

MARCH 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**

1. 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. This Week's Session Update**

1. This week was extremely for ILHIC, and likely means that we will have an extremely busy week next week and up until adjournment. An extremely controversial subject matter hearing between BCBS and Springfield Clinic regarding a contracting dispute was set to take place but was rescheduled for May 30<sup>th</sup>, in the State Government Administration Committee. As expected, unfortunately, legislation has been filed to address this contracting issue. I will explain the bill in depth later in the meeting. However, I do want to note that this issue has now exploded into a large policy and implementation bill with more questions than answers with only to weeks of legislative session.

## **3. Senate Insurance Committee**

1. **HB 4271** Breast Reduction Surgery Coverage Mandate

- a. ILHIC moved to **NEUTRAL** with House Amendment #1, which moves the coverage mandate effective date back to 1/1/24 (from 1/1/23) to better align with current policy filing timelines.
  - b. Passed out of Committee
2. **HB 4324** Producer License CE Credit
  - a. ILHIC **SUPPORTS** this legislation. [HA#1](#) Clarifies that credit shall be certified and provided on an hour per hour basis. These credits will not be used to satisfy ethics education requirements. Defines methods for participation.
  - b. Passed out of Committee
3. **HB 4338** Prenatal Vitamins Coverage Mandate
  - a. Mandates coverage for prenatal vitamins. (This medication already required to be covered under the ACA.) [HA #1](#) Moves the effective date to 2024.
  - b. **NEUTRAL**
  - c. Passed out of Committee
4. **HB 4349** Congenital Anomaly Coverage Mandate
  - a. Mandates coverage for congenital defects including treatment of cranial facial anomalies that are medically necessary to restore normal function or appearance. Cosmetic changes are included in coverage requirement. [HA#1](#) includes Medically necessary provisions.
  - b. **NEUTRAL**
  - c. Passed out of Committee
5. **HB 4408** Naloxone Coverage Mandate
  - a. ILHIC moved to **NEUTRAL** with House Amendment #1, which changes the effective date to 1-1-2024, and provides a carve out for HDHPs with HSAs.
  - b. Passed out of Committee
6. **HB 4433** Co Pay Accumulator HAS
  - a. ILHIC **SUPPORTS** this legislation, which exempts high-deductible health plans (HDHPs) that are eligible for health savings accounts (HSAs) from the state's copay accumulator law requiring insurers to apply the value of a drug manufacturers coupon to the consumer's deductible and out-of-pocket expenses. This change is needed to align the state law with IRS deductible requirements for HSA-eligible HDHPs. *If the bill is not passed to correct this misalignment with federal Tax Code provisions, the DOI will NOT approve any HSA-eligible HDHPs for sale in 2023 and beyond.*
  - b. Passed out of Committee
7. **HB 4595** 340b PBM
  - a. ILHIC moved to **NEUTRAL** with HA #1, which removes modifier language.
  - b. Passed out of Committee
8. **HB 4703** Surprise Billing
  - a. ILHIC moved to **NEUTRAL** with HA#1, which aligns more closely with the federal no surprises act. ILHIC will continue to work with the Department on implementation of the bill.
  - b. Passed out of Committee

9. **HB 4941** Fee Schedule Change
  - a. ILHIC moved to **NEUTRAL** with House Amendment #1, which categorizes non-routine and routine changes as well as limits notice to 60 days notification before the fee change (instead of 90 days).
  - b. Passed out of Committee
10. **HB 5254** Hormone Therapy Coverage Mandate
  - a. Provides coverage for hormone therapy treatment to treat menopause that has been induced by a hysterectomy. HA#1 adds medical necessity to the language as well as moves the effective date to 1-1-24. **NEUTRAL**
  - b. Passed out of Committee
11. **HB 5318** Prostate Cancer Screening Coverage Mandate
  - a. ILHIC moved to **NEUTRAL** with House Amendment #1. Changes include, moving the effective date to 1-1-24, adding carve out language to HDHPs. This language will ensure that consumers with high deductible health plans will not be disqualified from their Health Savings Accounts and adding medical necessity to follow up testing. (Not the screening)
  - b. Passed out of Committee
12. **HB 5334** Genetic Testing for Cancer Coverage Mandate
  - a. Mandates coverage for genetic testing of the BRCA1 and BRCA2 genes to detect an increased risk for breast and ovarian cancer if recommended by a health care provider in accordance with the United States Preventive Service Task Force’s recommendations for testing.
  - b. **NEUTRAL**
  - c. Passed out of Committee
13. **HB 5585** Home Health Care Coverage Mandate
  - a. Mandates coverage for home health care services. ILHIC is **NEUTRAL**
  - b. Passed out of Committee
4. **Senate State Government Committee**
  1. **HB 4493** Annuity Non-forfeiture Rate
    - a. DOI Initiative Admin Bill. In provisions concerning standard non-forfeiture for individual deferred annuities, changes an interest rate to 0.15% (rather than 1%).
    - b. ILHIC believes this bill might of went to State Government Committee because of the Fee increases attached to the bill.
    - c. Passed out of Committee
5. **Senate Executive Committee**
  1. **HB 4430** HIV Pharmacy Patient Care
    - a. [HA #1](#) includes a provision in the Insurance Code that requires insurers to reimburse pharmacists or other health care professionals for dispensing PREP and providing services under the Act. Requires reimbursement for an “adequate consultation” fee or if medical billing is not available, an enhanced dispensing fee that is equivalent to 85% of the fees provided by advanced practice registered nurses or physicians.
    - b. [SA #1](#) adds PrEP services to the existing “Coverage for Patient Care Services Provided by a Pharmacist” statute presented in 215 ILCS 5/356z.45, which includes that services are covered only if: 1. The pharmacists meet the requirements and scope set forth in Section 43.5 (PrEP); 2. The health plan provides coverage for the same service

provided by a licensed physician, advanced practice nurse, or physician assistant; 3. The pharmacist is included in the health benefit plan's network; and 4. The reimbursement has been successfully negotiated in good faith between the pharmacist and the health plan. This amendment will move ILHIC to Neutral.

c. Passed out of Committee

## 6. House Insurance Committee

1. House Insurance is not yet scheduled to meet next week.

### 2. SB 3910 Uniform ID Card Requirements

a. [HA # 1](#) Amendment includes removing the NAIC number and the fully insured/self-insured portion for space as well as removing the dental card requirement on the No Surprises language (as well as a 1-1-24 effective Date).

b. **NEUTRAL**

c. This bill was NOT called in Committee this week.

### 3. SB 2969 Glucose Monitor Coverage Mandate

a. Mandates coverage of continuous glucose monitors. SA#1 Moves the effective date to 1-1-2024, add medical necessity to glucose monitors for individuals diagnosed with type 1 or type 2 diabetes and requires insulin for the management of their diabetes

b. **NEUTRAL**

c. This bill was NOT called in Committee this week.

### 4. Subject Matter BSBS- Springfield Clinic Network Dispute and Disruption in Health Coverage

a. This Subject Matter was NOT called in Committee this Week.

b. This Subject matter is rescheduled for May 30<sup>th</sup> at 3:00PM in the State Government Administration Committee.

## 7. House Human Services Appropriations Committee

### 1. HB 4175 Health Benefit Exchange

a. Creates the authority for the State to pursue a platform transition to SBE-FP or a full SBE.

b. **OPPOSE** (lack of stakeholder input)

c. This bill was not called in Committee this week.

## 8. House Judiciary- Civil Committee

### 1. SB 1099 Consumer Legal Funding Act

a. Creates the Consumer Legal Funding Act. Sets forth consumer legal funding company prohibitions. Sets forth the fees that may be charged by a consumer legal funding company and provides that a consumer legal funding company shall not collect any additional fees besides those specified in the Act.

b. **MONITOR**

c. This bill passed out of Committee.

## 9. Remaining Issues

### 1. HB 5729 Network Adequacy

a. This bill was filed in response to the BCBS contract dispute. It is a large sweeping policy change regarding network adequacy and transparency. Please reference the summary I provided for a quick overview of what the bill does. Essentially, it creates an entirely new (and some codification)

standards regarding market conduct exams as well as large changes to network adequacy, including placing ratios and other critical decisions in the hands of a Council. There are multiple concerns we have with this bill and will advocate that a bill of this size and impact should be vetted and negotiated to ensure a smooth and effective process. DOI was given one day to write the bill, then released said bill with a press release stating that DOI was working closely with the sponsors to ensure that patients do not need to travel long distances to receive care. This legislation is receiving a lot of political pressure. We are hearing conflicting arguments regarding if the bill will move this session or not. Democratic Staff is preparing to conduct member management to see if the Sponsor is at least willing to work with us on a negotiation. While this bill is in the originating house and in its current vehicle unable to move and adding the Chairman Jones of the Insurance Committee has stated that he is not moving such a large bill in two weeks, it is unlikely to move. With pressure from the Governor as well as pressure on some of the political targets here, we are handling this bill as if it is moving. Thank you to members who gave feedback so far. It helps us build a company perspective, especially since this bill is so implementation heavy. Staff has recently asked us to provide her with “what we could live with.” There are some portions that we could in fact live with. For example, there is language in the bill allowing DOI to state that they are in an active exam.

**2. SB 3926 STLDS**

- a. As it turns out, after negotiation out the prohibition of STLDI sales during an open enrollment, the advocates are unhappy with the bill as it doesn't do as much as they would like it to do. We spoke with an advocate group who stated that they would be happy with carving out the new provisions that give the Department more teeth to go after those deceptive marketing tactics associated with STLDI and then we would commit to revisiting the other provisions later this year after HHS unveils their proposed regulations limiting STLDI coverage duration. They seemed happy with that approach and are willing to simply move the Section dealing with deceptive practices. They are currently rounding up their patient groups to see if they could get behind this as well as let DOI know their intention of only moving that section within the bill.

**3. HB 4979 Funeral Burial**

- a. The funeral homes are still working on getting the bill out of assignments. However, there is still an issue with all agencies agreeing to the language and implementation. The bill is still in assignments and does not have an extension. Because all agencies do not agree to the language, we are unsure what language will be filed (if any) to move the bill. As always, we will keep you updated if we hear anything.

**10. Important Deadlines**

**1. March 25<sup>th</sup> TODAY**

- a. Senate (House Bill) Committee Deadline & House (Senate Bill) Committee Deadline

**2. April 1<sup>st</sup>**

- a. 3<sup>rd</sup> Senate 3<sup>rd</sup> Reading Substantive Bills & House 3<sup>rd</sup> Reading Substantive Bills
3. **April 8<sup>th</sup>**
- a. Adjournment