Code, the Health Maintenance Organization Act, the Limited Health Service Organization Act, and the Voluntary Health Services Plans Act to provide that health care plans and policies must provide coverage for telehealth services, including primary care, counseling, psychiatry, emergency care, and specialty care as set forth in the Illinois Insurance Code and as otherwise set forth in the Telehealth Act. Sets forth requirements concerning the coverage of telehealth services.

LRB098 18154 RPM 55351 b

FISCAL NOTE ACT  
MAY APPLY

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 1. Short title. This Act may be cited as the  
5 Telehealth Act.

6 Section 5. Definitions. As used in this Act:

7 "Distant site" means the location at which the health care  
8 provider rendering the service is located.

9 "Health care provider" means Illinois-licensed health care  
10 professionals, including, but not limited to, physicians  
11 licensed to practice medicine in all its branches, advanced  
12 practice nurses, physician assistants, licensed clinical  
13 psychologists, licensed clinical social workers, and licensed  
14 clinical professional counselors. Individuals not meeting the  
15 definition of "health care provider" are prohibited from  
16 providing telehealth services under this Act.

17 "Interactive telecommunications system" means multimedia  
18 communications equipment that includes, at a minimum, audio and  
19 video equipment permitting 2-way, real-time interactive  
20 communication between the patient and the distant site health  
21 care provider. Telephones, facsimile machines, and electronic  
22 mail systems do not meet the definition of "interactive  
23 telecommunications system".

1 "Originating site" means the health care providers'  
2 office, local health departments, community mental health  
3 centers, rural health clinics, hospitals, substance use  
4 disorder facilities licensed by the Department of Human  
5 Services or the Department of Public Health, federally  
6 qualified health centers, and, in the case of individuals under  
7 the age of 18, elementary or secondary schools.

8 "Rural area" means a geographical area that is defined as  
9 rural by regulations issued by the Centers for Medicare and  
10 Medicaid Services or an area designated as underserved for  
11 behavioral health services by the Health Resources and Services  
12 Administration of the U.S. Department of Health and Human  
13 Services or a successor agency of either.

14 "Synchronous interaction" means a real-time interaction  
15 between a patient at an originating site and a health care  
16 provider located at a distant site.

17 "Telecommunication system" means an interactive  
18 telecommunications system that is used to transmit data between  
19 the originating and distant sites and is compliant with the  
20 Health Insurance Portability and Accountability Act (HIPAA)  
21 privacy and security rules.

22 Section 10. Telehealth services.

23 (a) Telehealth services consist of the following:

24 (1) the provision of services and the mode of  
25 delivering health care services, including, but not

1 limited to, primary care, counseling, psychiatry,  
2 emergency care, and specialty care and public health  
3 services via information and communication technologies,  
4 including, but not limited to, remote patient monitoring,  
5 to facilitate the examination, assessment, diagnosis,  
6 consultation, treatment, education, care management, and  
7 self-management of a patient's health care while the  
8 patient is at the originating site and the health care  
9 provider is at a distant site; and

10 (2) as it relates to the delivery of health care,  
11 mental health care, or substance use disorder treatment,  
12 the use of interactive audio, video, or other  
13 telecommunications or electronic technology by a health  
14 care provider to deliver a health care service within the  
15 scope of practice of the health care provider from the  
16 distant site to the originating site at which the patient  
17 is located.

18 (b) Telehealth services does not include:

19 (1) an audio-only telephone conversation between a  
20 health care provider and a patient;

21 (2) an electronic mail message between a health care  
22 provider and a patient; or

23 (3) a facsimile transmission between a health care  
24 provider and a patient.

25 Section 15. Delivery of telehealth services.

1 (a) The requirements for the delivery of telehealth  
2 services are as follows:

3 (1) A physician or other health care provider must be  
4 onsite and available to the patient at the originating  
5 site, but need not be present in the same room as the  
6 patient. In the case of individuals under the age of 18,  
7 for an originating site in an elementary or secondary  
8 school, a health care provider or school administrator,  
9 counselor, social worker, nurse, or teacher must be onsite  
10 and available to the patient, but need not be present in  
11 the same room as the patient.

12 (2) The distant site provider must be a physician or  
13 other health care provider.

14 (3) Medical data may be exchanged through a Health  
15 Insurance Portability and Accountability Act of  
16 1996-compliant telecommunication system.

17 (4) The interactive telecommunications system must, at  
18 a minimum, have the capability of allowing the consulting  
19 physician or other health care provider to examine the  
20 patient sufficiently to allow proper diagnosis. The system  
21 must also be capable of transmitting clearly audible sounds  
22 as well as clear video images.

23 (b) The specific requirements for the delivery of  
24 telepsychiatry services are as follows:

25 (1) A physician or other health care provider must be  
26 onsite and available to the patient at the originating

1 site, but need not be present in the same room as the  
2 patient. In the case of individuals under the age of 18,  
3 for an originating site in an elementary or secondary  
4 school, a health care provider or school administrator,  
5 counselor, social worker, nurse, or teacher must be onsite  
6 and available to the patient at the originating site, but  
7 need not be present in the same room as the patient.

8 (2) The distant site provider must be a physician  
9 licensed by this State who has completed an approved  
10 general psychiatry residency program or be registered in an  
11 approved general psychiatry residency program or  
12 psychiatry fellowship program supervised by a physician  
13 who has completed an approved general psychiatry residency  
14 program. Patients must be located in this State. When  
15 treating patients age 16 and younger, the physician must  
16 also have completed an approved child and adolescent  
17 fellowship program and supervised by a physician who has  
18 completed an approved child and adolescent psychiatry  
19 fellowship program.

20 (3) The distant site provider must personally render  
21 the telepsychiatry service.

22 (4) Telepsychiatry services must be rendered using an  
23 interactive video telecommunications system.

24 (c) Both the originating and distant site must maintain  
25 records to document services provided to patients. All laws  
26 regarding the confidentiality of health care information and a

1 patient's rights to his or her medical information shall apply  
2 to telehealth service interactions.

3 (d) This Act shall not be construed to alter the scope of  
4 practice of any health care provider or authorize the delivery  
5 of health care services in a setting or in a manner not  
6 otherwise authorized by law.

7 (e) Only health care providers licensed by the State of  
8 Illinois may provide telehealth services for patients located  
9 in Illinois.

10 Section 905. The State Employees Group Insurance Act of  
11 1971 is amended by changing Section 6.11 as follows:

12 (5 ILCS 375/6.11)

13 Sec. 6.11. Required health benefits; Illinois Insurance  
14 Code requirements. The program of health benefits shall provide  
15 the post-mastectomy care benefits required to be covered by a  
16 policy of accident and health insurance under Section 356t of  
17 the Illinois Insurance Code. The program of health benefits  
18 shall provide the coverage required under Sections 356g,  
19 356g.5, 356g.5-1, 356m, 356u, 356w, 356x, 356z.2, 356z.4,  
20 356z.6, 356z.8, 356z.9, 356z.10, 356z.11, 356z.12, 356z.13,  
21 356z.14, 356z.15, ~~and~~ 356z.17, and 356z.22 of the Illinois  
22 Insurance Code. The program of health benefits must comply with  
23 Sections 155.22a, 155.37, 355b, and 356z.19 of the Illinois  
24 Insurance Code.

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. 97-282, eff. 8-9-11; 97-343, eff. 1-1-12; 97-813,  
8 eff. 7-13-12; 98-189, eff. 1-1-14.)

9 Section 910. The Counties Code is amended by changing  
10 Section 5-1069.3 as follows:

11 (55 ILCS 5/5-1069.3)

12 Sec. 5-1069.3. Required health benefits. If a county,  
13 including a home rule county, is a self-insurer for purposes of  
14 providing health insurance coverage for its employees, the  
15 coverage shall include coverage for the post-mastectomy care  
16 benefits required to be covered by a policy of accident and  
17 health insurance under Section 356t and the coverage required  
18 under Sections 356g, 356g.5, 356g.5-1, 356u, 356w, 356x,  
19 356z.6, 356z.8, 356z.9, 356z.10, 356z.11, 356z.12, 356z.13,  
20 356z.14, ~~and~~ 356z.15, and 356z.22 of the Illinois Insurance  
21 Code. The coverage shall comply with Sections 155.22a, 355b,  
22 and 356z.19 of the Illinois Insurance Code. The requirement  
23 that health benefits be covered as provided in this Section is  
24 an exclusive power and function of the State and is a denial



1 and limitation under Article VII, Section 6, subsection (h) of  
2 the Illinois Constitution. A home rule county to which this  
3 Section applies must comply with every provision of this  
4 Section.

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. 97-282, eff. 8-9-11; 97-343, eff. 1-1-12; 97-813,  
12 eff. 7-13-12; 98-189, eff. 1-1-14.)

13 Section 915. The Illinois Municipal Code is amended by  
14 changing Section 10-4-2.3 as follows:

15 (65 ILCS 5/10-4-2.3)

16 Sec. 10-4-2.3. Required health benefits. If a  
17 municipality, including a home rule municipality, is a  
18 self-insurer for purposes of providing health insurance  
19 coverage for its employees, the coverage shall include coverage  
20 for the post-mastectomy care benefits required to be covered by  
21 a policy of accident and health insurance under Section 356t  
22 and the coverage required under Sections 356g, 356g.5,  
23 356g.5-1, 356u, 356w, 356x, 356z.6, 356z.8, 356z.9, 356z.10,  
24 356z.11, 356z.12, 356z.13, 356z.14, ~~and~~ 356z.15, and 356z.22 of

1 the Illinois Insurance Code. The coverage shall comply with  
2 Sections 155.22a, 355b, and 356z.19 of the Illinois Insurance  
3 Code. The requirement that health benefits be covered as  
4 provided in this is an exclusive power and function of the  
5 State and is a denial and limitation under Article VII, Section  
6 6, subsection (h) of the Illinois Constitution. A home rule  
7 municipality to which this Section applies must comply with  
8 every provision of this Section.

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

15 (Source: P.A. 97-282, eff. 8-9-11; 97-343, eff. 1-1-12; 97-813,  
16 eff. 7-13-12; 98-189, eff. 1-1-14.)

17 Section 920. The School Code is amended by changing Section  
18 10-22.3f as follows:

19 (105 ILCS 5/10-22.3f)

20 Sec. 10-22.3f. Required health benefits. Insurance  
21 protection and benefits for employees shall provide the  
22 post-mastectomy care benefits required to be covered by a  
23 policy of accident and health insurance under Section 356t and  
24 the coverage required under Sections 356g, 356g.5, 356g.5-1,

1 356u, 356w, 356x, 356z.6, 356z.8, 356z.9, 356z.11, 356z.12,  
2 356z.13, 356z.14, ~~and~~ 356z.15, and 356z.22 of the Illinois  
3 Insurance Code. Insurance policies shall comply with Section  
4 356z.19 of the Illinois Insurance Code. The coverage shall  
5 comply with Sections 155.22a and 355b of the Illinois Insurance  
6 Code.

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

13 (Source: P.A. 97-282, eff. 8-9-11; 97-343, eff. 1-1-12; 97-813,  
14 eff. 7-13-12; 98-189, eff. 1-1-14.)

15 Section 925. The Illinois Insurance Code is amended by  
16 adding Section 356z.22 as follows:

17 (215 ILCS 5/356z.22 new)

18 Sec. 356z.22. Coverage for telehealth services.

19 (a) In this Section:

20 "Facility fee" means the reimbursement made to the  
21 originating site for the telehealth service.

22 "Health care provider" means Illinois-licensed health care  
23 professionals, including, but not limited to, physicians  
24 licensed to practice medicine in all its branches, advanced

1 practice nurses, physician assistants, licensed clinical  
2 psychologists, licensed clinical social workers, licensed  
3 clinical professional counselors, and certified substance use  
4 disorder professionals employed by a licensed substance use  
5 disorder facility. Individuals not meeting the definition of  
6 "health care provider" are prohibited from providing  
7 telehealth services under this Act.

8 "Rural area" means a geographical area that is defined as  
9 rural by regulations issued by the Centers for Medicare and  
10 Medicaid Services or an area designated as underserved for  
11 behavioral health services by the Health Resources and Services  
12 Administration of the U.S. Department of Health and Human  
13 Services or a successor agency of either.

14 (b) An individual or group policy of accident and health  
15 insurance, a health maintenance organization policy, a  
16 nonprofit health services plan, or a managed care plan must  
17 provide coverage for telehealth services, including primary  
18 care, counseling, psychiatry, emergency care, and specialty  
19 care as set forth in this Section and as otherwise set forth in  
20 the Telehealth Act. Benefits for telehealth shall be limited to  
21 individuals who reside in rural areas, with the exception that  
22 any individual under the age of 18 shall receive benefits for  
23 telehealth services for behavioral health services,  
24 irrespective of whether the individual resides in a rural area.

25 (c) An individual or group policy of accident and health  
26 insurance, a health maintenance organization policy, a

1 nonprofit health services plan, or a managed care plan:

2 (1) shall provide coverage under a health insurance  
3 policy or contract for health care services appropriately  
4 delivered through telehealth;

5 (2) may not exclude a health care service from coverage  
6 solely because it is provided through telehealth and is not  
7 provided through an in-person consultation or contact  
8 between a health care provider and a patient;

9 (3) may not require that in-person contact occur  
10 between a health care provider and a patient before payment  
11 is made for the covered services appropriately provided  
12 through telehealth;

13 (4) may not require the health care provider to  
14 document a barrier to an in-person visit for coverage of  
15 services to be provided via telehealth;

16 (5) may not require the use of telehealth when the  
17 health care provider has determined that it is not  
18 appropriate;

19 (6) consistent with the terms of this Section, shall  
20 reimburse a health care provider for the examination,  
21 assessment, diagnosis, consultation, and treatment of an  
22 insured patient for a health care service covered under a  
23 health insurance policy or contract that can appropriately  
24 be provided through telehealth;

25 (7) shall pay a facility fee to the originating site  
26 and the health care provider at the originating site for

1 services provided;

2 (8) is not required to:

3 (A) reimburse a health care provider for a health  
4 care service delivered in-person or through telehealth  
5 that is not a covered benefit under the health  
6 insurance policy or contract;

7 (B) reimburse a health care provider for a health  
8 care service unless the service is provided via a  
9 synchronous interaction between the patient and the  
10 health care provider;

11 (C) reimburse a health care provider or facility  
12 for telehealth services that are not provided at an  
13 originating site, as defined in the Telehealth Act; or

14 (D) reimburse a health care provider or facility  
15 for telehealth services unless a written agreement  
16 exists between the originating site and the distant  
17 site, as those terms are defined in the Telehealth Act,  
18 that facilitates the provision of health care services  
19 sought by the patient, a copy of which shall be  
20 provided to the insurer, health maintenance  
21 organization policy, nonprofit health services plan,  
22 or managed care plan upon request; and

23 (9) may not impose a lifetime dollar maximum or limit  
24 the provision of mental health or substance use disorder  
25 services in a manner that violates State or federal parity  
26 laws.

1       (d) Coverage for telehealth services required under this  
2       Section may be subject to the same deductible, coinsurance, and  
3       copayment as if the telehealth services were provided through  
4       face-to-face interactions between patients and their health  
5       care providers. Nothing in this Section shall be deemed as  
6       requiring an insurer to provide benefits for a service that  
7       would not otherwise be covered if the services were provided  
8       through a face-to-face interaction between the patient and a  
9       health care provider.

10       (e) Whenever a beneficiary finds it medically necessary to  
11       utilize a non-preferred provider for telehealth services, the  
12       payor shall ensure that the beneficiary shall incur no greater  
13       out-of-pocket liability than had the beneficiary received  
14       telehealth services from a preferred provider. This subsection  
15       (e) does not apply to a beneficiary who willfully chooses to  
16       access a non-preferred provider for telehealth services  
17       available through the administrator's panel of participating  
18       providers.

19       Section 930. 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, 141.1,

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

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

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

17 (2) a corporation organized under the laws of this  
18 State; or

19 (3) a corporation organized under the laws of another  
20 state, 30% or more of the enrollees of which are residents  
21 of this State, except a corporation subject to  
22 substantially the same requirements in its state of  
23 organization as is a "domestic company" under Article VIII  
24 1/2 of the Illinois Insurance Code.

25 (c) In considering the merger, consolidation, or other  
26 acquisition of control of a Health Maintenance Organization



1 pursuant to Article VIII 1/2 of the Illinois Insurance Code,

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

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

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

16 (A) certification by an independent actuary of the  
17 adequacy of the reserves of the Health Maintenance  
18 Organization sought to be acquired;

19 (B) pro forma financial statements reflecting the  
20 combined balance sheets of the acquiring company and  
21 the Health Maintenance Organization sought to be  
22 acquired as of the end of the preceding year and as of  
23 a date 90 days prior to the acquisition, as well as pro  
24 forma financial statements reflecting projected  
25 combined operation for a period of 2 years;

26 (C) a pro forma business plan detailing an

1           acquiring party's plans with respect to the operation  
2           of the Health Maintenance Organization sought to be  
3           acquired for a period of not less than 3 years; and

4                   (D) such other information as the Director shall  
5           require.

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

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

22          (f) Except for small employer groups as defined in the  
23          Small Employer Rating, Renewability and Portability Health  
24          Insurance Act and except for medicare supplement policies as  
25          defined in Section 363 of the Illinois Insurance Code, a Health  
26          Maintenance Organization may by contract agree with a group or

1 other enrollment unit to effect refunds or charge additional  
2 premiums under the following terms and conditions:

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

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

24 The Health Maintenance Organization shall include a  
25 statement in the evidence of coverage issued to each enrollee  
26 describing the possibility of a refund or additional premium,

1 and upon request of any group or enrollment unit, provide to  
2 the group or enrollment unit a description of the method used  
3 to calculate (1) the Health Maintenance Organization's  
4 profitable experience with respect to the group or enrollment  
5 unit and the resulting refund to the group or enrollment unit  
6 or (2) the Health Maintenance Organization's unprofitable  
7 experience with respect to the group or enrollment unit and the  
8 resulting additional premium to be paid by the group or  
9 enrollment unit.

10 In no event shall the Illinois Health Maintenance  
11 Organization Guaranty Association be liable to pay any  
12 contractual obligation of an insolvent organization to pay any  
13 refund authorized under this Section.

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

20 (Source: P.A. 97-282, eff. 8-9-11; 97-343, eff. 1-1-12; 97-437,  
21 eff. 8-18-11; 97-486, eff. 1-1-12; 97-592, eff. 1-1-12; 97-805,  
22 eff. 1-1-13; 97-813, eff. 7-13-12; 98-189, eff. 1-1-14.)

23 Section 935. The Limited Health Service Organization Act is  
24 amended by changing Section 4003 as follows:

1 (215 ILCS 130/4003) (from Ch. 73, par. 1504-3)  
2 Sec. 4003. Illinois Insurance Code provisions. Limited  
3 health service organizations shall be subject to the provisions  
4 of Sections 133, 134, 136, 137, 139, 140, 141.1, 141.2, 141.3,  
5 143, 143c, 147, 148, 149, 151, 152, 153, 154, 154.5, 154.6,  
6 154.7, 154.8, 155.04, 155.37, 355.2, 355.3, 355b, 356v,  
7 356z.10, 356z.21, 356z.22, 368a, 401, 401.1, 402, 403, 403A,  
8 408, 408.2, 409, 412, 444, and 444.1 and Articles IIA, VIII  
9 1/2, XII, XII 1/2, XIII, XIII 1/2, XXV, and XXVI of the  
10 Illinois Insurance Code. For purposes of the Illinois Insurance  
11 Code, except for Sections 444 and 444.1 and Articles XIII and  
12 XIII 1/2, limited health service organizations in the following  
13 categories are deemed to be domestic companies:

- 14 (1) a corporation under the laws of this State; or  
15 (2) a corporation organized under the laws of another  
16 state, 30% of more of the enrollees of which are residents  
17 of this State, except a corporation subject to  
18 substantially the same requirements in its state of  
19 organization as is a domestic company under Article VIII  
20 1/2 of the Illinois Insurance Code.

21 (Source: P.A. 97-486, eff. 1-1-12; 97-592, 1-1-12; 97-805, eff.  
22 1-1-13; 97-813, eff. 7-13-12; 98-189, eff. 1-1-14.)

23 Section 940. The Voluntary Health Services Plans Act is  
24 amended by changing Section 10 as follows:

1 (215 ILCS 165/10) (from Ch. 32, par. 604)

2 Sec. 10. Application of Insurance Code provisions. Health  
3 services plan corporations and all persons interested therein  
4 or dealing therewith shall be subject to the provisions of  
5 Articles IIA and XII 1/2 and Sections 3.1, 133, 136, 139, 140,  
6 143, 143c, 149, 155.22a, 155.37, 354, 355.2, 355.3, 355b, 356g,  
7 356g.5, 356g.5-1, 356r, 356t, 356u, 356v, 356w, 356x, 356y,  
8 356z.1, 356z.2, 356z.4, 356z.5, 356z.6, 356z.8, 356z.9,  
9 356z.10, 356z.11, 356z.12, 356z.13, 356z.14, 356z.15, 356z.18,  
10 356z.19, 356z.21, 356z.22, 364.01, 367.2, 368a, 401, 401.1,  
11 402, 403, 403A, 408, 408.2, and 412, and paragraphs (7) and  
12 (15) of Section 367 of the Illinois Insurance Code.

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

19 (Source: P.A. 97-282, eff. 8-9-11; 97-343, eff. 1-1-12; 97-486,  
20 eff. 1-1-12; 97-592, eff. 1-1-12; 97-805, eff. 1-1-13; 97-813,  
21 eff. 7-13-12; 98-189, eff. 1-1-14.)

1		INDEX
2		Statutes amended in order of appearance
3	New Act	
4	5 ILCS 375/6.11	
5	55 ILCS 5/5-1069.3	
6	65 ILCS 5/10-4-2.3	
7	105 ILCS 5/10-22.3f	
8	215 ILCS 5/356z.22 new	
9	215 ILCS 125/5-3	from Ch. 111 1/2, par. 1411.2
10	215 ILCS 130/4003	from Ch. 73, par. 1504-3
11	215 ILCS 165/10	from Ch. 32, par. 604