

ILHIC Legislative Committee Update

February 5, 2021

General Assembly Organizational Update

The Senate has now posted complete committee membership information online at the ILGA website: [Senate Committees](#).

The [Senate Insurance Committee members](#) (10 D/5 R) are as follows:

Committee Chairperson: Senator Napoleon Harris (D)
Committee Vice-Chair: Senator Tony Munoz (D)
Senator Christopher Belt (D)
Senator Christina Castro (D)
Senator Tom Cullerton (D)
Senator Sara Feigenholtz (D)
Senator Laura Fine (D)
Senator Ann Gillespie (D)
Senator Michael Hastings (D)
Senator Steven Landek (D)
Minority Spokesperson: Senator Dave Syverson (R)
Senator Jason Barickman (R)
Senator John Curran (R)
Senator Sue Rezin (R)
Senator Chapin Rose (R)

The new [Senate Behavioral and Mental Health Committee members](#) (6D/4R) are as follows:

Committee Chairperson: Senator Laura Fine (D)
Committee Vice-Chair: Senator Karina Villa (D)
Senator Meg Loughran Cappel (D)
Senator Sara Feigenholtz (D)
Senator Mattie Hunter (D)
Senator Adriane Johnson (D)
Minority Spokesperson: Senator Terri Bryant (R)
Senator Dave Syverson (R)
Senator Don DeWitte (R)
Senator Jason Plummer (R)

As a reminder, the new Senate Rules for the 102nd General Assembly allow bills to be assigned to multiple committees of jurisdiction and they must be approved by all assigned committees to be eligible to receive a full floor vote.

The Senate has also canceled all in-person session days scheduled for February and will instead resort to virtual committee hearings this month. At this time, Senate Insurance and other committees of interest have not yet

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scheduled Zoom hearings. The Senate has also amended their spring session calendar to move back the bill introduction deadline from February 19 to February 26.

The House will return next Wednesday, February 10 for a one-day in-person session to take up new procedural rules for the 102nd General Assembly that are expected to include authorization to hold virtual committee hearings.

The House Republicans have also released their list of committee minority spokespersons and Representative Dan Brady will remain as the Minority Spokesperson for House Insurance. We are still waiting on further details regarding complete House committee memberships, which will eventually be posted to the [ILGA website for House Committees](#).

DOI – Industry Roundtable

ILHIC, ACLI and other state/national industry trade groups will be meeting with Director Popish Severinghaus and DOI leadership next week on February 9 to discuss the Department’s priorities and key issues the industry is tracking for 2021. Additionally, ILHIC and ACLI will be meeting (virtually) with Jeff Varga, DOI Deputy Director, Life & Annuity Products on Monday to discuss the DOI’s regulatory agenda for 2021, which includes possible revisions to life and annuity filing requirements to “align” with amendments proposed to Part 916 regarding matrix filings. The proposed rule change to Part 916 (noted below in the pending regulations update) is still on First Notice. We also intend to revisit Best Interest and the Department’s current position on aligning state regulations and/or statutes with the NAIC model regulation.

Members are encouraged to send topics or issues that they would like us to raise with the Department during the roundtable or via a separate discussion to either Laura Minzer at lminzer@ilhic.com and/or Karen Melchert at KarenMelchert@acli.com.

DOI Mental Health Parity Working Group - UPDATE

The Mental Health Parity Working Group established under P.A. 100-1024 met last Friday and finalized the template and instructions for Phase I NQTL reporting to the Department of Insurance on July 1, 2021. DOI has recommended the scope of the reporting to be applied at the issuer level, meaning that each insurer must submit the template for each entity with an active license or Certificate of Authority for accident and health insurance in Illinois. Once the working group has approved scope of reporting, the DOI is expected to issue formal notice of the reporting requirements to insurers.

The working group is now working through development of templates and instructions to guide the remaining Phase II (July 1, 2022) and Phase III (July 1, 2023) NQTL reporting.

Medicaid Advisory Committee (MAC) – Health Care Feasibility Study Update

The state’s MAC is scheduled to convene today at 10 am and the Department of Healthcare and Family Services is expected to provide an update on the status the Health Care Feasibility Study they were directed to complete jointly with the DOI under [P.A. 101-0649](#). As directed by the statute, HFS and DOI must submit the study, which will present policy proposals for health coverage reforms, to the General Assembly on February 28. ILHIC submitted comments to the Departments in October. A copy of that comment letter is available [HERE](#).

A link to the full MAC agenda and meeting link/call-in information is available [HERE](#).

DOI Pending Regulations Update

- **Proposed Amendment to Part 916 – Policy Form Filing Requirements** – the proposed amendment would require life and health insurance companies to submit complete policy forms for all products by prohibiting matrix pages, insert pages, or modular filings. ILHIC and ACLI joint comment letter is available [HERE](#) and DOI responses to questions is available [HERE](#). **Rule status: First Notice (published in [April 24, 2020 IL Register](#), beginning on pg. 6211)**
- **Proposed Amendment to Part 2018 – Creating a Uniform Electronic Prior Authorization for Prescription Benefits** – the proposed amendment implements provisions set forth in P.A. 101-0463 that requires the Department to develop a uniform prior authorization form for prescription benefits based on input from interested parties, including the insurance industry, that beginning July 1, 2021, prescribing providers will be required to use and insurers will be required to accept. The proposed rule incorporated much of the feedback and input provided by ILHIC and member companies during the working group process. **Rule status: First Notice (published in [September 11, 2020 IL Register](#), beginning on pg. 14406)**
- **Proposed Amendment to Part 2019 – Applying a OOP Maximum on Cost-Sharing for Insulin** -the proposed amendment implements P.A. 101-0625 to apply a \$100 maximum cap on cost-sharing for a 30-day supply of insulin. The proposed rule also clarifies that the coverage requirement applies to group POS plans offered by limited health services organizations, as well as group voluntary health services plans. **Rule status: First Notice (published in [September 11, 2020 IL Register](#), beginning on pg. 14416)**
- **Proposed Amendment to Part 2001- Extension of Corporate Name Disclosure Requirements to Excepted Benefits**- the proposed rule makes changes to allowable incentive for wellness programs, as well as extends corporate name disclosure requirements applied under Section 2001.13 to comprehensive medical policies (effective August 28, 2020) to excepted benefit policies and short-term limited duration policies. These changes include prohibiting reference to DBAs (Doing Business As) and providing the corporate name in the footer of every policy page. ILHIC submitted comments available [HERE](#). **Rule status: First Notice (published in [November 6, 2020 IL Register](#), beginning on pg. 17603)**

The DOI has also published their 2021 regulatory agenda in the [January 8, 2021 IL Register](#), beginning on pg. 819. The agenda includes a proposal to revisit Part 916 form filing requirements.

UPCOMING MEETINGS/IMPORTANT DATES:

February 10 – Scheduled return date of the House (*adopt procedural rules only*)

February 11 – House Bill Introduction Deadline

February 17 – Governor’s Budget/State of the State Address

February 26 – Senate Bill Introduction Deadline

April 6 – Consolidated Election

April 23 – Bill Crossover Deadline

April 26-27 – Insurance Industry “Virtual” Legislative Day (held jointly with IIA, IIA of IL, NAIFA-IL, and IAMIC)

May 31 - Adjournment