



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. Legislative Overview

- a. There were many committees this week to ramp up the last two weeks until Committee Deadline week. Meaning, if the bill doesn't cross over to the other Chamber, the bill will remain and be placed back into Rules/Assignments. However, it's important to note that nothing is ever dead in Illinois. Old bills can always be amended on existing bills, and with how much might be left behind, that strategy might be utilized this week. We have seen Sponsors priorities take shape a bit this week. For example, Senator Castro doesn't think that White Bagging needs to be an issue this year. We have also seen bills be filed into subcommittees, which will assist us in providing time to amend the bill or leave it in Committee.

3. Committees this Week

a. House Healthcare Availability and Access

- i. **HB 2078- ILHIC is opposed to the current language.** However, ILHIC is working with the sponsor to include medical necessity as well as an effective date change of 2025. Medical necessity is determined by reviewing if the treatment satisfies the plan's requirements for medical necessity, which can include accepted standards of medical care within a community as well as the treatment being necessary and appropriate for the diagnosis, treatment, cure, or relief of a health condition, illness, or injury. Additionally, we discussed with the sponsor that this bill might be duplicative in nature. If it is found that the bill is not duplicative and unnecessary and the sponsor wishes to move the bill, **ILHIC will be neutral with the amendment.**
- ii. **The bill did not move out of committee this week.**

b. House Insurance

- i. **HB 1059 Use of Credit Info Auto**-ILHIC is opposed. While the Council does not usually weigh in on auto insurance bills, we are concerned of the overall prohibitions to a critical underwriting process that assists in lowering insurance

costs. Picking apart the vital underwriting process will take away the ability for insurance companies to properly assess risk, which will create an increase in premiums.

1. **This bill did not move this week.**
- ii. **HB 1068 Felony Conviction Prohibition-** ILHIC is opposed to the current language. However, last session, the Illinois Life and Health Insurance Council worked with the Sponsor on an amendment ([HA# 2 to SB 228](#)), which would bring the Illinois Life and Health Insurance Council to Neutral. This amendment states that with respect to final expense policies, life insurance cannot refuse to insure, or limit coverage based solely on the basis that the applicant has been convicted of a felony. The Council has reached out to the Sponsor to see if she is open to filing the amendment.
 1. This bill was supposed to be moved to subcommittee, but it is not reflected on ILGA. However, the Sponsor did finally get ahold of the Council and agree to running the bill as amended in the previous general assembly.
 - iii. **HB 1229 Health Benefit Exchange-** ILHIC is opposed. Please note: ILHIC is not opposed to the State moving toward a State Based Exchange, but believes the Department should be leading the discussion since much of the implementation falls on their shoulders and given that the bill imposes an assessment on the industry to support the exchange, we need the Department to discuss with us how they anticipate using those funds to implement. The Council has asked the Department if this is a policy they will be getting involved in and has not received a response.
 1. The bill was posted to Committee and Chair Jones was going to call it to place pressure on the Department to publicly enter into discussions. However, the morning of the committee, the bill was pulled from the posting. The Vice Chair has informed us that we will soon have a larger stakeholder conversation on the policy. He doesn't know the timeline.
 - iv. **HB 1384 Reconstructive Services Mandate-** ILHIC is Neutral.
 - v. **HB 1565 Vaginal Estrogen Mandate-** ILHIC is Neutral with an amendment. The Sponsor has agreed to an amendment with an effective date change of 2025. The language is currently at LRB. We have informed the Sponsor that we are ok with her moving the bill out of committee with the promise that the effective date amendment be filed.
 1. The bill was not heard this week
 - vi. **HB 1601 Any Willing Provider-** ILHIC is opposed. Provider nondiscrimination provisions are already covered in federal law: 42 USC 300gg-5 (language is attached). Because it is in federal law as part of the ACA, it applies across the board to ERISA and non-ERISA plans, which obviously HB 1601 only applies to non-ERISA plans. However, HB 1601 excludes a critical provision stated in Federal Law that provides that "this section shall not require that a group health plan or health insurance issuer contract with any health care provider willing to

abide by the terms and conditions for participation established by the plan or issuer." This provision is critical because it maintains the contractual rights between the insurer and provider.

1. The bill was not called this week.

vii. **HB 2070 Dental MLR- ILHIC is opposed.** No other state in the Country (besides Massachusetts) has implemented a Dental MLR. California has a dental MLR reporting law, and while their analysis is not public, the California Department of Managed Health Care has indicated that the data they have seen would suggest a disruption to the dental insurance market if a minimum loss ratio were to be required. They have therefore not moved forward with any such requirement in that state. Applying MLRs to dental plans would lead to higher premiums, coverage losses, and decreased oral outcomes for families who depend on their dental coverage.

1. Jones move this bill to subcommittee. It is not reflected on ILGA yet.

viii. **HB 2071 Fee Bill and HB 2072 Network Bill-** ILHIC is still working through this language to see if it aligns with the National Model Language. If it does, likely only technical changes would need to be made.

1. Jones move these bills to subcommittee. It is not reflected on ILGA yet.

ix. **HB 2203 Auto Rates-** ILHIC is opposed. While the Council does not usually weigh in on auto insurance bills, we are concerned of the overall prohibitions to a critical underwriting process that assists in lowering insurance costs. Picking apart the vital underwriting process will take away the ability for insurance companies to properly assess risk, which will create an increase in premiums.

1. Jones move this bill to subcommittee. It is not reflected on ILGA yet.

c. Senate Insurance

i. **SB 1255 White Bagging- ILHIC is opposed.** White bagging is a vital tool to ensure that patients receive safe and affordable drugs. The white bagging process is a process of drug delivery for incredibly rare and expensive drugs. A prohibition of white bagging would decimate rural hospital systems as well as increase drug costs necessary for complex medical conditions. There is evidence that hospitals mark up the same drugs utilized in these white bagging delivery processes by 120% to 630%. If you'd like to read more, I have provided a summary of policy issue [here](#).

1. The Sponsor indicated that this might not be a policy issue she moves this year.

ii. **SB 1512 Veteran First Responder Mental Health Coverage Mandate- ILHIC is opposed to the current language.** However, we are working with the Sponsor to include the effective date change to 2025 as well as include medical necessity. ILHIC is not opposed to this language as a policy decision, but we have concerns regarding the implementation of the bill. We are currently working through the language with the sponsor.

1. The Sponsor still wants us to work with the "veteran" idea of providing no cost sharing to the legislation. This is unworkable in practice and creates an imbalance in parity standards. We plan on continuing to discuss with the Sponsor.

- iii. **SB 1559 Affordable Insulin Act- ILHIC is opposed to the current language.** However, there is an amendment at LRB that changes the effective date to 2025. **With the amendment, ILHIC will be neutral.**
 - 1. Pharma is working to kill the bill outright. It was not called this week, but we should expect it called in the future.
- d. **Senate Executive Committee**
 - i. **SB 1344 – Abortion Trailer Bill-** There was a technical amendment to the insurance mandate coverage for abortion “on or” was added to ensure standard model insurance language and passed out of committee on a roll call vote.
- e. **House Cyber Security (Cancelled)**
 - i. **HB 2130 Data Security.** The Council explained to Rep Morgan that we were unable to get to an agreement on this bill in the previous assembly. He understands and intends to call a stakeholder meeting with DOI to discuss the bill, hopefully within the next week. The Department is stating that the language is model language. (It is not) The good news is that Rep Morgan understands that and only wants to move forward after a conversation. He would like to have a conversation with stakeholders on both the data bills as well as the Hb 2472 (Adverse Determination Bill).

4. Committees next Week

a. House Healthcare Availability and Access

- i. February 28, 2023 4:00PM
 - 1. **HB 1348 Health Plan Benefit Data (McKesson Real Time Benefit Tool)**

We explained that insurance companies and PBMs already have built out their own individual real-time benefit tools for enrollees and providers. We are concerned that a one portal RTBT (sold by McKesson) will allow McKesson, which is also a drug wholesale distributor, to collect competitive information from different insurers. The federal government (federal CMS) is currently writing regulations on real time benefit tools, so we want the states to hold off on any state requirements until we know the final federal standards. We want to avoid conflicting federal and state standards. This bill is likely not moving next week. Proponents would like to have additional discussions. Collins is the chair of this committee.

 - a. **They do not intend to call the bill next week.**
 - 2. **HB 2078 Cancer Screening Ultrasound Mandate-** Sponsor was told by the American Cancer Society not to move the bill as they see the bill is duplicative.

b. Insurance

- i. February 28, 2023 2:30 PM
 - 1. **HB 1059 Use of Credit Auto Info**
 - 2. **HB 1068 Felony Discrimination Prohibition**
 - 3. **HB 1384 Reconstructive Services Mandate**
 - 4. **Hb 1564 Vaginal Estrogen Mandate**
 - 5. **HB 1601 Any Willing Provider**

6. HB 2070 Dental MLR

7. HB 2071 Dental Reimbursement

8. HB 2072 Dental Network

9. HB 2203 Auto Rates

10. HB 2350 Pap Test Prostate Screen Mandate (New Bill)

- a. This bill eliminates gender in the language, changing the mandate to cover individuals, not just male or female. There is language inserted in the mandate that genetic predisposition be added to prostate exams for no cost sharing. The Council reached out to the Department to see if they considered this a mandate expansion. If it is their interpretation that it does, we will need an effective date change. Our interpretation believes it to be an expansion of a mandate.

11. HB 2472 Adverse Determination

- a. The Council has not received any response from the Department on our comments. This will be an issue that is brought up on Rep Morgans stakeholder meeting in addition to the data bill. We are still unsure why this bill is needed and the Department has not provided clarity to this question.

c. House Executive

- i. March 1, 2023 10:00AM

1. HB 1054 Rebates

- a. The health insurance companies and associations will all oppose HB 1054 because it restricts how plans can use rebates from drug manufacturers to lower the cost of insurance. Mandating only point-of-sale rebate provisions removes insurance companies' ability to use rebates to lower overall premiums for everyone. Without rebates factored into the premium calculations, we will see higher overall drug spending and premiums for all plan enrollees. Estimates from PCMA show that 10% of patients might save more on cost sharing (copays and deductibles) with point-of-sale rebates, but 90% of insureds will pay more in their premiums.
- b. The Council has a meeting next Monday with the Unions to discuss the bill as well as its implication on its plans. They currently have the bill on their "watch list." However, they admitted to not understanding the issue very well.

d. Prescription Drug Affordability and Accessibility

- i. March 1, 2023 4:00 PM

1. HB 2189 Access to Afford Insulin \$35 Cap

- a. Similar to SB 1559, on this language we would need an effective date change to 2025, since the only part affecting the industry is the mandate cap change for insulin. Pharma has large concerns with other areas of the bill, so there is a likelihood that this bill will be stalled.

5. Network Adequacy Department Response

- a. Last Friday the Department released the Network Adequacy Response to stakeholders. I will be going through that document to summarize how the Department responded to our comments. Looking over the document, the Department accepted some of our concerns, while rejecting others. Because there are some matters that are not resolved, we will be working with JCAR Staff to express our remaining concerns. If you have not received the response letter, please reach out to Council.

6. Mandate List

- a. The Council is in the process of establishing a list of mandate bills for this session. I will send it out to members next week.

7. Important Dates

- a. **March 10, 2023 (House and Senate Committee Deadline)**
- b. March 24, 2023 (House 3rd Reading Deadline)
- c. March 31, 2023 (Senate 3rd Reading Deadline)
- d. April 28, 2023 (Senate and House Crossover Deadline)
- e. May 11, 2023 (Senate 3rd Reading Deadline (House Bills))
- f. May 12, 2023 (House 3rd Reading Deadline (Senate Bills))
- g. May 19, 2023 House and Senate Adjournment