



1. Legislative Overview

- a. This is the week of grand ideas. Legislators are busy filing bills, prioritizing legislation that they would like to move this year, and holding press conferences making the public aware of their intentions. The Council also attended an Illinois Health News Conference their members of the General Assembly discussed what they are looking at moving forward. In sum, legislators want to focus on implementation of the bills being passed. There was also a strong priority around mental health services and being able to provide mental health services to all Illinoisans. Representative Lilly, who works on the Medicaid Working group and is a member of the Black Caucus, stated that the working group and caucus was looking at bigger picture policies, like the Medicaid Buy-in. However, it didn't seem like it was one of her priorities. Redeterminations were a major issue that much of the working group is focusing on now. This was also the week of the Governor's Budget Address. The Governor focused on mental health services and access, childcare services, secondary education, cannabis and business growth, a care portal tool for family seeking care for behavioral health services for children. He also is establishing a reproductive health provider access line, including insurance coverage information.

2. Legislation Moving to Committees

a. Senate Insurance

- i. SB 1255 (White Bagging)
- ii. SB 1282 (Liver Disease Coverage Mandate)
- iii. SB 1287 (Dental Loss Ratio Act)
- iv. SB 1288 (Dental Network Change)
- v. SB 1289 (Dental Reimbursement)
- vi. SB 1479 (Market Conduct)
- vii. SB 1512 (First Responders Mental Health Coverage Mandate)
- viii. SB 1527 (Compression Sleeves Coverage Mandate)
- ix. SB 1559 (Affordable Insulin Act)
- x. SB 1568 (Disability Income)

- xi. SB 1618 (Health Plan Benefit Data)
 - b. Healthcare Availability and Accessibility**
 - i. HB 2078 (Ultrasound Coverage Mandate)
 - c. House Insurance**
 - i. HB 1068 (Felony Conviction)
 - ii. HB 1565 (Vaginal Estrogen Coverage Mandate)
 - iii. HB 2070 (Dental MLR)
 - iv. HB 2071 (Dental Reimbursement)
 - v. HB 2072 (Network Change)
 - vi. HB 2203 (Motor Vehicle Rates)
 - d. House Executive**
 - i. HB 1054 (Drug Rebate)
- 3. Key Legislation**
- a. (These bills do not include all bills filed. Please refer to the Bill List for all bills filed)
 - b. Low Dose Mammography Coverage Mandate (HB 2078)**
 - i. This bill adds ultrasounds to mammograms coverage. We are working with the sponsor to change the effective date and add medical necessity.
 - c. Pap Testing and Prostate coverage Gender Change (HB 2350)**
 - i. This bill essentially changes male and female coverage mandates to individuals, likely with the intent to make it gender inclusive.
 - d. Air Ambulance (HB 2391)**
 - i. This bill removes air ambulance as an entity than cannot be defined as a provider, allow ground ambulances to be subject to provisions on billing for emergency services.
 - e. Hearing Aid and Colonoscopy Coverage Mandates (HB 2385) and (HB 2443)**
 - i. These are bills that have been filed in the past and passed into law.
 - f. Senior Fitness Coverage Mandate (HB 2445).**
 - i. Mandates coverage for basic fitness center membership costs for individuals 65 years of age and older
 - g. Simmons Massive Mandate Bill (SB 2176).**
 - i. Mandates coverage for screening for abdominal aortic aneurysm, alcohol misuse prescription aspirin, high blood pressure screening, high cholesterol, depression screening, diet counseling, fall prevention, exercise, prescription for Vitamin D, hepatitis B screening, Hepatitis C screening, HIV screening, immunizations, lung cancer screening, obesity screening, STI Screening, Statin Medication, Syphilis Screening, Tuberculosis Screening.
 - h. Family Benefit Screenings Mandate Bill (SB 2191)**
 - i. Requires coverage for the domestic partner, child of the domestic partner, sibling, parent, or live-in family member of an insured or policyholder that is equal to and subject to the same terms and conditions as the coverage provided to a spouse or an insured policyholder.

- i. Paid Family Leave Insurance Program (SB 2217)**
 - i. Requires the Department of Employment Security to establish and administer a Family Leave Insurance Program that provides family leave insurance benefits to eligible employees. Sets forth eligibility requirements for benefits under the Act. Provides that a self-employed individual may elect to be covered under the Act. This is a high likelihood that this would be the bill moving this session.
 - ii. The Council and ACLI had a conversation with the business community to educate them on the opportunity of the private option and where insurance companies may be able to provide products in the space. The business community didn't think there would be appetite because paid leave (5 days any reason) was just passed, and they thought the state would want to see that implemented first.
- j. Vision, Hearing, Dental Coverage Mandate (SB 2362)**
 - i. Requires health plans to provide dental, vision and hearing coverage. Places medical necessity in the hands of the provider.
- k. Network Adequacy Specialists (HB 2580)**
 - i. Provides that the Department of Insurance shall determine whether the network plan at each in-network hospital and facility has a sufficient number of hospital-based medical specialists to ensure that covered persons have reasonable and timely access to such in-network physicians and the services they direct or supervise. Defines "hospital-based medical specialists".
- l. Pending Arbitration Medicare (HB 2581)**
 - i. Provides that for any bill submitted to arbitration, the health insurance issuer shall pay the provider or facility at least the current Medicare reimbursement rate pending the resolution of the arbitration.
- m. Short Term Limited Duration (SB 2613)**
 - i. Provides that any short-term, limited duration health insurance coverage policy that is delivered or issued for delivery in the State must have an expiration date in the policy that is less than 181 days after the effective date or December 31 of the current year, whichever is later (rather than must have an expiration date in the policy that is less than 181 days after the effective date).

4. Committees this Week

a. Health Care Affordability and Accessibility

- i. 3:00PM Tuesday
- ii. HB 1186 HMO Referral
- iii. **ILHIC is Supportive.** HB 1186 clarifies that consumers should not have to seek a referral for receiving in-network specialty services if they are enrolled in an HMO. The care management and risk sharing provisions

that are key to an HMO structure should all be handled between the insurer and provider contract and not put the consumer in the middle. This bill clarifies any interpretive disagreements on in-network referral systems for HMO's in Illinois. We know of no opposition.

- iv. **We did expect some questioning from this bill.** There were questions asking if this would hinder access. Laura explained to the committee that this does not change what an HMO is. This is just establishing clarity and a difference of interpretations. Before the Committee, at noon that day, the Department sent over comments (that they categorized as technical but they are not technical.) *HB 1186, pg. 3, line 18, insert “Any health care plan not using a referral system for such providers shall include in the plan name the phrase “Open Access Plan”.”*

In HB 1186, pg. 6, line 22, insert “with the organization’s contracted or employed providers” after “system”.

- v. The Council is pushing back and telling the Department that we will not accept their edit regarding the “Open Access Plan.” By doing this, the Department might create more confusion to consumers by inferring that they can see whatever provider both in and out of the network with tiering, which is seen in an Open Access Plan in the State Employee insurance plans.

b. House Insurance (House Insurance was Cancelled)

- i. 2:00PM Tuesday

- ii. **HB 1601 Provider Nondiscrimination**

- 1. **ILHIC is Opposed.** The Council is working to hold this bill. We have stated to both House Republican and Democratic Staff that 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. Without this provision, Illinois will have a lopsided provider nondiscrimination provision imposed on a small segment of the insurance market that will likely drive up costs for

consumers. Additionally, even if the contractual language was added, the law would be duplicative with federal law. I have included the Federal language and highlighted the portion regarding contractual rights in yellow. We are currently working on reaching out to the Sponsor to express our concerns.

2. **Hoffman mentioned after a meeting with stakeholders that he does not intend to move the bill.** He didn't have a good understanding of the impacts of the bill and after education there is no appetite to move the bill forward.

iii. **HB 1384 Reconstructive Services Mandate**

1. **ILHIC is Neutral.** The Council negotiated this language in a previous session.

5. **Committees Next Week**

a. **House Insurance**

- i. February 21, 2023 2:00pm

1. **HB 1059 (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.
2. **HB 1068 (Felony Conviction)- 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.

a. **If you have agents that are in her district and would like to provide outreach on how this bill would be harmful, it would be helpful.**

3. **HB 1229-(State Based 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.

4. **HB 1384 (Reconstructive Services Mandate)- ILHIC is Neutral.**
5. **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.
6. **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.
7. **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.

8. **HB 2071 (Dental Reimbursement Fee) and HB 2072 (Network Plan Change)**- 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.
9. **HB 2203 (Motor Vehicle 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.

b. Healthcare Availability and Accessibility

i. February 21, 2023 4:00pm

1. **HB 2078 (Cancer Screening Ultrasound Mandate)- 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.**

c. Senate Insurance

i. February 21, 2023 5:30pm

1. **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](#).
2. **SB 1512(Mental Health Mandate for Veterans) 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.

3. **SB 1559 (\$35 dollar insulin cap)- 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.**

6. Mental Health Parity Working Group Update

- a. The Department (or Kennedy Forum on behalf of the Department) submitted entirely new instructions as a “fix” to the phase 1 and 2 NQTL reporting. There was no redline submitted where the Department pointed out the gaps. Much of the edits in the instructions were deviations from what has been negotiated for the past 2 years. We requested that the Department submit redlines so we are clear on what they find as insufficient. They were hesitant to provide the redline but agreed that more clarity is needed. The next Mental Health Working Group is February 24th from 1-2. The Council is pushing on any additional phase three conversation until phases 1 and 2 are corrected.

7. Market Conduct Legislation Update

- a. The Department sent feedback to our most recent comments. Please see below.
 - For the self-evaluative element, adding to the existing language: “Nothing in this Section shall supersede the restrictions on disclosure contained in Section 155.35.”
 - For the penalty element, we propose: “The Director shall communicate to the examinee the basis for any assessed penalty.”
 - I have attached our recent comments to this email for ease of read. **Please let me know if you have any comments on the legislation by Wednesday, Feb 22, 2023, COB.**

8. Important Dates

- a. **February 17, 2023 (House Introduction Deadline)**
- b. March 10, 2023 (House and Senate Committee Deadline)
- c. March 24, 2023 (House 3rd Reading Deadline)
- d. March 31, 2023 (Senate 3rd Reading Deadline)
- e. April 28, 2023 (Senate and House Crossover Deadline)
- f. May 11, 2023 (Senate 3rd Reading Deadline (House Bills))
- g. May 12, 2023 (House 3rd Reading Deadline (Senate Bills))
- h. May 19, 2023 House and Senate Adjournment

