

FEBRUARY 25, 2022

# ILHIC LEGISLATIVE CALL NOTES



*THE ILLINOIS LIFE AND HEALTH INSURANCE COUNCIL  
PROMOTES AND ADVOCATES FOR A HEALTHY AND  
COMPETITIVE LIFE AND HEALTH INSURANCE INDUSTRY FOR  
THE FINANCIAL WELL-BEING OF EMPLOYERS, INDIVIDUALS,  
AND FAMILIES IN ILLINOIS.*



## **1. Antitrust Statement**

- a. ILHIC 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. This Week in Session**

- a. This week has included some heavy floor action from both the House and the Senate. We did have some pop-up amendments in Committees. However, these amendments that we did follow all brought ILHIC to Neutral. ILHIC spent the week working with our remaining issues to get amendments drafted. Today is third reading deadline for the Senate, and next week will be third reading deadline for the House. After these dates, the chart will be significantly narrowed as the bills that will stay in the same chamber (without an extension) will not be able to progress through the session. However, please note, this time might bring

surprise amendments. Meaning, bills that we thought were “dead” might be filed to a new bill. We are closely tracking amendments and will let members know if any substantive issues are brought back to life via the amendment process.

### **3. Appropriations- Human Services Committee**

#### **a. HB 4175 Health Benefit Exchange**

- i. Creates the authority for the State to pursue a platform transition to SBE-FP or a full SBE. ILHIC has implementation concerns within the language.
- ii. OPPOSE
- iii. This bill was not heard in Committee this week. This bill will need substantial negotiation with both the State and Stakeholders. Additionally, this will have a cost to the State, which will factor into the negotiations. These large policy issue has a very small likelihood of moving this session.

### **4. House Insurance**

#### **a. HB 5254 Coverage Mandate Hormone Therapy**

- i. Provides coverage for hormone therapy treatment to treat menopause that has been induced by a hysterectomy. House Amendment 1 adds medical necessity to the language as well as moves the effective date to 1-1-24.
- ii. NEUTRAL with the Amendment
- iii. ILHIC worked with the Sponsor to draft the amendment that would bring ILHIC to Neutral. The Amendment passed out of Committee.

#### **b. HB 5318 Coverage Mandate Prostate Cancer Screening**

- i. The Amendment adds a carve out for HDHPs, moves effective date back to 1-1-2024, and adds medical necessity to follow up testing.
- ii. NEUTRAL with the Amendment
- iii. ILHIC worked with the Sponsor and Stakeholders to come to an agreement on the amendment. The Amendment passed out of Committee.

### **5. Senate Insurance**

#### **a. SB 2969 Coverage Mandate Continuous Glucose Monitors**

- i. The Senate Amendment moves the effective date to 1-1-2024, add medical necessity to glucose monitors for individuals diagnosed with type1 or type 2 diabetes and requires insulin for the management of their diabetes.
- ii. NEUTRAL with the Amendment.
- iii. ILHIC worked with the Sponsor and Stakeholders to come to an agreement on the amendment. The Amendment passed out of Committee.

### **6. Remaining Issues**

#### **a. PBMs**

- i. **340B**

1. Negotiations are still ongoing. Specifically, the issue remains around the modifier language. ILHIC is unsure if the policy issue will move forward this session.

**ii. White Bagging**

1. ILHIC met with Stakeholders and the Sponsor and decided that the white bagging policy issue will not move for the Spring General Assembly. ILHIC did provide some alternative language in response to the advocate concerns. However, during the meeting, the advocates did not address the specific issues in the language. Rather, they argued some overarching policy talking points. The Sponsor did advise that she wishes to resume negotiations in the summer to move the legislation in Veto this Fall.

**b. STLDs**

- i. The Department is still working on the language to address ILHIC's concerns on their STLD language. We did recently provide feedback to their recent proposal, showing our appreciation for incorporation of initial feedback which included enhancing transparency and disclosure to consumers. However, we did note that the Federal Government is seeking to change STLDs in the Fall of this year. Our suggestion was to wait to work on this policy issue until those Federal changes come to fruition. Additionally, provisions in the bill, including the requirement that STLDs comply with the EHB, coverage mandates, and pre-existing conditions, will have the same effect as an outright prohibition of the plan. These plans will lose their effectiveness in both cost and flexibility. In addition, prohibiting these plans during open enrollment does no favors to consumers waiting for ACA coverage to start (usually in Jan 1, 2023). We are waiting to hear back from the Department.

**c. HB 228 Felony Conviction**

- i. Prohibits an insurer or producer from making a distinction or otherwise discriminating between persons, reject an applicant, cancel a policy, or demand or require a higher rate of premium for reasons based SOLELY upon the basis that an applicant or insured has been convicted of a felony.
- ii. \*\* An amendment is forthcoming that will address ILHIC's concerns. Staff did inform us that the amendment will be filed to the floor.

**d. HB 4941 Fee Timeline Bill**

- i. Mandates insurers, independent practice associations, physician hospital organizations to provide contracted health care professionals or providers with notice of fee changes at least 90 days before the fee change. Changes to fees cannot be made retroactively and providers cannot waive advance notice of fee changes. If there is a fee change that is totals more than a 3% reduction of the Medicare rate for a stated year,

- the provider can propose alternative fee schedules. Any fee changes must be final at least 30 days before the effective date of the change.
- ii. ILHIC thanks members for providing feedback. ILHIC provided alternative language which requires a 60-day advance notification for non-routine changes to the fee schedule to impacted providers that are not otherwise required by applicable law or included in the services contract, and provides for notification for non-routine changes by e-mail or mail, if requested by the provider under the terms of the contract, directing the provider to the information provided by newsletter, website listing, or other reasonable method (as stated in the underlying statute).
- e. HB 5454 COVID-19 Testing Bill**
- i. ILHIC did reach out to the Sponsor as well as testify in opposition to the bill in committee last week, explaining that 1. Federal law already requires plans to cover the cost of a COVID-19 test for the purposes stated above. ILHIC is hesitant to codify an already existing process because, as you know, the science of COVID-19 is changing rapidly and we do not want to get in a situation where federal guidance changes and state law and federal law would conflict. 2. Mandating testing sites to collect insurance from individuals might lead to an unintended consequence regarding surveillance/workplace testing. If HB 5454 passes and sites are required to collect insurance information, this might hurt said employees that utilize the free testing sites.
  - ii. ILHIC has reached out since the hearing and has not heard from the Sponsor on whether or not he is intending to move the bill further this session. However, the Sponsor does have three other bills that deal with COVID testing and transparency and licensing, so he might move forward on those as well. ILHIC did reach out to the business community to explain the negative affect this bill would have on employees.

## **7. Upcoming Important Deadlines**

- a. **March 3<sup>rd</sup>**
  - i. 3<sup>rd</sup> Reading Deadline House
- b. **March 25<sup>th</sup>**
  - i. Senate (House Bill) Committee Deadline & House (Senate Bill) Committee Deadline
- c. **April 1<sup>st</sup>**
  - i. 3<sup>rd</sup> Senate 3<sup>rd</sup> Reading Substantive Bills & House 3<sup>rd</sup> Reading Substantive Bills
- d. **April 8<sup>th</sup>**
  - i. Adjournment