

ILHIC Legislative Committee Update

January 22, 2021

The Senate has canceled their scheduled session days for next week due to ongoing public health concerns, but they have indicated that they hope to have appropriate public safety protocols in place by their next scheduled date of return on February 9. In the meantime, the House is scheduled to return on February 2 and unlike the Senate, the House has not yet approved procedural rules for the 102nd General Assembly, which will need to be approved in person.

House & Senate Leadership Update

The Senate Democrats announced their committee chairs for the 102nd General Assembly earlier this week. Senator Napoleon Harris is remaining on as Senate Insurance Chairman, but we are still awaiting a complete list of committee members. Representative Thaddeus Jones is also expected to remain on as House Insurance Chairman, but the House has not yet released their list of committees for the 102nd General Assembly.

Newly elected House Speaker Welch and Senate President Harmon also announced their full leadership teams this week:

House Democrat Leadership

Majority Leader – Representative Greg Harris

Deputy Majority Leader/Speaker Pro-Tempore - Representative Jehan Gordon-Booth

Deputy Majority Leader and Dean of the Caucus - Representative Mary Flowers

Assistant Majority Leaders – Representatives Jaime Andrade, Jr., Robyn Gabel, Jay Hoffman, Elizabeth Hernandez, Natalie Manley, Marcus Evans, Jr., and Delia Ramirez

Democratic Conference Chair – Representative Carol Ammons

In addition to these leadership posts, Speaker Welch has named leaders within each caucus of the House Democratic delegation to serve as caucus whips. These members will be empowered to rally the various caucuses around legislation and issues of importance to the entire Democratic Caucus. This team includes:

Progressive Caucus Whip – Representative Will Guzzardi

Black Caucus Whip - State Rep. Kam Buckner

Asian Caucus Whip - State Rep. Theresa Mah

Downstate Caucus Whip - State Rep. Larry Walsh, Jr.

Women’s Caucus Whip - State Rep. Deb Conroy

Latinx Caucus Whip - State Rep. Aaron Ortiz

Senate Democrat Leadership

Majority Leader – Senator Kimberly Lightford

President Pro Tempore – Senator Bill Cunningham

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Deputy Majority Leaders – Senators Emil Jones, III and Laura Murphy
Assistant Majority Leaders – Senators Jacqueline Collins, Linda Holmes, David Koehler, and Tony Munoz
Majority Caucus Chair – Senator Mattie Hunter
Caucus Whips – Senators Omar Aquino, Napoleon Harris, III, Mike Hastings, and Julie Morrison

Newly elected Senate Republican Leader Dan McConchie previously announced his leadership team and House Minority Leader Jim Durkin has not yet announced his full team.

Senate Republican Leadership

Deputy Republican Leader – Senator Sue Rezin
Assistant Republican Leaders – Don DeWitte, Steve McClure, Jason Plummer, and Chapin Rose
Republican Caucus Chair – Senator Jason Barickman
Republican Caucus Whips – Senators Dave Syverson and Jil Tracy

Session Update – New Legislation

Irrevocable Assignment of Life Insurance: Proponents of legislation introduced in the 101st General Assembly - [HB 5158 \(Manley\)](#) – will be reintroducing provisions that include addressing irrevocable assignment of life insurance policies for the purpose of assigning funds for funeral and burial expenses in order to avoid asset limitations on individuals applying for Medicaid benefits. The IL Funeral Directors Association and the National Academy of Elder Law Attorneys are claiming that not all insurance companies use an irrevocable assignment and instead use a collateral assignment approach that is not always accepted by the state. ILHIC has had several conversations with the proponents to better understand the issues and it is not entirely clear yet if the issue lies with the lack of a standardized approach, as the proponents are suggesting, or a clarification of the statute that would allow the state to accept collateral and irrevocable assignments. We will be reaching out to members to have further discussions once more information is known in order to prepare for the introduction of language in the 102nd.

Life Insurance – Substance Use and Treatment Considerations: [HB 33 \(Mason\)](#) is a re-introduction of legislation Representative Mason introduced in 2020 - [HB 5265 \(Mason\)](#) – that did not advance due to the abbreviated session. With respect to individuals who are participating in a substance use treatment or recovery support program, the proposed legislation 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.

Health Insurance Rates – Prior Approval: Representative Morgan has re-introduced legislation that would require health insurers to obtain prior approval from the Director of Insurance for their rates. [HB 146 \(Morgan\)](#) is similar to [HB 471 \(Morgan/Fine\)](#) that passed out of the House, but stalled in the Senate in the 101st General Assembly giving the Director authority to disapprove any rate deemed “unreasonable.” The provisions also require the Director to act on the rates within 60 days or they will be automatically deemed approved. Illinois is currently a “file and use” state and the Department has maintained that no health insurance company has marketed or sold products over the objection of the Department.

Routine COVID Testing Coverage for Nursing Home Employees: ILHIC is meeting with the Department of Insurance and the sponsors and proponents of [SB 1510 \(Steans/Harris\), as amended](#) to discuss clean-up provisions to language regarding insurance coverage of routine COVID testing for nursing home employees to be introduced in the 102nd General Assembly. The provisions, which passed in the 101st General Assembly and will now go to the Governor for action, were included as a last-minute addition to otherwise agreed language establishing a Medicaid health care transformation program to support safety net hospitals during the lame duck session. ILHIC is also preparing a letter to the Governor to ask for a delay in signature of the legislation since the provisions take immediate effect upon signature. (*The Governor has 60 days from the time the bill arrives on his desk to take action on the bill or the bill automatically becomes law*).

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 2 – Scheduled return date of the House

February 9 – Scheduled return date of the Senate

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