

ILIC Legislative Committee – Call Summary

May 10, 2019

COMMITTEE ACTION – WEEK IN REVIEW:

The Senate and the House canceled session today, which also marks the committee deadline for bills.

Senate Insurance:

The Senate Insurance Committee passed several key bills out of committee this week on an agreed bill list (ILIC is neutral on all of the bills that passed out), including:

- [HB 465 \(Harris/Manar\)](#) mandating PBM transparency and licensure requirements.
- [HB 3113 \(Cassidy/Fine\)](#) mandating coverage for one annual skin cancer screening at no cost share. The bill was amended with technical language provided by the IL State Medical Society. The bill will be amended on the floor to restore protections for HDHP/HSAs if the IRS were to rule the no cost share provisions were in violation of IRS tax rules for these plans.
- [HB 3509 \(Stuart/Crowe\)](#) mandating coverage for breast milk for infants under the age of 6 months with certain medical conditions. Additional amendments will be forthcoming to expand the number of eligible human breast milk banks (including non-profits), as well as provide coverage for infants over the age of 6 months (up to 12 months) that have additional medical conditions.

The Senate Insurance Committee held a subject matter hearing on [HB 889 \(Swanson/Anderson\)](#) mandating health insurance coverage of intravenous antibiotic treatment for tick-borne diseases. ILIC and the business groups oppose the mandate, as the treatment is currently considered experimental and falls outside of CDC recommendations for treatment of Lyme disease.

Several key bills were held in this week's committee, but could receive a committee deadline extension:

Health Insurance Rate Approval Authority: [HB 471 \(Morgan/Fine\)](#) gives the Department authority to disapprove rates for individual and small group ACA compliant health insurance plans. ILIC remains opposed to the bill. The sponsor and proponents of the bill are pushing for a meeting with Senate President Cullerton next week. DOI has also provided some clean-up language to the bill. ILIC spoke with the DOI this week and they are currently neutral. They also indicated that they are working on a fiscal note to determine how many positions they would need to fill in order to meet the requirements set forth in the bill (namely that they review and approve/disapprove the rates within 60 days).

Health Insurer Prescription Drug Reporting: [HB 156 \(Flowers/Mulroe\)](#) mandates insurers disclose certain rate, spending, and pricing information concerning prescription drugs to the Department of Public Health and the Attorney General. ILIC opposes the legislation along with PhRMA and the business groups.

House Cybersecurity, Data Analytics & IT Committee:

The committee approved [SB 1624 \(Glowiak/Andrade\)](#) by a vote of 10-2, which updates the current Personal Information Protection Act (PIPA) to require data collectors reporting a breach of more than 500 residents to also report certain information to the Attorney General. The state's PIPA includes an exemption to GLBA entities, but only applicable to another Section of the Act regarding data security. ILIC approached the sponsor

about an amendment to clarify that entities subject to the GLBA are deemed in compliance; however, the sponsor has requested that the bill move forward without additional amendments. ILIC will continue to work with the sponsor to identify future opportunities to provide clarification.

Senate Human Services:

The committee approved [HB 2154 \(Feigenholtz/Steans\)](#) that, as amended, includes provisions to mandate health insurance coverage for coordinated specialty care for first episode psychosis treatment and assertive community treatment (including wrap-around services like supported employment). The provisions have been included in other bills introduced this session that have failed to advance. ILIC has argued that the mandate is not only costly from a benefit implementation standpoint, but also requires insurers to contract with specialty providers licensed by the Department of Human Services to provide this kind of treatment (there are currently only 13 in the state) to cover these bundled services that are currently only covered by Medicaid.

House Human Services Appropriations:

The committee held [SB 1909 \(Castro/Greenwood\)](#); an omnibus bill providing new coverage/treatment requirements for pregnant and postpartum women, including expanded Medicaid benefits. The bill included a provision mandating coverage for medically necessary services for women up to a year after giving birth. ILIC had worked with the Senate sponsor to secure changes to the provisions outlining behavioral health coverage requirements for pregnant and postpartum women. ILIC, in partnership with the IL Chamber of Commerce, were working on additional changes in the House, but the House sponsor has indicated that the bill will be deferred to the Medicaid legislative working group to vet the provisions for inclusion in an end-of-session omnibus Medicaid bill.

EXCEPTED BENEFITS:

The Senate has moved ILIC's legislation - [HB 1639 \(DeLuca/Mulroe\)](#) – to Third Reading positioning the legislation for a final floor vote before the bill then goes to the Governor. The bill clarifies current federal/state law that supplemental policies are not comprehensive medical and hospitalization coverage and should therefore not be subject to any Section 356 health coverage mandates that are otherwise intended for comprehensive health insurance.

BUDGET/MCO TAX UPDATE:

There are just 16 session days left (14 for the Senate) before the scheduled adjournment date of May 31.

The Governor's Office of Management and Budget announced on Tuesday that state and federal receipts were up significantly over last year's April receipts, bringing in nearly \$1.5 billion more in revenues than previously estimated. The unexpected increase in revenues prompted the Governor to announce that they would use the funds to close a projected deficit of \$1.6 billion for the current fiscal year thereby halting plans to skip/defer a

pension payment. The Comptroller quickly followed with a statement reminding legislators that the new revenues won't fix the state's existing backlog of bills, which currently hovers between \$6 - \$8 billion.

In the meantime, legislators have yet to unveil major components of the proposed budget for Fiscal Year 2020 and are only beginning to roll out proposed revenue enhancement packages (beyond the graduated income tax package the Senate passed last week). Legislators started to advance bills this week (or at least began discussing bill language this week) related to legalized sports betting, legalized recreational marijuana, and capital/infrastructure revenue streams.

Legislators have yet to unveil details on a component of the budget that both House Republican and Democrat leadership have said is a major linchpin for the Fiscal Year 2020 budget: the proposed MCO/HMO assessment for Medicaid. HFS has informed ILIC that they anticipate rolling out an assessment model later next week with talks to begin with the legislators/stakeholders at that time.

ILIC held a special call last week on the MCO Assessment and will hold future calls once more details emerge. ILIC has put forward several key concerns/considerations as it relates to the tax proposal:

- Fairness in application
- Timeline for implementation & impact on rate filing considerations
- Retaliatory tax implications
- Limiting new Medicaid benefits and program expansions
- Limiting other policy and regulatory burdens imposed on health insurers

UPCOMING MEETINGS:

Don't forget to register for ILIC's annual meeting:

June 24 - 26 – Annual Meeting – Lake Geneva

If anyone has any feedback on any specific bills or any questions, please do not hesitate in reaching out to Laura at ilicminzer@gmail.com or Larry at ilicbarry@gmail.com.