

ILHIC Legislative Committee Update

January 15, 2021

101st General Assembly Update

The Legislature brought the 101st General Assembly to a close shortly before noon on January 13, when the new 102nd General Assembly was sworn in. It was a lively end to the second year of a two-year General Assembly cycle that was largely disrupted by the public health emergency. Lawmakers had not met in session since a three-day special session in May, so the 5 ½ day lame duck session agenda was not only weighed down by legislative issues that remained idle due to the disrupted session, but also legislative issues that had emerged as a result of the pandemic and racial tensions.

For ILHIC's full summary of the 2021 lame duck session, please click [HERE](#).

A quick cheat sheet of legislation ILHIC was monitoring over the course of the lame duck is below. All bills introduced during the 101st General Assembly that did not pass both houses are now dead.

PASSED BOTH HOUSES

Pre-Judgment Interest: [HB 3360 \(Hoffman/Harmon\), as amended](#), allows the plaintiff to recover prejudgment interest on all damages in personal injury cases.

Criminal Justice Pillar: [HB 3653 \(Slaughter/Sims\), as amended](#), represents the criminal justice omnibus bill from the Black Caucus, ending cash bail in 2023, creating statewide use of force standards, changing incarcerated populations, and addressing decertification. The provisions, as passed, did not include the elimination of qualified immunity for individual officers.

Workers' Compensation – Rebuttal Presumption Extension (COVID): [HB 4276 \(Hoffman/Cunningham\), as amended](#), extends sunset of workers' compensation laws providing for rebuttal presumption and pension benefits for COVID. This is an agreed bill between business and labor.

Hospital Transformation & Nursing Home Employee COVID Testing Coverage: [SB 1510 \(Steans/Harris\), as amended](#), mandates the Department of Healthcare and Family Services to establish a health care transformation program to create innovative partnerships funded by the transformation pool (annual funding of \$150 million), an agreed bill through the Medicaid Working Group. *The bill also requires insurance companies to cover routine COVID diagnostic testing at nursing facilities without utilization management, which was not included in the agreed language by the working group but was initiated by the nursing home industry.*

Economic Pillar:

- [SB 1480 \(Belt/Harper\), as amended](#), except where otherwise prevented by federal law, creates a civil rights violation for any employer for using a conviction record as a basis to refuse to hire or any action for recruitment, hiring, promotion, renewal of employment, selection for training or apprenticeship, discharge, discipline, tenure or terms, privileges, or conditions of employment. The bill also requires businesses to obtain an equal pay registration certificate and submit Employer Information Reports to the IL Department of Labor.

Antitrust Disclaimer: *The Illinois Life and Health Insurance Council (ILHIC) is committed to conducting its activities in compliance with federal and state antitrust laws. The sole purpose of ILHIC meetings is to provide a forum for the exchange of information related to legislative, regulatory, and other policy matters, and for the expression of various points of view on these topics. ILHIC meetings and other Council activities, including all informal or social events, shall not be used as a means for competing companies to reach any understanding, expressed or implied, which tends to restrict competition or impair the ability of members to exercise independent business judgment regarding matters affecting competition. Such matters include, but are not limited to, pricing, sale terms, territories, standardization of service contract terms, allocation of markets, joint refusals to deal, or any other aspect of competition.*

- [SB 1608 \(Belt/Harper\), as amended](#), specifies further requirements in the awarding of State contracts concerning diversity and underrepresented groups.

PASSED ONE CHAMBER (NO DEAD)

Shareholder Remote Voting: [HB 471 \(Morgan/Fine\), as amended](#), allows board of directors of a corporation to vote remotely for shareholder meeting. *Passed Senate (The bill, as passed the House, contained health insurance rate regulation provisions opposed by ILHIC.)*

Healthcare Pillar:

- [HB 3840 \(Lilly/Hunter\), as amended](#), contains provisions requiring provider training on implicit bias, new community health working certification and behavioral health workforce training, reduces blood sugar testing materials to a 1 percent sales tax, requires nursing homes and hospitals to test water for Legionella, provides \$50 million annually to safety-net hospitals to enhance OB/GYN services, creates a new racial impact note on every bill, creates a Health and Human Services Task Force to undertake review of programs to improve health and human service outcomes, creates Anti-Racism Commission, addresses sickle cell anemia treatment prevention, requires MCOs to cover any provider under contract for any medically necessary service regardless of inclusion on provider lists, creates committee to support billing departments in safety-net hospitals, creates Medicaid Managed Care oversight commission with DHFS and support contracts with women and minority-owned businesses, covers doula services for Medicaid, and gives the Health Facilities Board more authority to examine impact on communities of color when a hospital closes or reduces services. *Passed Senate*
- [SB 558 \(Holmes/Lilly\), as amended](#), contains similar provisions to those included in HB 3840, as amended; however, the bill gave more control to the legislative Medicaid Managed Care Oversight Committee over MCO contracts with the state. *Passed House*

Remote Voting; Future of Work Task Force: [HB 3469 \(Burke/Murphy\), as amended](#), contains omnibus provisions, including allowing for remote voting for the General Assembly during a public health emergency, extends the Restore Illinois Commission overseeing state response to COVID, and creates a new Future of Work Task Force to make recommendations on how to support a changing workforce in the state. *Passed Senate*

Ethics Reform: [SB 3071 \(Gillespie/Harris\), as amended](#), makes ethics changes on statements of economic interest, appointees serving candidate political committees, restrictions on fundraisers in Springfield during session, lobbying registration, and legislator code of conduct. The bill imposes a legislator revolving-door prohibition before lobbying. *No vote on the amendment in the House*

Federal COVID Relief- Tax Decoupling: [SB 1199 \(Harmon/Zalewski\), as amended](#), contains Governor Pritzker’s plan to prevent a loss of up to \$1 billion in revenue by blocking changes to the federal tax code passed by Congress as part of the coronavirus relief plan from applying to state tax bills. *Vote failed in House*

New House Speaker Elected & 102nd General Assembly Update

The Illinois House made history on January 13 after it elected Democrat Representative Emanuel “Chris” Welch as the 70th House Speaker and the first Black Speaker of the House in Illinois. The Speaker’s election was also historic since he will replace the longest serving house speaker in US history – former Speaker Mike Madigan.

This week marked Madigan’s 50th anniversary serving in the General Assembly with 37 of those years serving as the Illinois Speaker of the House. Representative Mike Madigan was sworn into the 102nd General Assembly, but there is some doubt as to whether he will remain on as a member of the House.

Speaker Welch beat out four other House Democrats for the position, receiving 69 votes (2 Democrat members voted present and one member was absent). Speaker Welch began serving in the General Assembly in 2013 and most recently served as the Chair of the House Executive Committee. He has also sponsored several legislative initiatives and laws related to [corporate board diversity](#) and supplier diversity, including [insurance supplier diversity reporting](#).

House Republican Leader Jim Durkin was re-elected as Minority Leader, a role that he has served in since 2013.

The House has now released their legislative calendar for the spring 2021 session, which is posted [HERE](#). More details regarding the rest of House leadership, staff structure, rules, and committees will be forthcoming in the coming weeks. The House is currently scheduled to return on February 2.

On the Senate side, Senate President Don Harmon was re-elected to a full two-year term. He was elected early last year after the former Senate President John Cullerton resigned at the end of 2019. Senate Republican Leader Dan McConchie was also re-elected to a full two-year term as the Minority Leader. He was elected by his caucus in November 2020 to replace former Senate Republican Leader Bill Brady, who ultimately resigned his seat at the end of last year.

The Senate has already adopted their [procedural rules](#) for the 102nd General Assembly, which include the amendments they made last year to allow committees to be conducted virtually and members to vote remotely in certain circumstances. Also of note is the addition of several new committees, including a new Behavioral and Mental Health; a Health; a Healthcare Access and Affordability; and a Human Rights committees (replacing the previous Human Services Committee and the Public Health Committee).

Furthermore, the Senate rules now allow a bill to be assigned to multiple committees and it must be approved by all assigned committees in order to receive a floor vote.

As with the House, more details will be forthcoming regarding committee leadership and make-up in the coming weeks.

The Senate's legislative calendar for the spring 2021 session is posted [HERE](#). They are currently scheduled to return on January 26.

New bills for the 102nd General Assembly have already started getting introduced and ILHIC will circulate more information on those bills beginning next week.

Producer Licensing Accommodations – EO Extension

The Governor extended [Executive Order 2020-29](#) providing producer licensure accommodations that include the ability to obtain pre-licensure courses via webinar and lifting the 90-day limitation on temporary licenses until February 7 via [Executive Order 2021-01](#). This extension also includes provisions regarding telehealth coverage first implemented under [Executive Order 2020-09](#).

A bill introduced at the end of the 101st General Assembly by House Insurance Chairman Thaddeus Jones sought to permanently allow pre-licensure courses to be obtained via webinar, but [HB 5869](#) did not advance prior to the end of session. The legislation is expected to be re-introduced in the 102nd General Assembly.

DOI Pending Regulations Update

As part of our weekly updates, ILHIC will provide a status of proposed and pending regulations of interest:

- **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 11 – House Bill Introduction Deadline

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

February 19 – Senate Bill Introduction Deadline

April 6 – Consolidated Election

April 23 – Bill Crossover Deadline

May 31 - Adjournment