



1. Antitrust Statement

- a. ILHIC is committed to conducting all our activities in compliance with federal and state antitrust laws. If at any time during the call the discussion should venture into matters that might conflict with antitrust laws, please feel free to speak up and we will stop the discussion and move forward in the agenda.

2. Session Overview

- a. The last week of session for 2023 has officially concluded. Topics of note this week included energy, school scholarship programs, and sunset bills. There wasn't much legislation affecting the insurance industry. However, we received a glimpse of some of the issues we will be seeing in the Spring of 2024. It will be another very busy year. This is discussed more below.

3. Bills in Committee

a. SB 765 Farm Mutual Bill

- i. ILHIC Position: Support
- ii. This bill was heard by the Insurance Committee on Tuesday, November 7th and passed out of committee as well as the House in a bi-partisan fashion. It heads to the Governor's desk for signature.

4. SB 371 Postcard Update

- a. As stated on previous calls and email updates, the amendment to SB 371 was dropped without solicitation or feedback from all impacted industries. Outside of the stakeholder group work, there had been multiple industries reaching out to the Sponsor as well as staff requesting specific industry exemptions. Because of this, the Sponsor felt like she needed more time to digest the multiple requests and is not motivated to address this issue this week, which will result in this language running in Spring 2024. Because the original bill (SB1440) lacks clarification, there is speculation that enforcement will be delayed until legislative changes are made.
- b. The Council will continue to work with the stakeholder group to gain any guidance from the AG's Office before the law's effective date on January 1, 2024.
- c. I will be sending out an additional email on Monday of next week requesting specific process and company feedback on how SB 1440 (if the AG were to enforce the law on its effective date 1-1-2024) impacts your company processes. The Council will use this information in discussions regarding why guidance is important before the effective date.
- d. Please Note** The Department of Insurance will not issue formal or informal guidance on this issue since the statute's regulated agency is the Attorney General's Office.

1. Health Member Feedback (100% Time and Distance Standards.)

- a. The Council is requesting any feedback that companies have regarding Department small group off exchange filings and time and distance standards. There have been concerns from companies that the Department is requiring 100% of beneficiaries in the county to have access to the specialty within the associated time and distance standards. The Department's legal team has advised their 3rd party vendor that Illinois did not adopt the 90% threshold that is accepted by CMS, they only adopted the federal specialties as well as the miles and minutes requirements.
- b. This could pose issues moving forward with any Market Conduct exams. If there are companies that have or are experiencing this, please reach out to me. I would like to collect some information, and then hold a call with our health companies to discuss.

5. Company Bulletin 2023-10 Provider Directory Audit Filings

- a. Company Bulletin 2023-10 provided guidance to all companies who are required to submit a Network Adequacy Filing related to provider directory audits under 50 Ill. Adm. Code 4540.60, due on April 1st, annually.
- b. The bulletin requires companies to attach the active provider contract or notice of termination for each provider whose directory information was audited. The Department will consider a provider contract submission adequate and transparent if it contains the following:
 - i. The date the contract went into effect.
 - ii. Language stating the contract is currently in effect or notice of termination.
 - iii. Signatures from all parties subject to the contract
- c. The Council reached out to the Department to request that full contracts were not required due to the high level of data included. However, the only suggestion the Department gave in response was to include a cover page and signature page of each contract or use batch physicians through health systems to meet this goal.
- d. The Council is collecting information from plans on the practicality of this request. Some places have mentioned that this amount of collection is unworkable. Please submit to me any feedback you have regarding your company implementing this request. There will be a health call after Veto to discuss this more in depth, in addition to weighing options and strategies of asking the Department (again) to allow companies to provide a sampling of contracts.

6. Approved Department Legislative Agenda 2024

- a. We have not received anything concrete. However, the Department informed the Council that the Governor's Office recently approved their agenda for Spring 2024. Fact sheets are forthcoming. The Department did not expect approval this early. They are still working on specific language changes. The issues will include:
 - i. **A complete prohibition on STLDI.** Please note, this will not be the previously negotiated language with stakeholders. They want to file as a complete ban.
 - ii. **Market Conduct Legislation-** The language the Department plans to file was heavily negotiated with the industry.
 - iii. **Adverse Determination Legislation**
 - iv. **A Department Administrative Clean-Up Bill**
 - v. **PBM Spread Pricing and Anti Steering Bill**

7. Legislation of Note

- a. **SB 2639 (Fertility Treatment Mandate)**

- i. SB 2639 removes all qualifies for fertility treatment if a physician recommends in-vitro fertilization, gamete intrafallopian tube transfer, or Zygote intrafallopian tube transfer based on any of these qualifiers:
 - 1. Covered person's medical, sexual, and reproductive history,
 - 2. Age
 - 3. Physical findings, or
 - 4. Diagnostic testing.
- ii. If these qualifiers are met, the procedure shall be covered without any additional restrictions of requirements.

b. SB 2641 Network Adequacy- Specialists

- i. Requires the Department to determine whether the plan at each in-network hospital and facility has a sufficient number of hospitals based medical specialists. The intent to is have timely access to in-network physicians.

c. HB 3641 Injectable Medicines (Ozempic Coverage Mandate)

- i. There was an amendment to HB 3641 mandating coverage for injectable medicines prescribed on-label or off label to include glucose or weight loss. This mandate only applies to State Employee Insurance. What is important to note here is there was a push by Pharma companies to remove the medical necessity all together, with the goal of expanding access to the drug. The final language included the term medical necessity (as determined by a physician). However, stated later in the bill that medical necessity was required for continued treatment. The Council had little to know pushback on inserting medical necessity to any mandate language. After seeing this new request from Pharma, we will be prepared to advocate for medical necessity should this arise again in any private insurance legislation. There was also legislative intent read during the House floor debate (likely requested by Pharma) that the intent of the bill was that medical necessity was determined by the physician. However, that is not what the language states. Legislative intent is sought when clarification within the language is needed. The language is clear. However, moving forward, we can expect the same argument in the private insurance mandate.

8. Regulatory Roundtable

- c. The Council is still working with the Department to schedule an additional Regulator Roundtable this year. I have sent the Department an agenda and should hope to hear from them regarding an update next week. After a recent discussion, the Department was interested in holding a Regulator Roundtable to discuss their recently approved 2024 Legislative Agenda. However, they are unable to do this until early January. The Council will advocate for early January to discuss before Spring Session begins. I will send out the Roundtable Items next week. If you have any additional questions or topics of interest, please submit them to me by December 10th, COB.

9. Spring 2024 Session Schedule

- a. The House and Senate will convene again on January 16th, 2024. Both Chambers have adjournment on May 24th. However, there are contingent session days leading up to May 31st, should the Chambers not finish their legislative business by the deadline. The calendars are included in your materials.