



## **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 calm before the storm has passed. As expected, last-minute issues are popping up as priorities. In addition to some stakeholders trying to push large policy initiative through the finish line, Illinois was hit with another bombshell this week. On Tuesday, the jury reached a verdict on the anticipated ComEd trial, a federal investigation into Commonwealth Edison's alleged attempted to bribe former House Speaker Michael Madigan. The four defendants were guilty on all charges regarding a bribery conspiracy and falsification of business records. This doesn't look good for the former House Speaker, since he and one of the lobbyist found guilty face a separate racketeering indictment brought in March 2022 that is made up of the same ComEd bribery allegations. There have been rumors that the House might go past the adjournment date of May 19<sup>th</sup>. However, with this news, they might want to wrap up on time and get out of town.
- b. In addition to the hot off the press political news, we are starting to see some pressure levels both rise as fall with policy topics. For example, as of last week, Rate Review was set to be shared broadly, signaling an agreement with the Council and the Stakeholders (over the language/not the policy). Now, our last issues are being met with some opposition of the Department, which is perplexing to say the least since they have acquiesced to our other suggestions. As some policies are cooling off, some are heating up. We are seeing a revival of the Protect Health Data Act, which is essentially a BIPA 2.0 that the ACLU is moving under the guise of "reproductive healthcare."

## **3. Bills This Week**

### **House Insurance**

2:00PM May 2, 2023

C-1Stratton

- **SB 1289- Dental DLR (Subject Matter)- ILHIC is opposed.** No other state in the Country (besides Massachusetts) has implemented a Dental MLR. California has a dental MLR reporting law, and while their analysis is not public, the California Department of Managed Health Care has indicated that the data they have seen would suggest a disruption to the dental insurance market if a minimum loss ratio were to be required. They have not moved forward with any such requirement in that state. Applying MLRs to dental plans would lead to higher premiums, coverage losses, and decreased oral outcomes for families who depend on their dental coverage.
  - Dental MLR was heard for a subject matter at the beginning of Committee. Dave Marsh, with the Illinois Dental Society begin testimony by stating that because there is a MLR, there should be a DLR to ensure that these plans are more than “coupons for cost of care.” He wants to mirror the medical MLR with a DLR, to ensure monies will be used for patient care. Dave mentioned that if 80% is good for medical plans, 80% should be sufficient for dental plans. Dave did mention Delta Dental by name, furthering the narrative that this legislation is simply a war between the dentists and Delta Dental.
  - Laura testified in opposition of the bill, explaining that Dental and Health are extremely different products, and an MLR on dental products would not only decrease the ability to pay for the same administrative costs that health plans have, it would also push small dental plans to stop selling business in the State, furthering the issue of the monopoly Delta Dental.
  - We noticed that there was a bit of pushback from a Representative Howder, a Republican Representative who is also an anesthesiologist. He had some sharp words regarding fighting with health insurance plans. He will need additional education for issues having a background where he has a different perspective of insurance companies. Representative Keicher explained in his comments that this bill will do nothing to address coverage with patients. This is in regard to profits alone. The only thing it will do is decrease the profit that will be made. Representative Keicher suggested to the Dentists that there be continued discussions on the broad range of coverage, and this language will not accomplish anything for consumer coverage.
- **HB 2203- Auto Rates (Subject Matter)- ILHIC is Opposed.** While the Council does not usually weigh in on auto insurance bills, we are concerned about the overall prohibitions to a critical underwriting process that assists in lowering insurance costs. Picking apart the vital underwriting process will take away the ability for insurance companies to properly assess risk, which will create an increase in premiums.
  - Rep Guzzardi and an Advocate from PIRG Illinois explained the bill, stating that utilizing credit rates and assessing risk is inherently racist and auto rate regulation is needed to address these issues. A professor at U of I who specialized in

Insurance legislation did a great job explaining that auto rates going up were not solely based on credit rates, risk, etc. Others in opposition did a great job giving statistics on the auto rates across the country, stating that Illinois has on average better auto rates than in other states. A lot of this increase is due to the cost of the claim, which has risen over the past years. Various questions from the committee included taking note of some inequities on employment and the inability to drive to employment.

### **House Prescription Drug Affordability and Accessibility**

4:00PM May 3, 2023

118 Capitol

- **SB 757 PBM Audit- ILHIC has no position.** This audit language is agreed between PCMA and the Independent Pharmacists.

### **Senate Executive Committee**

1:00PM May 3, 2023

212 Capitol

- **HB 764- Vision Care Regulation Act- ILHIC is Neutral on the bill.** The bill language reflects an agreement between the optometrists and the vision care plans.

### **Mental Health House Committee**

10:00AM May 4, 2023

C-1 Stratton

- **HB 2847- Mental Health Preventative Visit. ILHIC is Neutral on HA#2 and HA#3 amendment.** In its recent language iteration, CMS negotiated that there should only be one visit that included no cost sharing, like a physical visit. With additional CMS pressure, the Sponsor accepted that change. Now, the language is simply a no cost sharing coverage mandate for one mental health checkup.

#### **4. Bills Next Week**

##### **a. Senate Behavioral and Mental Health**

▪ 9:00AM

▪ 400 Capitol

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

#### **5. New Bills Filed**

- a. **SB 2573 (Sen. Harris)**- Mandates coverage for wigs worn for hair loss be alopecia, chemotherapy, or radiation treatment. Needs effective date change.
- b. **SB 2572 (Sen. Castro)**- Mandates that group policies with more than 25 employees cover infertility treatments. This also mandates coverage for a annual

menopause health visit with no cost sharing. This mandate also provides coverage for injectable medicine to improve glucose or weight loss.

## **6. Rate Review Update**

- a. ILHIC's last remaining language changes are as follows:
  - i. Requires that any forms and rates for large employer groups be deemed approved after 90 days. (The language uses the same definition of large employer that is set forth in the Illinois Health Insurance Portability and Accountability Act.) A 90 day (with a 30 day extension) timeline is already set in 215 ILCS 125/143. Additional language automatically approves forms and rates after 90 days if no decision is made. This language clarifies a "hard stop" to alleviate any issue with extended open filings.
  - ii. For small/individual rate filings, if the Director fails to issue a decision in 60 days, the rate filing is approved.
  - iii. Includes 60 day deemer language in the HMO Act.
  - iv. The Department is having a tough time with the approval of the forms and rates via large group. They are stating that with form filings, there are specific consumer considerations that they are not ready to address and need further vetting before applying deemer language on form filings for large group. We mentioned to the sponsor and stakeholders that if we do not see these two changes, we will oppose the bill.
  - v. There was an additional stakeholder call on Thursday to discuss remaining concerns. The Department was adamant at stating that they do not wish to move legislation that places a deemer or any "hard stop" on large group rates because "there is more interpretation with form filings and there are significant consumer protection issues in placing deemer language in large group form filings. To that end, the Council and Department were at an impasse with the legislation, in which we note that all filings are necessary and of note in this legislation because the Council wants to ensure that already noted staffing issues are not going to get worse. If the Department is busy staffing for rate review, there will not be adequate staffing responsibility for areas of the statute that, as of now, they cannot implement.
  - vi. The Council found a recent audit finding for the Department in which the auditor general stated that the Department should put forth a legislative proposal to ensure that the Department follows the current timeline stated in the statute. We are going to share this with the Department and Stakeholders to explain that the form and rate filings are germane to this legislation and should be addressed.
  - vii. We will keep members informed of how the ongoing conversations go. As of yesterday, the Stakeholders still have not shared the language with the Blues or the business community, which will likely bring additional opposition. We have discussed our last opposition points with the Blues,

and they also agree that form and rate filing timelines should be addressed in the legislation.

## **7. Ambulance Update**

- a. We have an ambulance call today at noon to continue discussions. In our call earlier in the week, the ambulance providers came back with language requiring 1100% of Medicaid to be covered by reimbursement of the plans. The only other state to look at this rating is Colorado, which said that the appropriate reimbursement rate is 325%. We did bring that up in the stakeholder conversation. We were told by the ambulance providers that states are wildly different and that they need 1100% to “keep the lights on.”
- b. BCBSIL proposed language that would set up a reimbursement mechanism for non-contracted ground ambulance providers at the lesser of the billed charge, the negotiated rate between the provider and the insurer, or 200% of Medicare, which created the 1100% counter proposal from the ambulance providers.
  - i. To streamline member feedback, ILHIC has provided some suggested redlines to the working draft provided by DOI that incorporates the BCBSIL suggested changes to gauge member input on a potential compromise approach between the BCBSIL, ISAA, and IFCA's suggestions as follows:
    1. In provisions related to the non-publicly contracted ambulance providers, update the "lesser of" provision to 325% of Medicare reimbursement rates for the same service provided in the same geographic area, including mileage per the 2019 CO regulation (3 CCR 702-4); and
    2. insert language provided by IFCA that provides separate "lesser of" reimbursement considerations for the publicly-contracted ground ambulance providers.
  - ii. We will keep members informed of how the meeting goes today. As mentioned on a previous call, staff is unsure that there is a vehicle for this legislation this Spring. However, this issue is not going away. If this doesn't move this Spring, we are likely to see language this fall or next Spring.

## **8. Mental Health Update**

- a. Good news! The sponsor and stakeholders have agreed to drop the out of network coverage piece in the mental health bill. In the drafting of the bill's amendment, it was proposed that to expand access, the mandate should be placed under the State Employees Plan, Counties Code, etc. After this amendment was filed, CMS opposed the two visit no cost sharing coverage mandate, stating that this would be incredibly expensive. This pressure worked, and HA# 3 removed one of the two visits from the coverage mandate. So, the bill now mandates one preventative mental health visit with no cost sharing. This is extremely watered down from the original bill. The bill passed out of committee with leave on Thursday.

## **9. Protect Health Data Act Update**

- a. The Protect Health Data Act is getting some legs at the end of session. This language is being pushed by the ACLU, and has been termed, BIPA language parading as a reproductive rights bill. The bill originally came out of the Dobbs summer working group, with the intent to protect individuals seeking abortion care in Illinois. The Council has reached out to Rep Williams (the Sponsor) to suggest clarity on the HIPAA exemptions as well as a tightening of the GLBA exemption provisions.

#### **10. State Based Exchange Update**

- a. Up till now the Governor's Office has not publicly stated that he is looking forward to moving the State toward a State Based exchange. However, on May 3<sup>rd</sup>, Crains published an Article (the link is below) where the Governor publicly endorsed moving to the State Based Exchange and stated that moving in this direction will provide protections from any future threats if power were to change within the federal government. This pressure will most likely move the bill through the House (which we were expecting). Up until now the Governor's office has not stated publicly that they were ultimately moving in this way. [Illinois moves to build its own ACA Obamacare marketplace | Crain's Chicago Business](#)
- b. Leader Gabel stated that she has not moved the bill yet because the Procurement Office needed a las minute technical amendment, and they are trying to button up the language, so no amendments are needed in the Senate.

#### **11. Provider/ Payor Update**

- a. From all of the collected availability, it looks like most members can meet on June 1<sup>st</sup> from 7:00am-8:00am. The Council will reach out to the providers to confirm. Once confirmed, we will send out a zoom invite. Remember this meeting is a bit technical, so any member of your company team is welcome to join and provide expertise.

#### **12. Important Dates**

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