



1. Overview

- a. Welcome to Lame Duck Session. From a 3000ft view it is easy to say that the two chambers are not working together. The Senate wants to wrap up by today at noon, which doesn't give them much time to pass legislation. Today will likely clarify any opportunity for legislation.

2. Abortion Legislation

- a. **Senate (HB 4664).** You can see the legislation by clicking [HERE](#). As expected, the Senate's version is much narrower. Essentially, the bill:
 - i. Places language in the insurance code which states that regardless of whether a health insurance policy prescribes prescription drug products, the policy must include in their abortion care medications prescribed for the purpose of producing an abortion with or without proof of pregnancy.
 - ii. The language clarifies that surprise billing provisions apply to non-participating providers if there is no participating provider that is available that does not otherwise exercise their rights under the Right of Conscience Act.
 - iii. Expands the pharmacist dispensing provisions under the contraceptive provisions to include the new FDA-approved drug under the standing order. However, previous negotiated language stays in place. Meaning, the pharmacist would still have to be in-network.
 - iv. Allows for temporary permits for providers to provide reproductive healthcare and allows them to provide telehealth under the temporary permits.
- b. **House (SB 3799).** You can see the legislation by clicking [HERE](#). ** Please note, the bill was debated in Committee as SB 3799. However, SB 1534 filed a floor amendment and was heard on the floor late last night. Procedurally, [SB 1534](#) was better positioned cross over to the Senate in an expedited fashion. Additionally, there was an addition in the language that states that all insurance code provisions do not go into effect until 1-1-24. As expected, the House version of the language is broader, establishing mandates far beyond abortion care. The bill
 - i. Like the Senate, Places language in the insurance code which states that regardless of whether a health insurance policy prescribes prescription drug products, the policy must include in their abortion care medications prescribed for the purpose of producing an abortion with or without proof of pregnancy.
 - ii. Mandates coverage for abortifacients, gender affirming healthcare medications, Pre and Post prophylaxis medication and follow up services relating to management of

side effects, medication self-management, adherence counseling, risk reduction strategies, mental health counseling. The entire mandate is a no cost-sharing mandate.

- a. Within this mandate, at least one abortifacient drug must be included and covered without cost sharing.
 - b. If a provider recommends a particular drug based on medical necessity and it is approved by the FDA, it will be covered at no cost sharing.
 - c. If a drug is not covered, plans must have a easily assessable, transparent, and expedient process to ensure coverage without cost sharing.
 - d. Prohibits any medical malpractice insurance changes be made (increases/revocations) on medical professionals for practicing reproductive care.
 - e. Similarly to the Senate, allows for temporary permits for providers to provide reproductive healthcare
- iii. The debate had a lot of inaccuracies from the sponsor on the House floor. She stated multiple times that this cost would be negligible because more insurance companies cover these items at no cost sharing already. To that point, it would be beneficial in the future for mandate purposes for the Council to see if companies can come up with predictions on how much certain mandates may cost if they go into effect.
 - iv. This bill passed the House 67-41, not obtaining all Democratic votes. The bill will be sent to the Senate today. However, we are unsure what language the Senate will take up. There is a lot of pressure from the ACLU, PPIL, and Aids Foundation to move the House language, but the Senate is highly uncomfortable with the no cost sharing pieces in the legislation. Also, the Senate plans to adjourn today by noon.

3. HMO Referral Update

- a. The House Sponsor was unable to solidify a vehicle as of lame duck. However, the bill is already drafted for the 103rd. We will move the legislation in the upcoming General assembly.

4. JCAR Update

- a. The following rules are scheduled for an upcoming JCAR meeting on January 10, 2023, at 10:00AM.
 - i. **Insurance Department Consumer Complaints (50 Ill. Adm. Code 926)**
 1. Part 926 is intended by the Department to apply to all entities and individuals licensed or otherwise approved by the Department to do business in Illinois. As currently written, Section 926.20 could be interpreted to apply to all entities and individual insurance producers, but not other individual licensees such as public adjusters, navigators, or pharmacy benefits managers. This amendment seeks to avoid any misinterpretations of the scope of the rule.
 - ii. **Licensing of Public Adjusters (50 Ill. Adm. Code 3118)**
 1. This rule is an update to the public adjuster licensure requirements that will allow ethics requirements to be completed via webinar.
 - iii. **Suitability in Annuity Transactions (50 Ill. Adm. Code 3120)**
 1. This rule requires producers to act in the best interest of the consumer when making a recommendation of an annuity and to require insurers to establish and maintain a system to supervise recommendations.
 - iv. **Adopted rules in the 1-6-24 Illinois Register**

1. Registration of Insurers 50 Ill. Adm. Code 652

- a. The Rule allows insurance holding company groups to request an exemption or to request to file a limited filing after making a full Group Capital Calculation filing in the first year. T

2. Universal life Insurance 50 Ill. Adm. Code 1411

- a. The Rule amends to remove “or Sex” from the heading and text since this language contradicts the language in 215 ILCS 5/224(1)(d).

3. Infertility Coverage 50 ILL Adm. Code 2015

- a. This rulemaking is initiated to conform with statutory mandates contained in Sections 356m, 356z.4a and 356z.32 of the Illinois Insurance Code

v. Regulatory Agenda for Spring 2023

1. Pre-licensing and Continuing Education 50 Ill. Adm. Code 3119

- a. This Part needs to be updated to conform to amendments to producer licensing requirements under Pub. Act 102-0135.

2. Health Care Purchasing Groups 50 Ill. Adm. Code 3130

- a. The Department intends to promulgate rules clarifying the registration requirements under the Health Care Purchasing Group Act.

3. Destruction of Records 50 Ill. Adm. Code 3502

- a. The Department will amend the destruction of records procedures in Part 3502 for companies under the Farm Mutual Insurance Act of 1986 to parallel the provisions in 50 Ill. Adm. Code 901 for all other insurance companies. Part 901 was updated in 2016 but did not include farm mutual insurance companies.

4. Managed Care and Patient Rights 50 Ill. Adm Code 4520

- a. Pub. Act 102-0391 establishes requirements for flat-dollar copayment structures for prescription drug benefits. This rulemaking will clarify statutory requirements and implement a filing requirement to ensure compliance. Separately, this Part needs to be updated to reflect recent statutory changes to the applicability of certain sections of the Managed Care Reform and Patient Rights Act to policies issued under Class 1(b) and 2(a) of Section 4 of the Illinois Insurance Code [215 ILCS 5/4]

5. Health Maintenance Organization 50 Ill. Adm Code 4521

- a. DOI needs to amend this rule to remove the reference to a repealed Actuarial Standards Board Actuarial Standards of Practice known as “No. 16.”

6. Access to Public Records 2Ill. Adm. Code 951

- a. This Part needs to be updated to conform to amendments to the Freedom of Information Act and to clarify current Department procedures in responding to FOIA requests.

5. Disability Income Final Report

- a. The Disability Income Final Report was completed in late December and was sent to members. If you did not receive the report, it will be included with the materials in today’s call summary email. Thank you to everyone that offered their expertise on the topic! As mentioned

previously, we do suspect that the Sponsor that pushed the working group will also have legislation on this topic again in the 103rd.

6. ILHIC Membership Survey Feedback Update

- a. Thank you to all members that submitted feedback to our 2022 Membership Survey. Your feedback is invaluable and provides us with opportunities for growth and changes in communications in operations. To that point, we will be sending out the tracking chart in the 103rd with a few additions. Tracking charts will now note if the bill effects life, health, or both product lines so members may quickly see what bills may impact their company. The chart will also have a bill nickname line for ease of tracking. For example, the chart will show (for example HB XXXX), but will also have a nickname of “Knee Surgery Coverage Mandate” or whatever the bill does.

7. Industry Lobby Day

- a. The 1st in-person Industry Lobby Day will be held on March 28th of this year. Registration will be held at 1:30 PM, followed by an education seminar until 5:00 PM, and ending with a legislative reception until 7:30 PM. This will all be held in Springfield. A Save the Date will be going out shortly.
- b. The Council will be covering registration for Council members. Please reach out to our office if you wish to participate. This year, all associations will be actively looking for sponsorships. If you are interested in sponsoring the Industry Lobby Day, please reach out to our office.

8. Market Conduct Legislation

- a. The Council discussed the Department's Market Conduct legislation moving in the 103rd General Assembly. This would give us adequate time to receive additional comments from our members. Also, this would coincide with what the Department had told the Council previously (that the bill would move in the 103rd.) The Department reaffirmed that they would like an agreement before moving the bill. I have included the revised language in this email. **Please let us know if you have comments on the new language by January 13th, COB.**

9. Regulator Roundtable

- a. The next Regulator Roundtable is scheduled for February 10th from 2-3pm (CT). The Webex link will be sent out shortly. **If you have any items you would like to add to the agenda, please let Kate know by January 24th, COB.**