



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. The Senate offered some much-needed reprieve the week of the Senate Deadline Week. Unlike the House, the Senate sent all insurance bills to House Insurance, which made it easier to track all of our bills through one committee, instead of several in the House. The House and Senate were both in this week. The Senate is not expected to be in as late as the House last week. The Senate, unlike the House, has a rule that allows the Chamber to pass an agreed bill list in one motion, which alleviates the need to hear every bill. The House removed that rule in its Chamber, which made last Friday extremely long. The Senate deadline for 3rd Reading is today. The following two weeks are legislative Spring Break. Because of this break, there will not be ILHIC legislative calls on Friday April 7th or April 14th. We will resume ILHIC legislative calls on Friday, April 21st.
- b. ****Please note: Members will receive updated charts for this week on Monday, April 3rd to ensure that all Senate work is reflected in the charts.**

3. Bills This Week

Senate Insurance

SB 757- PBM Audits- Senate Amendment #2 was adopted and is agreed to language. The Bill established pharmacy audit provisions.

- This amendment was adopted, and the bill moved to the floor.

SB 1288- Dental Leasing Networks- ILHIC is Neutral with SA#1. This language is an agreement between ILHIC, the Dental Associations, ACLI, and other stakeholders.

- This amendment was adopted and moved to the floor.

SB 1289- Dental Fee Bill- ILHIC has no Position.

- This bill passed out of committee and passed on Third Reading.

SB 1527 Compression Sleeve Mandate- ILHIC has no position. With the effective date change of 1-1-2025 presented in SA#2, ILHIC removes its opposition.

- The amendment was adopted and was moved to the floor.

SB 1568- Disability Income- ILHIC is Neutral with SA #2, which allows the Department to collect more information on disability income plans so stakeholders have a comprehensive view at any policy implications.

- This amendment was adopted and moves to the floor.

SB 1912- Prior Approval- ILHIC is opposed. [Public Act 102-0900](#), that just passed in the 102nd, required the Department of Insurance to oversee a study to explore rate setting approaches with the goal of making coverage more affordable for low to middle income residents. The Department sent the data call to collect information to conduct the study with a due date from issuers of November 23, 2022. This study is to receive actual data on what policy options are the best for the specific goals in mind. That study has not been finalized. Moving towards a policy without the research that was required by previous legislation for rate assessments would be wasting precious resources and insight into what would be best for our state with those specific goals in mind. Additionally, Rate Review is now being tied to the State moving to a State Based Exchange, which does not establish an assessment cap on insurers, increasing costs for consumers across the State.

- This bill was postponed. The stakeholders had a discussion Monday of this week to discuss the potential of moving the bill forward this week. We did readdress our concerns regarding the study that has not been published yet along concerns regarding the ability of the policy to achieve affordability without encompassing the cost drivers of insurance. The Department was one of the lead negotiators in the meeting, along with the Small Business Advocacy Council, a progressive wing of the small businesses. We suggested a larger conversation that included all necessary stakeholders, including NFIB and the Blues. The Sponsor suggested to continue conversations while the Department work on the language. The Sponsor wanted to move the bill this week out of Committee, but with pressure placed on Chairman Harris from many different stakeholders, the bill was not heard and was postponed in Committee. However, nothing is ever dead and there is a renewed interested in Rate Review with the addition of the Department advocacy. These conversations will most likely continue through session.

4. State Based Exchange Update

- a. The Council negotiated in another stakeholder conversation regarding the State Based Exchange on March 29th. Our overall perception of the meeting was only a bit more hopeful than previous meetings. However, the agencies can still not answer process,

fiscal, or operations questions and suggest that they will do so only after the enabling legislation passes. The Department has our most recent redline and we await Leader Gabel's "next steps," which will likely be the Department returning our redline with suggested changes.

- b. Much of the conversation revolved around the Department's Emergency Rulemaking Authority within the current language. The Department pushed back on the Council's deletion of the Emergency Rulemaking and stated that they need adequate time to issue rules in order to get the Platform up and running. The Council pushed back and explained that the Department has the time to issue rules and has our full commitment to ensure that the process be expedient through a normal rulemaking process. The governor's Office stated that they were willing to relinquish emergency rulemaking if they could keep Emergency Procurement.
 - i. In the most recent drafting, emergency rulemaking was removed from the language. There are also additional procurement parameters around what can be considered emergency procurement.
- c. Another conversation centered around requiring all plans to participate in the exchange. The Department maintains that they want the ability in the language should they move in that direction in the future but cannot provide any indication or operational plan in doing so right now. They establish that they want the flexibility to move in that way in the future and should they do so, they would issue rulemaking. They are also unsure how the on and off exchange plans will be shown. They were not prepared to answer that question at this time.
- d. Other high-level conversations were around assessments. The Department would like to hold on 2.75% as well as a 4% cap. When asked where they received their calculations on Illinois specific market assessments, the Department stated that "It's easy. Just Divide the premium by the percentage." We maintained that it would be helpful to have some budget projections for the entire market with the assessments we see in this language. They were not prepared to give that to us at that time. They did mention that budgets were a part of the blueprint process and they would have more then. They did accept our suggestion to provide any assessment increase notice of 120 days prior to implementation.
 - i. Assessments were not changed in the most recent draft. However, we did receive our 120 day request.
- e. HFS rejected our suggestion of having HFS appropriate funding to implement the medical assistance program coordination (at this time). They mentioned that in order to receive matching federal funding, its best to leave that language out. Right now, we are an assessment state and HFS would like to stay an assessment state after the transition. However, if integrated further to a determination state, HFS would appropriate funding for that process.

- f. The Department did agree that the waiver language could come out of the SBE language.
 - i. This language did come out of the most recent draft.
- g. A lot of the Advisory Committee was still up in the air. They agreed that its best that each member have a specific expertise. Leader Gabel had mentioned that she is receiving other requests for the board as well. We will likely see this parsed out in another draft. We also received confirmation that the Board was to remain even after the transition is live. The Department was also open to the Department providing fiscal projections, just not as often as quarterly.
 - i. The Department kept our suggestion mandating that each member have a different expertise. The new language adds a representative from a statewide insurance producer professional trade as well as an increase of 1 to 2 members in industry.

5. Industry Lobby Day Summary

- a. Thank you to all of the members who attended the Industry Legislative Day. There was a great turnout of both industry and legislators. Chairman Harris, Chairman Morgan, Minority Spokesperson Keicher, and DOI General Council's Joanna Coll were all in attendance and spoke. One important note was during Chairman Harris's speech, where he mentioned prior approval as a bad bill that would effect the industry in ways advocates do not understand. He called upon everyone to keep educating, because many advocate groups have little to no understanding of how insurance works. The Reception was also a success, with many legislators from both parties making appearances.

6. NATA Rule Adoption

- a. The NATA rule was not adopted by the Department this week. We are tracking JCAR and once the final rule is published and adopted, I will alert members.

7. Mental Health Parity Working Group Update

- a. The Mental Health Parity Working Group has been stalled a bit with the wrench from the Department which stated that the Working Group work product is not properly following statute. From there, there has been a complete new drafting of the previous two years of work. It has been noted from all parties that the drafting of instructions in a working group setting hasn't been fruitful as of late. Laura has a conversation with the stakeholders, KFI, and the Department to discuss an opportunity to sunset the Working Group.

8. Important Dates

- a. **March 31, 2023 (Senate 3rd Reading Deadline)**
- b. April 28, 2023 (Senate and House Crossover Deadline)
- c. May 11, 2023 (Senate 3rd Reading Deadline (House Bills))

- d. May 12, 2023 (House 3rd Reading Deadline (Senate Bills))
- e. May 19, 2023 House and Senate Adjournment