



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. This week had its fair amount of horse trading. We are seeing large last-minute policies make their way through each chamber. For example, on Wednesday of this week the House heard a multitude of controversial bills, including abortion, and guns. We have not seen anything concrete as a budget. However, budget press conferences are ramping up. There are many concerns of the budget shortfall caused by the miscalculation in cost to provide undocumented individuals with healthcare. Despite this budgetary hole, some Democrats are still fighting to expand the coverage for undocumented, while other Democrats are fighting to receive their budgetary asks. We have seen our larger impacted policies ramping up and cooling off as well. As an example, Rate Review/ Prior Approval for Health Products is still very much at the forefront of Senator Fine's priorities, despite the current opposition. Additionally, the Protect Health Data Act seems to be cooling off, as much opposition is actively trying to kill this incredibly overbroad bill. Lastly, we are seeing large, negotiated bills pass out of the Chamber this week. The State Based Exchange bill was heard on the Floor on Wednesday night and passed on a largely partisan roll call.

3. Bills this Week

Senate Insurance

HB 2442- Hearing Aid Coverage Mandate- ILHIC has no position.

- Bill Passed out of Committee

Senate Behavioral and Mental Health

HB 1364- Mental Health Parity Sunset Bill- ILHIC Supports this bill. (Sunsets the Mental Health Parity Working Group. The effective date is upon law.)

- Bill Passed Out of Committee

House Insurance

HB 579- State Based Exchange- The bill passed with very little debate. The only comment was from Representative Keicher, who stated that there should be a Task Force before moving this large policy to ensure public input on the bill. He also mentioned that he has concerns about the Department being able to adequately staff in time for implementation of the policy.

- The bill passed out of Committee on Partisan Leave

HB 592- Holding Company- This bill was specific to Delta Dental and the Council was not tracking this bill. However, I do want to note that during committee Dave Marsh from the Dental Society stated that this bill was a “trade off” to explore DLR over the summer. This was news to everyone, especially Delta Dental who was there to testify in Support of their bill. By stating this, there is likely to be at least a renewed interest in discussing the DLR over the summer.

- Bill passed out of Committee on leave

House Appropriations- Health and Human Services

HB 1094- Healthcare for All- ILHIC is opposed to this bill. The recently published Illinois Feasibility Study noted that with a BHP, Marketplace enrollment would decrease by 35%, and premiums would increase by 4%-6%. The ACA included in its construction the critical need for healthy individuals being included in a risk pool. A BHP does not solve the inherent problem of consumer insurance literacy or accessible care. In fact, BHP creates a tale of two consumers, further splintering the goal of affordable coverage for all.

- This bill was not called

HB 3496- Insurance- Option for Medicaid- ILHIC is opposed to this bill. The recently published Illinois Feasibility Study concluded that under a broad buy-in option, 20%-30% of Marketplace enrollees would shift to the Medicaid Buy-in model, decimating the individual Marketplace by 26%-74%. Many individuals shifting to the Medicaid Buy-in option would be healthier, leaving a sicker risk pool and higher premiums for individuals wishing to stay in the Marketplace. It is clear that pulling this untested Medicaid Buy-in policy block would destabilize the same ACA that is praised consistently as expanding access to comprehensive health insurance coverage, made even more affordable for many Illinoisans by way of expanded premium assistance and cost-sharing.

- This bill was not called

HB 3585 Long-Acting Contraceptive- Within the Insurance code, this language is duplicative. Long-acting contraceptives are already included in contraceptive coverage.

- This bill was not called

House Mental Health and Addiction

HB 2847- ILHIC has no position. This amendment simply lowered the 2 annual mental health visits to 1 mental health visit.

- This bill passed to the floor

4. Next Week

House Prescription Drug Affordability and Accessibility

May 16th

Stratton C-1

10:00AM

SB 757- PBM Auditing Bill- ILHIC has no position on the bill. This bill has been negotiated between PCMA and the independent pharmacists.

House Insurance Committee

May 16th

Stratton D-1

10:00 AM

SB 764- Vision Care Regulation Act- ILHIC is neutral on the bill. This language is an agreement between the vision care plans as well as the optometrists.

5. Ambulance Negotiation Update

- a. The stakeholders had another negotiation last week on the language requiring insurers to pay 1100% of Medicare to Ambulance providers out of network. As mentioned previously, this percentage is what the ambulance providers gave industry in order to “keep the lights on.” The providers did state that this percentage was in fact the billed charge. The groups decided that they will work through the summer after receiving policy options from the federal government. This was the way the Council wished to proceed in the first way. As the Federal Task Force reveals policy options, there will likely be continued meetings on the State side on this issue through the summer.

6. Rate Review/ Prior Approval Update

- a. The Department is holding on to their objection to accepting our last suggestion of providing deemer language to large group plans. In a previous conversation, the Department mentioned that they will receive an audit finding should the policy finding remain open past the deadline provided in statute. The Council emailed the Department and Stakeholders with the recent audit finding of the Department for the exact reasoning stated. The Department responded to the audit finding that they would address this issue via legislation. When the Council asked where the legislation was, the Department responded that what the Council provided in rate review would not address the issue and they have no language at this time. Without the confidence that the Department is able to do the job they are required to do in current statute, as well as the lack of any deemer language, the Council will continue to oppose the bill. The stakeholders met with other stakeholders outside of the Council who brought additional opposition. At this point, Senator Fine wants to push leadership to move the bill regardless.
- b. The Council met with Leadership to remain transparent as to its position of being opposed without large group deemer language. As a reminder, if the Department is forced to accept this change to move the bill, The Council will be Neutral.

7. Protect Health Data Act Negotiation Update

- a. The Council is working with the ACLU to move for the following suggestions:
 - i. Includes entities that are subject to and in compliance with GLBA within the definition of "Regulated entity."
 - ii. In Section 80, language is included that the Act shall not apply to personal information collected, processed, sold, or disclosed subject to (1) the Fair Credit Reporting Act, as well as (2) the Insurance Information and Privacy Protection Act and the Insurance Data Security Law in the Illinois Insurance Code (and any corresponding privacy protection rules adopted by the Director of Insurance). The Fair Credit Reporting Act governs medical debt and is included in exemption under WA, as well as insurance privacy regulations and disclosure requirements.
 - iii. The Council is waiting to hear back on the status of these changes as well as if the ACLU has questions on the bill.
- b. The ACLU has a lot of opposition to this bill by tech lobbyists and retail lobbyists alike. As noted in a previous call, this bill was intended to protect individuals seeking reproductive care in this State. This bill was never intended to be as broad as the bill language is today. The ACLU wanted to broaden this to advance a larger BIPA type bill. However, it is trouble in paradise, because Planned Parenthood, the number one provider of abortion care in the State, is also opposed to the bill due to the confusing and ambiguous exemptions of HIPAA entities and associates. Without the sign off of Planned Parenthood for a reproductive health

bill (how the advocates are categorizing it) it will be incredibly hard to move the bill as is.

- c. ACLU lobbyists expressed on Thursday that the **bill will not move this Spring**. New language will be amended to a new bill number, but the bill will now be set to move in veto this Fall in order to have more discussions with stakeholders.

8. Market Conduct

- a. We received confirmation from the Department that Market Conduct is dead this Spring. They will try moving the bill again in Veto.

9. Important Dates

- a. May 11, 2023 (Senate 3rd Reading Deadline (House Bills))
- b. May 12, 2023 (House 3rd Reading Deadline (Senate Bills))
- c. May 19, 2023 House and Senate Adjournment