



## ILHIC Member Call Notes

September 17, 2021

### 1. DOI Proposed Amendment

- Corporate name disclosure filing requirements to excepted benefit policies (50 Ill Adm Code 2001): [register volume44 issue 45.pdf \(ilsos.gov\)](#)
- Last Friday, ILHIC circulated the IL register which stated that the Department was moving their proposed rule. They filed this rule in the Fall of last year. The rule seeks to extend corporate name disclosure requirements to excepted benefit policies. There was no conversation that the Department was seeking to move forward. However, DOI did answer ILHIC's comment letter but mentioned that they are not changing their course. The rule has moved to second notice. We do have an opportunity to provide comment. The comment period closes October 16<sup>th</sup>. The only way the rule can be changed is if JCAR objects and asks the Department to amend or completely object to the rule. **If you have feedback, let us know by October 1, 2021.**

### 2. DOI filing issues

- HMO gatekeeper interpretation
  - The Department did circulate ILHIC's memo as well as the Department's feedback. The Department in its response did not address any of the arguments. The one-page response simply stated that they did not agree with our interpretation. ILHIC spoke with Vice Chair of House Insurance, Representative Bob Morgan, to see if there is an avenue to push back on the Department. Representative Morgan understood the Department's interpretation is counterintuitive of the current administration. ILHIC plans to sit down with the Director to talk over this issue as well as others when she comes back from maternity leave.
- [SB 332](#) plan of action for electronic provider directory requirements objections
  - Per SB 332, DOI is objecting to the absence of electronic provider directories and requiring a plan of action to comply, which has caused frustration with our members because the impetus is on the providers to

provide the information to the plan. ILHIC plans to meet with the Department to talk about how we can assist a smoother process with filing in the future as well as work on effective dates.

### **3. DOI Bulletin**

- HSA- eligible HDHP and the application of the copay accumulator
- DOI posted a bulletin directing ALL HSA-eligible HDHPs to remove any reference to compliance with the copay accumulator provisions set forth in [P.A. 101-0452](#). This has been frustrating because there is not clear federal guidance besides an IRS memo to the Department. The Department also indicated that they hope to provide further clarification and guidance on this in the coming months, with the expectation that federal CMS will issue written communication that affirms the IRS memo regarding allowable application of copay coupons towards a deductible for HSA eligibility purposes. The Department has not indicated how they are wishing to proceed with a legislative fix (whether they want to push the legislation in fall veto). ILHIC plans to work with the Illinois Bankers Association to get some reasonable changes in the law.

### **4. Group Life Insurance**

- continuation of coverage (SB 1876) - legislative changes (fall veto): [P.A. 102-0367](#)
- SB 1876 requires policies of group life insurance to contain, if replacing another policy of group life insurance in force, a provision preventing loss of coverage, subject to premium payments, for those active employees who are not actively at work on the effective date of the new policy as long as certain conditions are met. ILHIC had conversations with Senator Syverson. His intent was to provide more uniformity through the legislation. ILHIC can circulate some thoughts and suggested language for clarification. We would like to push this in veto session because the law is in effect. ILHIC will schedule a different call to discuss this more in depth.

### **5. Travel Insurance (SB 1588)**

- A&H excluded - legislative fix (fall veto): [P.A. 102-0212](#) P.A. 102-0212 provides that the Director of Insurance may issue producer licenses and limited lines producer licenses. Provides that each travel insurance business entity shall pay the Department of Insurance a fee of \$500 for its initial license and \$500 for each renewal license, payable on May 31 annually. The final amendment before passage exempted out life and health policies to issue travel policies. ILHIC had a conversation with Senator Fine and Representative Deluca and found that the language change was a request from the Department. They thought the removal of the language would be easier to implement at the agency. Senator Fine, ILHIC and the Department plan to discuss this issue in the near future.

### **6. Health/Life Insurance 101 Legislator Educational Opportunity**

- Legislators and members alike both mentioned to ILHIC at its 2021 Annual Meeting that there would be interest in presenting a high-level insurance 101 to legislators who are interested in knowing more about insurance. These presentations would cover high-level terminology as well as regulatory oversights of mandates and other important issues to keep in mind as legislators

write bills. These presentations will serve as fundamentals of insurance and a platform for basic understanding. ILHIC is finishing the health presentation soon and will send out the slides to members for feedback.