

APRIL 1, 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 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. Session Wrap Up this Week

- a. This week was extremely busy with large sweeping bills now getting legs under the weight of severe political pressure. Today is the deadline for 3rd reading in both chambers, leaving the only remaining deadline of next Friday (adjournment). Both chambers are scheduled to work through the weekend and straight through until April 8th. There have been multiple sources stating that both chambers are still intending to adjourn on April 8th, which would include finishing and passing the budget before that date. We should expect lots of floor action and pop-up committees in this week ahead.

3. Senate Licensed Activity Committee

- a. March 30th at 2:00PM

- i. **HB 4929** Optometric Administer Vaccines
 - 1. MONITOR
 - 2. Provides that a licensed optometrist may independently administer the influenza vaccine, the COVID-19 vaccine, or the shingles vaccine upon completion of the required training. Provides those vaccinations for influenza and COVID-19 shall be limited to patients 5 years of age and older. Provides those vaccines ordered and administered in accordance with the amendatory Act shall be covered and reimbursed at no less than the rate the vaccine is reimbursed when ordered and administered by a physician. ILHIC is monitoring this bill due to “other payers” language.
 - 3. This bill passed out of committee as well as both houses.

4. House State Government Administration Committee

- a. March 30th at 3:00PM

- i. **Subject Matter: BCBS- Springfield Clinic Network Dispute and Disruption in Health coverage**

- 1. This Subject Matter Hearing was heard after a three-hour Democratic Caucus on Wednesday of this week. Representative Scherer requested this Subject Matter to be heard in State Government Administration Committee after the House Insurance Committee was cancelled. The Committee began with an opening from the Representative discussing the problems that the contract dispute was causing her constituents. She then invited the parties to testify and they did so in the following order: 1. The Department (Discussing the law and what authority they have over specific plans) 2. Springfield Clinic (Discussing how important their clinic is to the Midwest. Specifically, they had a OBGYN present regarding in women whom she has helped deliver children and now she can't see them anymore. The Springfield Clinic panel was incredibly emotionally charged and focused not on the dispute or their raising provider rates, but on patient stories.) and 3. A panel of BCBS executives (discussing how the contract dispute came to be as well as what they have done to mitigate damage i.e. Continuity of care.) The reception to the insurance industry was less than a warm one. We were warned during the hearing that the large Network Adequacy Bill, filed by Representative Scherer, will be filed onto an amendment (HA #1 to HB 1463) and posted to another State Government Committee Hearing.

5. Senate Insurance

- a. March 30th at 4:00PM

- i. **HB 5142** Easy Enrollment Program

- 1. SUPPORT
 - 2. Requires HFS and DOI to submit a form by June 1 and November 1 to provide the Department of Revenue describing health

insurance enrollment option for taxpayers as well as provide a check box on tax forms to allow individuals to request ACA enrollment information.

3. This bill passed out of committee.

ii. **SB 3926 STLD**

1. NEUTRAL

2. Senate Amendment #1 to SB 3926 maintains the current 181-day coverage period but adds reference to a federal trigger tying the limitation to a shorter period if federal regulations provide for a shorter time frame. The language also removes the prohibition on open enrollment marketing and sales of STLDI, as well as the requirement that coverage include emergency and post-stabilization services in compliance with the Managed Care and Patient Rights Act. Finally, they have removed some of the language we found troubling regarding blanket accident policies and the additional AG referral section specific to STLDI marketing practices. The amendment retains the enhanced consumer disclosure and attestation requirements, as well as enhanced guardrails for deceptive marketing of these plans. The proposed changes would take effect on January 1, 2023.

3. This bill as amended passed out of committee.

a. NOTE** The advocate groups are still unhappy with the current legislation. They don't believe it goes far enough. We have a call with them today with the Department of Insurance which we believe the advocates will request to the Department to hold the bill to allow all groups to work on the legislation this summer.

6. House Human Services Appropriations Committee

a. March 31st at 9:00AM

i. **HB 4175** State Based Exchange

1. OPPOSED (lack of stakeholder input)

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

3. This bill was not called in committee this week. However, the bill did get an extension for April 8, 2022.

7. Legislative Session Outlook Next Week

a. **House Insurance**

i. **SB2969** Continuous Glucose Monitor Coverage Mandate

1. 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 type1 or type 2 diabetes and requires insulin for the management of their diabetes.

2. NEUTRAL

3. After the bill was not heard in House Insurance this week, the bill was referred to rules committee. On 3/31/22, the rules committee moved the bill back to insurance.
- ii. **SB 3910** Uniform ID Card
 1. [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).
 2. NEUTRAL
 3. After the bill was not heard in House Insurance this week, the bill was referred to rules committee. On 3/31/22, the rules committee moved the bill back to insurance.
- iii. House Insurance was set for 4/3/22 at 9:00AM
- b. **House Amendment #1 to HB 1463** Market Conduct and Network Adequacy
 - i. 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.
 - ii. House Amendment #1 removes the Network Adequacy Advisory Council as well as the provision allowing the Director to share information regarding Market Conduct Examinations with the Governor's Office.
 - iii. Staff has informed us that this Amendment will likely be posted to committee for a hearing today. ILHIC will oppose and testify against the bill on the basis that while the language does address gaps in enforcement (lack of Department ability to state they are conducting an examination as well as emergency rulemaking authority), it also makes sweeping policy changes without negotiation at the very end of the legislative session. In addition, the recent Network Adequacy Bill passed in 2017, but the Department did not issue rules regarding compliance of the Act. We will keep members updated on the advancing of this bill.

8. Remaining Issues

a. Company Bulletin Transitional Plans

- i. The Department finally issued Company Bulletin 2022-05, which extends the transitional policy to policy years beginning on or before October 1, 2022, provided all policies come into compliance. Please note that DOI did make a mistake by stating 2023. A correction was sent out to members.

b. DOI Rulemaking Network Adequacy

- i. The Department has stated this week's subject matter hearing that they are finally issuing rules on the 2017 Network Adequacy law. We are working

on obtaining those documents so our members have a chance to view the rules.

9. Important Deadlines

a. April 1st TODAY

- i. 3rd Senate 3rd Reading Substantive Bills & House 3rd Reading Substantive Bills

b. April 8th

- i. Adjournment