



1. Session Overview

- a. This week is the third reading deadline week for the House. This week was a hectic week of last-minute amendments, negotiations coming together and falling apart, and multiple committee postings.

2. Bills In Committees

i. House Affordability and Access

1. HB 5142 Pregnancy Postpartum

a. A 5th amendment was filed, which:

- i. Establishes an 8,000-dollar monetary cap on doula coverage, as well as remove the no cost sharing requirement on home births. The Sponsor mentioned that the most important piece of this legislation to them is the no cost sharing requirement on abortion services.
- ii. Republican legislators asked multiple questions on doula coverage for abortion services and if the services were covered under Medicaid. The Sponsor and the Governor's Office were unable to answer that coverage question.
 1. The bill passed out of Committee on a partisan roll call.
- iii. This bill was heard on the floor on Thursday. Members of the Republican party stated on the record that they took issue with doula coverage for abortion services.

1. The bill passed 72-37.

b. HB 5355 Non-Opioid Alternatives Act

- i. ILHIC is opposed to the underlying language. Immediately before the Committee, we were told that Vertex (the pharmaceutical company behind the bill) was not interested in excluding private commercial insurance and wanted to broaden the mandate. In sum, we do not oppose the underlying intent of the bill. **However, we do not want to compromise a consumer's healthcare costs and safety due to a pharmaceutical company manipulating drug formularies in furtherance of their new product. This can set a dangerous standard.** Insurers need these quality control measures to ensure safety and lowered costs.
 1. The bill passed on leave and the Sponsor and stakeholders committed to working on this bill in the Senate.

- ii. This bill was heard on the floor. Leader Haas asked to commit to us with an additional amendment in the Senate and she did not commit.
 - 1. The bill passed unanimously.
- iii. We will take these concerns to the Senate and explain the breakdown in negotiation before the committee hearing.

ii. House Insurance

1. HB 4611- Auto Rates

- a. The House Insurance Committee heard amendments on HB 4611.
- b. The bill was taken out and other bills were heard. The Committee did not have the votes to pass the bill.
- c. There was an additional hearing on Thursday on a fifth amendment that was not agreed to. Sponsor Jones mentioned that there was no appetite for any of the previous amendments. Mayfield, a fierce advocate for the bill passing as originally drafted, stated in committee that if this bill does pass that insurance should not be mandatory. There was a roll call vote of 9-3.

2. HB 4055- Emergency Physicians Blood Disorders

- a. An amendment was heard in the Committee that brought us to neutral. The amendment narrowed the bill to the Sponsor's intent, which is to allow people with bleeding disorders to be seen at hemophilia centers for emergency bleeds.
 - i. This bill passed out of committee on leave.

3. HB 2385- Colonoscopy Mandate Bill

- a. HB 2385 mandates coverage for medically necessary colonoscopies. The bill needs an effective date of 1-1-2026. As currently written, the bill has an effective date of 1-1-2025. We have alerted house staff and the sponsors to the request to change the effective date to align with policy form filings.
- b. The Sponsor said that holding off on the effective date is just because we are special interests. He did not commit to changing the effective date.
- c. Minority Spokesperson Keicher requested that there be a floor amendment to change the effective date so this could quickly move through the Committee. That request was not accepted.
 - i. The bill passed on leave.

4. HB 2472 Adverse Determination

- a. There was a clarifying Amendment that brought BCBS to neutrality.
 - i. The bill passed out of committee on leave.

iii. Consumer Protection

1. HB4629 Junk Fees

- a. The bill was heard in committee on 4/15/24. The Sponsor stated that the goal of the legislation was transparency. There are multiple stakeholders that still dislike the bill. There will be a third amendment that removes some of the opposition.
- b. The Illinois Retail and Merchant Association testified on the bill and stated that the upcoming amendment removes opposition because the bill focuses on transparency and not penalties.
- c. The bill removes the private right of action. The sponsors did not accept the Council's language exempting entities under the authority of the

Insurance Code. However, the sponsors did agree to read legislative intent on the floor which states that this bill is not intended to include insurance companies.

- d. We have heard rumors that there is not much appetite in the Senate with this bill. We will keep members updated if we hear differently.
- e. ** This bill was heard on the floor on Thursday evening. Legislative intent was provided by the Sponsor that goods that were priced separately but sold in a package were not intended to be included. Any industry that is governed by pricing and disclosure by other state laws are not included in this law. For example, auto dealers. We provided legislative intent to Representative Weber regarding insurance specifically, but he did not ask them on the floor. We will request this legislative intent to be read in Senate insurance committee as well as the Senate Floor.
 - i. It passed on the floor 71-35.

iv. Human Services Committee (122B)

1. HB 5395 House Amendment 4

- a. Testimony was provided which stated that there was a lengthy subject matter hearing. This amendment is set to address some concerns from industry as well as advocates.
- b. Emily mentioned the following changes:
 - i. Inclusion of Medicaid with Step Therapy
 - ii. Changes to prior authorizations
 - iii. Changing the name of a working group to a task force to create a uniform form to providers on network changes.
 - iv. Would like to make sure that auditing is feasible.
- c. Changes that we did not change:
 - i. Step therapy is not permitted for medication.
- d. Laura Minzer testified in opposition to House Amendment 4 but appreciated the conversation and negotiations. The Council looks forward to ongoing conversations in the Senate. We are opposed to inclusion for prior approval for large group, ban on STLD products, and restrictions on supplemental products.
- e. Leader Hammond asked if an individual requests a medication that is not on the formulary, can the insurer require use of a different drug? The Governor's Office responded that patients would not be able to get off the formulary unless it is medically necessary.
- f. Leader Hammond also asked about step therapy starting in 1-1-2025. Is this factored into the budget?
 - i. Emily Miller did say that these are fine tuned reforms and the cost to the state is less than what it was in previous amendments. They should not total more than 40-50 million dollars. She cannot explain why healthcare insurance costs are rising. The cost of this is a long-term savings. We have not included it in the Governor's Budget.
- g. Leader Hammond mentioned that school districts and municipalities would be included. What happens when adding these benefits and cannot secure approval in the rate schedule? This question was not answered.

- h. Leader Hammond asked what a pharmaceutical policy in the language was?
 - i. The Governor's office mentioned that pharmaceutical policies refers to part of the policy that a large group has that deals with pharmaceuticals.
- i. HB 5395 was heard on the floor late Thursday night. Governor Pritzker was on the Floor for the Debate.
 - i. Leader Spain asked about legislative intent regarding healthcare benefit for the HBIA/HBIS programs. She said it does not affect those programs and is not the intent.
 - ii. Leader Spain asked the differences between step therapy as originally drafted vs. as the bill is now.
 - iii. Leader Spain asked about Prior Authorization and inpatient mental health care in a hospital. She clarified that it is for substance abuse as well. He asked if there is a concern around an incentive for those facilities to be utilized over other facilities that cost less?
 - iv. Leader Spain discussed STLDs and supplemental insurance.
 - v. Leader Spain brought up rate review. Moeller said that Medicaid and ERISA were included in rate review. This is one of many demonstrations of how the sponsors and policy persons have no idea what the bill does.
 - vi. Leader Spain stated he was going to support the bill but wants more work on cost impact and the inpatient piece.
 - vii. Leader Windhorst stated that he is concerned that these in patient medical prior auth prohibitions might have people seeking more expensive care at a hospital. She clarified that this is for medical necessity.
 - viii. Leader Windhorst asked if the cost was factored into the budget. Moeller stated no and that there are several weeks to go through the appropriation process.
 - ix. Leader Windhorst asked what are pharmaceutical policies? Moeller stated that these are a part of the overall health plan.
 - x. Leader Windhorst stated that STLDs are good and asked how many Illinoisians would lose coverage. Moeller called STLDs are scams and that people didn't like them. They were unable to answer that question.
 - xi. Representative Davidsmeyer stated that there needs to work on Network Adequacy. He mentioned that STLDs can act as a bridge to more comprehensive care. He did state and she did confirm that this will not protect most individuals in Illinois. He brought up COGFA and stated that there was a large increase in State Employee Group Health. The State is looking at a huge increase to state employee health. Estimates will be at 30-40 million. Moeller mentioned that the underlying intent is to lower costs down the road. He asked what the cost increase is with Medicaid. She mentioned 20 million for the Medicaid program.
 - 1. The bill passed 81-25.

2. HB 5417 HIV TLC Act

a. **The bill passed Human Services Committee 9-0 and on the floor 106-0.**

v. **Mental Health and Addiction (413) 11:30**

1. **HB 5313 Network Adequacy-** This bill passed on the floor without the second amendment to the bill and did not come to Committee. We are not where we want to be with this bill, as it does conflict with some of the larger pieces conflict with the Governor's Office bill. However, Castro will pick this up in the Senate and this bill will be negotiated further in the Senate chamber.

2. **HB 4475- Mental Health House Floor Amendment 2**

a. Testimony was provided by the Sponsor includes a few changes: 1. Reducing the fines from 5k to 1k. 2. The language makes it clear that this is nothing to do with Medicaid 3. Clarifies the reimbursement. 4. Gets rid of the provider's complaints.

i. This bill passed on leave.

vi. **Senate Labor**

1. **SB 2568- Retirement Savings Plan**

a. Provides that a school district that offers to the school district's employees a retirement savings plan under Section 403(b) of the Internal Revenue Code of 1986 may enter a contract with only one vendor to administer the plan. Provides that a vendor shall be selected, with the approval of the employees' exclusive bargaining representative, if any, or a committee of the employees' exclusive bargaining representatives, through a competitive bidding process. Limits contracts with vendors to no more than 7 years.

b. There are concerns regarding a stricter fee structure as well as the elimination of options and free markets for school districts.

c. The Sponsor stated that this bill is trying to seek protections for teachers in retirement. She says that annuities can operate under this framework. There is nothing in the language that does not affect this.

d. Opposition testimony included that this would limit choice for teachers. This is harmful and dangerous to educators in Illinois. The opposition has offered language that would provide further disclosure to the bill. This would also place additional liability to the schools, which could cause schools to not offer the products.

e. The General Counsel from Horace Mann also testified in opposition to the language. He testified that their financial providers offer help on many different areas from retirement to student loans. This will harm our business as well as educators in Illinois.

f. There were concerns that if the 403B plan is left, that person who likes their plan and contribution, they would have to quit and start over.

g. Leader Castro has serious concerns of how this will impact them. She requested to focus on fees and not limitation. She asked the amendment to come back to the committee for another review.

h. The Illinois Education Association testified that we are fine with clarifying vendors to be more than "a" member. The unions want footing in negotiations, but they are ok being a part of the process. There still needs to be clarification with those people who are contributing and they cannot transfer their money. What happens to the existing accounts with members paying into this for a long time.

- i. The Sponsor was asked to hold the bill on third until further conversations. She agreed but said the bill has already been negotiated.
- j. The bill passed (with the agreement that it would be brought back)11-1.

3. Important Items

- a. **SB 2586- Tele dentistry-** This bill states that a dentist may only practice or utilize teledentistry on a patient of record. Meaning, a dentist that has performed a physical examination within the last year or obtained records from an in-person examination within the previous 12 months which evaluated the condition to be treated, including a review of the patient's most recent x-rays. This was amended to the bill for with the third amendment. We are participating in a stakeholder discussion next week with the House Sponsor, Representative Moeller. This passed out of the Senate and moved to the House Chamber.

i. If you have feedback on this bill, please provide it to Kate.

- b. **HB4548 PBM- Bill Department Discussion**

- i. The Department held a conversation with PCMA and other stakeholders on the PBM legislation.
- ii. The Department's goals in this legislation are increasing choice, lowering the price, and establishing transparency.
- iii. Applicability- The amendment takes out ERISA plans and Medicaid. What is the applicability of school districts, municipalities, etc.? Their intention is that it applies to CMS but does not apply to self-funded plans (unless they are within the state Employee Group Health).
- iv. Steering- PCMA and stakeholders explained that restricting steering does nothing to lower the price. Restricting mail order does nothing for the patient.
- v. Reimbursement- Erica is saying she is seeing the data, and the 10-dollar fee would lower drug costs to consumers. Erica cites other states where she is seeing this.

4. Next Week

- a. **PBM Subject Matter**

- i. There is a PBM Subject Matter being held on 4/22/24 at 10:00am in C-600 6th Floor and Virtual Room Chicago. There will be a viewable option that I will share with members on Monday. PCMA is presenting along with an underwriter and Lou Sandoval with the Illinois Chamber. We do know that Garth Reynolds from the independent pharmacists as well as the Department of Insurance and Consumer Advocate Groups are also presenting. The Subject Matter hearing is not based on HB 4548, but a broader educational session on PBMs.
- ii. The House and Senate are not in session next week.

5. Important Dates

- i. **Senate 3rd Reading Deadline- April 12th**
- ii. House Bills 3rd Reading- April 19th
- iii. House and Senate Committee Deadline- May 3rd
- iv. House 3rd Reading Senate Bills- May 17th
- v. Adjournment- May 24th
- vi. Possible contingent session (May 25th- May 31st)