



ILHIC Member Call Notes

April 16, 2021

Call in Number 877-366-0711

Pass Code 65100221#

1. Key Bill Updates

- **HB 2595- Medical Necessity MH/SUD**

ILHIC had a discussion regarding KFI's feedback to our suggestions on Tuesday 4/13/21. KFI submitted a package solution that includes alternative language and ILHIC suggestions they are willing to accept. Their feedback was circulated to members to provide comments and suggestions. KFI just recently sent ILHIC a redline of those changes and some agreements from our discussion with them and the Medicaid Plans. Both parties agreed to continue working on the legislation. KFI intends to move the bill in order to meet deadlines but is willing to keep working with us in order to file an amendment on the bill.

- **SB 968- Pancreatic Cancer Screening Mandate**

Senator Johnson is Working with ILHIC on the language. Currently, the language is extremely broad. We sent language narrowing the mandate and included "when medically necessary." They are going to file an amendment with our suggested language.

- **HB 711- Prior Authorization**

ILHIC has agreed to go neutral on an amendment that was an agreement between ISMS and industry. ISMS: 1. Removed subsection (e) in Section 20; 2. Removed Section 35 to refer back to existing law; 3. Established turn around times at 5 calendar days for non-urgent, 1 business day for urgent; 4. Removed "same or similar specialty" in section 40; 5. Accepted new language in section 50; 6. Removed language requiring a physician in active practice for appeals; 7. Maintained the lesser of 6 months (rather than 12) for all PAs in Section 65; 8. Updated subsection (a) in section 75 to align with language set forth in subsection (b) . **711 passed out of Human Services Committee 12-0.** ILHIC was prepared to testify. However, oral testimony was not taken from any stakeholder on the bill.

- **SB 1590- Prior Approval/Rate Review**

Advocates and Senator Fine met with ILHIC, PCMA, and BCBS to discuss SB 1590 this week. Stakeholders were adamant that although the state is already an effective rate review state, rejecting rates would increase transparency. ILHIC provided that as an effective rate review state, many transparency procedures are in place. Simply giving the State the authority to reject rates will not address their goal of additional transparency. Senator Fine intended to call the bill. However, the bill was held in Committee by the Chair. We expect the Sponsor to find a different avenue because this is her priority.

- **HB 3498- Telehealth**

ILHIC met with the Sponsor and Stakeholders to follow up on discussions held last week. The Sponsor was interested in suggesting a coverage mandate and readdressing payment parity within 1 year of the effective date. The Sponsor is also interested in placing reasonableness language in reference to the definition to originating site. ILHIC circulated the suggestion for feedback to health plan members. There will be a call scheduled to discuss behavioral health language and the remarks from the most recent call with stakeholders.

- **HB 228- Felony Underwriting**

ILHIC is seeking a clarifying amendment that language is specific to the policy itself and not the insurance company. If the sponsor does not want to move forward with a clarifying amendment, ILHIC will suggest legislative intent or a Department bulletin. HB 228 prohibits an insurer or producer from making a distinction or otherwise discriminating between persons, reject an applicant, cancel a policy, or demand or require a higher rate of premium for reasons based SOLELY upon the basis that an applicant or insured has been convicted of a felony.

- **HB 33- Life Ins. Substance Use Treatment**

ILHIC provided alternative language to prohibit discrimination solely and without sound actuarial principals or reasonable anticipated experience in addition to limiting the provision to those provision to those individuals who have been out of a treatment or recovery support program for at least 5 years. HB 33 seeks to prohibit life insurers from canceling, terminating, or “refusing to renew” an individual’s life insurance policy due to their participation; considering that participation in the underwriting or application process; or denying a claim due to a beneficiary’s participation in those programs. The provisions are specific to those individuals in active recovery/treatment programs and do not prohibit these considerations when applied across broader physical and mental health considerations, or individuals who are not in active recovery/treatment programs.

- **SB 147- Medigap Birthday Rule**

The Sponsor recently stated that she was interested to move forward with the bill this session. She reached out to ILHIC to see if there an opportunity for compromise in the language. ILHIC will reach out to members to receive feedback. ILHIC will look at what an amendment might look like narrowing enrollment windows or narrowing the age. SB

147 establishes a “birthday rule” for Medigap policies to provide that an existing Medicare supplement policyholder would be entitled to an annual open enrollment period of 60 days or more commencing on their birthday with guaranteed issuance of a replacement policy that offers benefits equal or less than those provided by the previous coverage.

2. Committee Action Bill Updates

- **SB 202- Civil Rights Violation**

SB 202 provides that it is a civil rights violation to offer a group or individual policy of accident and health insurance, including coverage against disablement or death, that does not include equal terms and conditions of coverage for the treatment of a mental, emotional, nervous, or substance use disorder or condition or a history thereof. ILHIC testified in opposition and encouraged that the task force on mental health disability insurance be pushed forward while explaining that liability would be added to the insurers as well as employers. The Sponsor asked to move bill and bring an amendment back to committee in order to work through opposition concerns. **SB 202 passed out of Senate Insurance 9-2.**

- **SB 208- Secure Choice Savings**

SB 208 expands the Secure Choice Savings Program to apply to sole proprietors and employers with at least 5 employees (rather than employers with fewer than 25 employees) and allows for automatic increases in contributions. **ILHIC’s position is neutral as amended and passed out of Senate State Government 7-2.**

- **SB 332- Telehealth Directory**

SB 332 SA # 1 makes changes concerning information that a network plan shall make available through an electronic provider directory or in print, provides that information concerning use of telehealth or telemedicine includes, but is not limited to, whether the provider offers the use of telehealth or telemedicine to deliver services to patients for whom it would be clinically appropriate (rather than whether the provider offers the use of telehealth or telemedicine to deliver services) and what modalities are used and what types of services may be provided via telehealth or telemedicine (rather than what modalities are used and what services via telehealth or telemedicine are provided). In provisions requiring providers to notify the network plan of changes to their information listed in the provider directory, includes the information concerning use of telehealth or telemedicine. **SB 332 passed out of Senate Insurance Committee 10-0.**

- **SB 471- MH/SUD Access**

SB 471 - SA #1 sets forth provisions concerning timely and proximate access to treatment for mental, emotional, nervous, or substance use disorders or conditions. Provides that network adequacy standards for timely and proximate access to treatment for mental, emotional, nervous, or substance use disorders or conditions must satisfy specified minimum requirements. Provides that if there is no in-network facility or provider available for an insured to receive timely and proximate access to treatment for mental, emotional, nervous, or substance use disorders or conditions in

accordance with the minimum network adequacy standards, the insurer shall provide necessary exceptions to its network to ensure admission and treatment with a provider or at a treatment facility in accordance with those network adequacy standards.

Amends the Medical Assistance Article of the Illinois Public Aid Code. **SB 471 passed out of Senate Insurance Committee 10-0.**

- **SB 1588- Travel Insurance**

SB 1588 sets forth requirements for travel insurance per the NAIC Travel Insurance Model Act, including requiring policies that contain preexisting condition exclusions to disclose to the consumer information regarding the exclusions prior to purchase, immediately following, but no later than 5 business days following policy purchase. SB 2111 (Fine) sets forth licensing and registration requirements for travel insurance. **SB 1588 passed out of Senate Insurance Committee 10-0.**

- **SB 1974- Recoupment**

ILHIC is Neutral with the SA #1. As amended by SB 1974 - SA #1 deletes "An insurer, health maintenance organization, independent practice association, or physician hospital organization may not attempt a recoupment or offset until all appeal rights are exhausted."; and on page 2, line 17, by replacing "6" with "12" **SB 1974 passed out of Senate Insurance 9-0.**

- **SB 2008- PBM**

SB 2008 was set for a subject matter only hearing during Senate Insurance Committee. ILHIC testified alongside PCMA as opponents. SB 2008 requires insurers to replace a brand name drug with a new generic equivalent on the formulary once it becomes available in the market or move the brand name drug to the lowest-cost tier. In provisions concerning a contract between a health insurer and a pharmacy benefit manager, provides that a pharmacy benefit manager must update and publish maximum allowable cost pricing information according to specified requirements, must provide a reasonable administrative appeal procedure to allow pharmacies to challenge maximum allowable costs, and must comply with specified requirements if an appeal is denied. The legislation also sets forth contracting requirements for PBM, including fiduciary responsibilities.

- **SB2086- Vision Care**

Creates the Vision Care Plan Regulation Act to set forth certain contractual requirements with eye care providers and disclosures and coverage requirements for enrollees. ILHIC does not expect this to move this session. ILHIC will continue to be engaged on this issue. **SB 2086 was postponed in Senate Insurance Committee.**

- **SB 2294- Wellness Cap**

SB 2294 is a Wellness Cap increase from 20% to 30% clean of the navigator certification act. ILHIC had no position on the bill. **Passed out of Senate Insurance 10-0.**

- **SB 2408- Guaranty Fund**

SB 2408 Guaranty Fund – authorization to form and own a not-for-profit corporation to carry out certain delegated duties. Identical to SB 375 (Harris) and HB 2405 (Hoffman). ILHIC has no position on the bill. **Passed out of Senate Insurance 10-0.**

- **SB 2409- Holding Company Act**

SB 2409 is a DOI Initiative adopting Holding Company Act 2014 amendments and providing for additional clean-up provisions to the existing Holding Company Act, effective immediately. ILHIC supports this bill. Identical to HB 1955 (Jones). **SB 2409 passed out of Senate Insurance 10-0.**

- **SB 2411- Group Capital Calculation**

DOI Initiative updating state statute to comply with the Covered Agreement by adopting the Credit for Reinsurance model law, and 2020 Holding Company Act amendments regarding Group Capital Calculation, effective December 31, 2022. Identical to HB 1956 (Jones). ILHIC supports this bill. **SB 2411 passed out of Senate Insurance 10-0.**

3. Upcoming Meetings/ Important Dates

- 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