



ILHIC Member Call Notes

April 23, 2021

Call in Number 877-366-0711

Pass Code 65100221#

1. Key Bill Updates

- **HB 3308 FA #2 (Jones) Telehealth-** HB 3308 FA #2 mandates coverage parity as well as a provider payment parity for behavioral health services. In addition, a task force is created to study payment parity under the Illinois Department of Insurance. This language will be a better jumping off point for negotiations. Senator Harris will carry the bill in the Senate. ILHIC testified in opposition to the bill and suggested that behavioral health provider parity be tied to network adequacy standards. ILHIC committed to continuing to work on language in the Senate.
- **HB3498 HA #1 (Conroy) Telehealth-** HA #1 has been the most blatant language of provider payment parity to date. This bill does not mandate providers use provide telehealth, but if providers do provide telehealth services, insurers are required to cover reimbursement at parity. Senator Hunter will carry the bill in the Senate. HA #1 was heard in House Healthcare Affordability and Accessibility Committee. ILHIC slipped in opposition and prepared oral testimony. However, testimony was not taken. HB3498 is currently on 3rd reading.
- **SB 2008- PBM-** The PBM bill had a subject matter only hearing in the Senate Insurance Committee. ILHIC testified with PCMA and the Medicaid Plans. ILHIC explained concerns regarding: 1. Drug formulary requirements; 2. Provisions in the language related to consumer access for appropriate medication; and 3. Network adequacy standards changes within the language. Stakeholders are meeting on Tuesday of next week to have a larger discussion on the language presented.
- **SB147- IL Medicare Supplement B-Day Rule-** Senator Murphy and ILHIC have negotiated an agreement that would remove Council's opposition. This agreement would include: 1. Providing for an annual open enrollment of 45 days (instead of 30 or 60) for those individuals aged 65 and older, but no more than 75 years of age who currently have a Medicare supplement policy; 2. Allow eligible applicants to enroll in a plan of equal or less benefits with the same issuer without medical underwriting; and 3. Require issuers to incorporate the annual enrollment open enrollment provisions for eligible Medicare Supplement policyholders into the buyer's guide (which is subject to the Director's Approval.)

- **HB 33- Life Insurance (Substance Use Disorder)-** ILHIC submitted language that companies may not base solely on whether an individual has participated on a SUD treatment or recover no less than 5 years before application. In addition, life insurance companies may not base solely on whether an individual has been prescribed or has obtained through a standing order an opioid antagonist. ILHIC went neutral with the amendment.
- **HB 295- Life Insurance/ Pre-Need—Medicaid Eligibility-** HB 295 included irrevocable assignments of benefits to a funeral home. The amendment, states that an insured may be the owner of rights under an existing policy of whole life and may make an irrevocable assignment of his or her rights to a provider in consideration for signing a guaranteed preneed contract for the purpose of obtaining favorable consideration for Medicaid. HFS/DHS will exempt whole life policies from Medicaid eligibility asset limitations. ILHIC is neutral on the amendment.
- **HB 2595- Medical Necessity MH/SUD-** ILHIC testified in opposition to HFA # 1 to HB 2595. KFI gave ILHIC a “package deal” of items they are willing to agree on. Unfortunately, they were unwilling to move from the crux of our concern, which is only allowing exclusive criteria from nonprofit entities to determine medical necessity. Their page and line amendment that they filed did not have all the items they had mentioned in their “package deal,” including references to other parity reporting requirements as well as mandating providers to take training over the proposed new standards. ILHIC and KFI have agreed to continue discussions in the Senate. HB 2595 HFA #1 passed out of the Mental Health and Addiction Committee and was referred to the floor.
- **SB 1096- COVID- 19 Testing LTC Facility Mandate Fix-** SB1096 is a trailer bill in attempt to work on concerns mandated testing for COVID for LTC facilities that passed in lame duck. ILHIC has new language that pills the language back into the insurance code and clarifies that individual and group health plans shall cover testing for COVID-19 for LTC employees so long as the testing is in line with federal regulations and guidance. Reimbursement language was removed and there is a sunset for the coverage mandate of Jan 1, 2022. ILHIC is neutral with the gut and replace amendment. We anticipate the amendment moving to Senate Insurance.
- **HB2109 – Cancer testing mandate-** ILHIC testified this morning in opposition to HB 2109 which would mandate cancer testing without any prior authorization. Rep Lewis has agreed to remove prior authorization language due to it conflicting with HB 711.

2. Committee Action Bill Updates

a. Senate Health Committee

- SB 967- MH/SUD Pregnant/ Postpartum Coverage-** ILHIC met with House and Senate Staff on 4/22/21 to discuss the Sponsor’s intent with the legislation along with our concerns. SB 967 provides that insurers shall allow hospitals separate reimbursement for a long-acting reversible contraceptive device provided immediately postpartum in the inpatient hospital setting before hospital discharge. Requires certain group health insurance policies and other specified policies to provide coverage for: (1) medically necessary treatment for postpartum complications; (2) medically necessary treatment of mental, emotional, nervous, or substance use disorders or conditions at in-network

facilities for a pregnant or postpartum individual up to one year after giving birth to a child; and (3) case management and outreach for a postpartum individual that had a high-risk pregnancy. This is a priority of Senator Castro. ILHIC is going to work with staff to work on an amendment, which would include incorporating this language into MH/SUD language in 215 ILCS 370c and 370c.1 as well as work on the coverage mandate for case management. We explained that case management was vastly different from Medicaid. There will be a deadline extension on the bill.

b. Senate Labor Committee

- i. **SB 1905- Family Fertility Disclosure Insurance**-Creates the Family and Fertility Disclosure in Health Insurance Act to require employers that provide health insurance coverage to employees through policies written outside of this State to disclose to employees specified coverages required under the Illinois Insurance Code for policies written in this State and disclose the coverages that are not included in the coverage provided to the employees. ILHIC is monitoring the bill. This bill passed out of Labor and is currently on Senate 3rd reading.

c. Senate Insurance Committee

- i. **SB2112- Secondary Notification (Life Insurance)**- SB 2112 secondary notice for lapse of life insurance. SA # 1 is ILHIC language, and we are neutral on the amendment. The amendment included language that states that nothing in the bill shall prohibit an applicant or policy holder from designating a life insurance agency or record as his or her secondary addressee. This bill passed out of Insurance and is currently on Senate 3rd reading.
- ii. **SB 2410- Insurance Various**- Provides various Insurance Code Clean Up Changes, including partial codification of EO 2020-09 to allow producer prelicensure courses to take place via webinar. This bill passed out of Insurance and is currently on Senate 3rd reading.

d. Floor Action

- i. **HB 711- Prior Authorization**- Creates the Prior Authorization Act. The language now includes all agreed language between ILHIC and SMS. The bill is now in the Senate.
- ii. **HB 228 Life Insurance (Felony Conviction)**- HB 228 HA #1 in provisions concerning prohibited discrimination for life insurance, provides that no life company authorized to issue life insurance final expense policies in the State shall refuse to insure, refuse to continue to insure, limit the amount, extent, or kind of coverage available to, or charge an individual a different rate for the same coverage solely on the basis that an insured or applicant has been convicted of a felony. Provides that nothing in the provisions shall be construed to require a life company to issue or otherwise provide coverage for a life insurance policy to a person who is actively incarcerated pursuant to a felony conviction. Defines "final expense policy". The bill is still on 2nd reading. There is a possibility that it might be called today.

e. Other Bills Mentioned

- i. **HB 3918- Mandated Reporters**- HB3918 expands the definition of mandated reporters to include investment advisors and insurance adjusters. This topic has

been of interest of the GA. Members with similar bills filed in other states will circulate agreed language from other states to provide negotiation insight.

3. Upcoming Meetings/ Important Dates

- a. April 23 – Bill Crossover Deadline
- b. **April 26-27 – Insurance Industry “Virtual” Legislative Day** (held jointly with IIA, IIA of IL, NAIFA-IL, and IAMIC)
- c. May 31 - Adjournment