



1. Legislative Overview

- a. This week has been packed with committee meetings, marking a pivotal point in the session. While numerous industries have successfully hammered out agreements on their bills, there are still some negotiations lingering. Particularly intense discussions persist between the Council and stakeholders, especially concerning substantial and far-reaching reforms. Despite ongoing efforts, there's no clear end in sight for these negotiations. Additionally, several bills remain in need of fine-tuning, mostly addressing minor concerns. The most pressing matter on our agenda is HB 5395, also known as the Governor's Healthcare Protection Act. While the House is currently in session today, the Senate won't reconvene until next Tuesday.

2. Bills in Committee

House Insurance Committee

3:00 PM

Room C-1 Stratton

SB 56- Medicare Enrollment Period- No position

- The bill passed on leave 15-0.

SB 773- Infertility- No position

- This bill was heard and passed on partisan leave 10-5.

SB 2573- Cancer Coverage Wigs- No position

- This bill was heard and passed on leave 15-0.

SB 2639- Fertility Coverage- No position

SB 2641- Network Adequacy Specialists- Oppose. This situation is dynamic, with providers regularly moving in and out of these roles. Plans often lack information on which providers specialize in areas such as emergency medicine, radiology, pathology, and anesthesia, especially when they exclusively work within hospital settings. Consequently, health plans cannot accurately assess the appropriate number of providers needed for these specialties, a responsibility typically held by individual hospitals. As such, health plans lack the authority to dictate staffing levels in these specific cases or require hospitals to disclose such information.

Industry stakeholders are concerned that hospitals may not be able to promptly inform insurers of changes in their provider staff, leading to potential delays and inaccuracies in tracking. Also, it is important to note that the No Surprises Act introduces mechanisms to address surprise billing situations, such as establishing reimbursement rates for out-of-network services and requiring providers and insurers to engage in arbitration to resolve payment disputes.

- Manley testified that this bill establishes timely and adequate consumer care for specialists. The Department slipped in opposition to the bill.
- Leader Keicher asked questions about discussions outside of the testimony. He mentioned that this bill needs more work. Manley expressed that the bill would pass out on second and attempt to find resolution via implementation.
- A physician testified as a proponent in the bill. The doctors are stating that they are not getting paid fast enough in arbitration if they are out of network physicians in in-network hospitals. The physician stated that the No Surprises Act takes the consumers out of the situation, but the doctors are disincentivized to work in places where they are out of network. The physician stated that insurance companies don't want to bring these providers in-network because it doesn't matter re: the No Surprises Act.
- The bill passed on a roll call vote of 12-3.

SB 2672- Generic Drug Shortage- No position

- This bill was heard and passed on leave 15-0.

SB 2697- Cancer Genetic Testing- No position

- This bill was heard and passed on leave 15-0.

SB 2735- Electronic Payment Fees- No position

- This bill was heard and passed on leave 15-0.

SB 3130- SBM Omnibus- No position

- This bill was heard and was passed with leave granted 14-0.

SB 3203- Inhaler Coverage- No position

- This bill was heard and passed with partisan leave 10-5.

SB 3318- Alzheimer Treatment (State Employee Group Health)- No position

- The bill was heard and passed with leave 15-0.
- We were told by DOI that this will not be expanded to commercial markets.

SB 3414- Continuous Glucose Monitor- No position

- Syed presented the bill on behalf of Ladish Douglass. The bill passed on leave 15-0.

SB 3599 Mobile Integrated Health- No position

- This bill was heard and passed on leave 15-0.

SB 3741- Prior Authorization- No position

- This bill was heard and passed on leave 15-0.

Senate Insurance Committee

4:00PM

Room 400 Capitol

SB 1479- Market Conduct Bill- No Position

- Passed on the agreed bill list

HB 4789-Dental Preauthorization- No Position

- Passed on the agreed bill list

HB5282-Miscarriage Stillbirth- No Position

- Passed on the agreed bill list

HB 5295-Hormone Therapy/Menopause- No Position

- Passed on the agreed bill list

HB 5313- Network Adequacy Directory- Oppose. The Council is negotiating with proponents and stakeholders of both HB 5313 and the broader HB 5395. However, as these bills advance, significant conflicts arise within the language, leading to potential discrepancies in interpretation. We anticipate addressing these concerns in conjunction with Senator Castro to harmonize the provisions.

- This bill was held in Committee.
- The second amendment that was tabled in the House is now included in HB 5395.

House Health Care Licenses Committee

10:00AM

Room 122C Capitol

SB 2586-Oppose. This bill proposes significant restrictions on teledentistry services within the state. The bill mandates that teledentistry services can only be provided by dentists who have physically rendered services to the patient, severely constraining the accessibility of such services. The bill also affects dental insurers' capacity to offer teledentistry services to their members. Currently, these services are readily accessible to all members, but SB 2586 would impede insurers' ability to provide this benefit. Restricting teledentistry services as proposed by SB 2586 could lead to decreased access to dental care in Illinois. This limitation may compel individuals to seek unnecessary emergency room visits, exacerbating healthcare costs and straining resources. SB 2586 contradicts established Illinois public policy and insurance law regarding teledentistry. The existing statute (215 ILCS 5/356z.22) mandates coverage of telehealth services in dental insurance policies without necessitating prior in-person visits. By contravening this law, SB 2586 undermines established legal requirements and compromises access to essential dental care.

- This bill was heard in the Committee.
- The Sponsor did note that there is still opposition on the bill and committed to continue to work with opponents on legislation. She did state that language will come back to the committee. The Sponsor requested to pass the bill and hold it on second.
- The Dental Association testified and stated that this bill is focused on direct-to-consumer orthodontics. "Straightening teeth at home without dentists."
- A dentist testified that there is an importance of an initial consultation for aligner treatment. He has treated many in his practice who had a shotty direct to consumer aligner or orthodontic treatment.
- The Dental Association is attempting to work with opposition to get this to a place of neutrality.
- This bill passed on leave.

****Stakeholder Meeting SB 2586**

- The Council participated in a stakeholder meeting to discuss language on the bill. There were concerns around keeping the term "emergency" within the language. Stakeholders mentioned that there are services outside of an emergency that these entities assist consumers with. IDFPR is concerned with (1) making sure that the dentist is an IL dentist, as well as (2) seeing a dentist before a procedure. IDFPR is neutral on the bill, and we did suggest a meeting with the Sponsor and the agency to gain further understanding on why the Agency believed that our iteration of the

language was “too broad.” This meeting will hopefully help us refine the language to alleviate IDFPR concerns.

3. Items of Note

a. Legislative Audit Commission (PBM)

- i. It was reported by the LAC that HFS paid over 2 billion dollars to PBMs, and PBMs paid pharmacists over 2 billion dollars in 2021. The LAC determined that HFS was not properly monitoring PBMs. The LAC requested that HFS should provide more monitoring of their PBMs.
- ii. Acting Director Lizzy Whitehorn of HFS, who provided an overview of how the MCO PBM system works. She did state that PBM transparency goes far beyond HFS. She stated that there will have to be a large policy overhaul to address this problem.
- iii. She stands at the ready to work with Director Gillespie to tackle the PBM issues. She has had recent discussions with DOI. HFS explained that DOI has the authority to look at PBM books and materials. There was a request that if there were great disparities between regions or markets, make it more affordable and equitable for Illinoisians.
- iv. Representative Manley stated that PBMs are squeezing independent pharmacies out of the market. She wants to tackle vertical integration PBMs (PBMs owned by insurance companies). Manley asked for a commitment for more PBM money to go to independent pharmacists. Director Whitehorn did not commit to that. However, she did commit to looking at PBMs closely regarding profit margins. Manley wanted more equity for all business models.

b. HB 5395 Governor’s Healthcare Legislation

- i. The Governor's Office has released Senate Amendment #1 to HB 5395.
- ii. Key changes include:
 1. Removal of excepted benefits from the bill, while retaining the ban on STLDI.
 2. Integration of network adequacy provisions as outlined in HA #2 to HB 5313 (Croke/Castro), which was tabled in the House, rather than the current engrossed version of the bill in the Senate. (This was a surprise to the Council, and will likely ruffle some Sponsor feathers, since this language was not passed out of the House and is not Senator Castro’s language.)
 3. Continuation of step therapy provisions, still effective January 1, 2025.
 4. Maintains problematic (and potentially confusing) language concerning off-formulary exceptions within step therapy provisions related to prescription drugs.
- iii. We are uncertain about the timing of the bill being called, or if it will be divided into multiple bills. The bill is currently assigned to Senate Insurance (but not posted). These determinations are expected to be made swiftly. We will promptly inform members of any updates regarding the bill.

4. Next Week

- a. The Senate and House will be in session next week. The Senate has extended the committee deadline to May 10th, indicating another week with a heavy focus on committees. The subsequent critical deadline is May 17th, which marks the 3rd Reading Deadline for both Houses.
- b. Committees scheduled for next week:
 - i. Senate Insurance**
 - 1. Opposition Bill
 - a. SB 2744- Vaccine Administration Fee
 - ii. Senate Judiciary**
 - 1. Junk Fees (HB 4629)
 - iii. Senate Labor**
 - 1. SB 2568- 403B
 - iv. House Healthcare Availability and Access**
 - 1. PBM Subject Matter

5. **Important Dates**

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