

1 AN ACT concerning regulation.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The State Employees Group Insurance Act of 1971
5 is amended by changing Sections 6.11 and 6.11B as follows:

6 (5 ILCS 375/6.11)

7 Sec. 6.11. Required health benefits; Illinois Insurance
8 Code requirements. The program of health benefits shall
9 provide the post-mastectomy care benefits required to be
10 covered by a policy of accident and health insurance under
11 Section 356t of the Illinois Insurance Code. The program of
12 health benefits shall provide the coverage required under
13 Sections 356g, 356g.5, 356g.5-1, 356m, 356q, 356u, 356w, 356x,
14 356z.2, 356z.4, 356z.4a, 356z.6, 356z.8, 356z.9, 356z.10,
15 356z.11, 356z.12, 356z.13, 356z.14, 356z.15, 356z.17, 356z.22,
16 356z.25, 356z.26, 356z.29, 356z.30a, 356z.32, 356z.33,
17 356z.36, 356z.40, 356z.41, 356z.45, 356z.46, 356z.47, 356z.51,
18 356z.53, 356z.54, 356z.55, 356z.56, 356z.57, 356z.59, 356z.60,
19 ~~and~~ 356z.61, ~~and~~ 356z.62, 356z.64, 356z.67, 356z.68, 356z.70,
20 and 356z.71 of the Illinois Insurance Code. The program of
21 health benefits must comply with Sections 155.22a, 155.37,
22 355b, 356z.19, 370c, and 370c.1 and Article XXXIIB of the
23 Illinois Insurance Code. The program of health benefits shall

1 provide the coverage required under Section 356m of the
2 Illinois Insurance Code and, for the employees of the State
3 Employee Group Insurance Program only, the coverage as also
4 provided in Section 6.11B of this Act. The Department of
5 Insurance shall enforce the requirements of this Section with
6 respect to Sections 370c and 370c.1 of the Illinois Insurance
7 Code; all other requirements of this Section shall be enforced
8 by the Department of Central Management Services.

9 Rulemaking authority to implement Public Act 95-1045, if
10 any, is conditioned on the rules being adopted in accordance
11 with all provisions of the Illinois Administrative Procedure
12 Act and all rules and procedures of the Joint Committee on
13 Administrative Rules; any purported rule not so adopted, for
14 whatever reason, is unauthorized.

15 (Source: P.A. 102-30, eff. 1-1-22; 102-103, eff. 1-1-22;
16 102-203, eff. 1-1-22; 102-306, eff. 1-1-22; 102-642, eff.
17 1-1-22; 102-665, eff. 10-8-21; 102-731, eff. 1-1-23; 102-768,
18 eff. 1-1-24; 102-804, eff. 1-1-23; 102-813, eff. 5-13-22;
19 102-816, eff. 1-1-23; 102-860, eff. 1-1-23; 102-1093, eff.
20 1-1-23; 102-1117, eff. 1-13-23; 103-8, eff. 1-1-24; 103-84,
21 eff. 1-1-24; 103-91, eff. 1-1-24; 103-420, eff. 1-1-24;
22 103-445, eff. 1-1-24; 103-535, eff. 8-11-23; 103-551, eff.
23 8-11-23; revised 8-29-23.)

24 (5 ILCS 375/6.11B)

25 Sec. 6.11B. Infertility coverage.

1 (a) Beginning on January 1, 2024, the State Employees
2 Group Insurance Program shall provide coverage for the
3 diagnosis and treatment of infertility, including, but not
4 limited to, in vitro fertilization, uterine embryo lavage,
5 embryo transfer, artificial insemination, gamete
6 intrafallopian tube transfer, zygote intrafallopian tube
7 transfer, and low tubal ovum transfer. The coverage required
8 shall include procedures necessary to screen or diagnose a
9 fertilized egg before implantation, including, but not limited
10 to, preimplantation genetic diagnosis, preimplantation genetic
11 screening, and prenatal genetic diagnosis.

12 (b) Beginning on January 1, 2024, coverage under this
13 Section for procedures for in vitro fertilization, gamete
14 intrafallopian tube transfer, or zygote intrafallopian tube
15 transfer shall be required only if the procedures:

16 (1) are considered medically appropriate based on
17 clinical guidelines or standards developed by the American
18 Society for Reproductive Medicine, the American College of
19 Obstetricians and Gynecologists, or the Society for
20 Assisted Reproductive Technology; and

21 (2) are performed at medical facilities or clinics
22 that conform to the American College of Obstetricians and
23 Gynecologists guidelines for in vitro fertilization or the
24 American Society for Reproductive Medicine minimum
25 standards for practices offering assisted reproductive
26 technologies.

1 (c) As used in this Section, "infertility" means a
2 disease, condition, or status characterized by:

3 (1) a failure to establish a pregnancy or to carry a
4 pregnancy to live birth after 12 months of regular,
5 unprotected sexual intercourse if the woman is 35 years of
6 age or younger, or after 6 months of regular, unprotected
7 sexual intercourse if the woman is over 35 years of age;
8 conceiving but having a miscarriage does not restart the
9 12-month or 6-month term for determining infertility;

10 (2) a person's inability to reproduce either as a
11 single individual or with a partner without medical
12 intervention; or

13 (3) a licensed physician's findings based on a
14 patient's medical, sexual, and reproductive history, age,
15 physical findings, or diagnostic testing.

16 (d) The State Employees Group Insurance Program may not
17 impose any exclusions, limitations, or other restrictions on
18 coverage of fertility medications that are different from
19 those imposed on any other prescription medications, nor may
20 it impose any exclusions, limitations, or other restrictions
21 on coverage of any fertility services based on a covered
22 individual's participation in fertility services provided by
23 or to a third party, nor may it impose deductibles,
24 copayments, coinsurance, benefit maximums, waiting periods, or
25 any other limitations on coverage for the diagnosis of
26 infertility, treatment for infertility, and standard fertility

1 preservation services, except as provided in this Section,
2 that are different from those imposed upon benefits for
3 services not related to infertility.

4 (e) This Section applies only to coverage provided on or
5 after January 1, 2024 and before July 1, 2026.

6 (f) This Section is repealed on July 1, 2026.

7 (Source: P.A. 103-8, eff. 1-1-24.)

8 Section 10. The Counties Code is amended by changing
9 Section 5-1069.3 as follows:

10 (55 ILCS 5/5-1069.3)

11 Sec. 5-1069.3. Required health benefits. If a county,
12 including a home rule county, is a self-insurer for purposes
13 of providing health insurance coverage for its employees, the
14 coverage shall include coverage for the post-mastectomy care
15 benefits required to be covered by a policy of accident and
16 health insurance under Section 356t and the coverage required
17 under Sections 356g, 356g.5, 356g.5-1, 356m, 356q, 356u, 356w,
18 356x, 356z.4, 356z.4a, 356z.6, 356z.8, 356z.9, 356z.10,
19 356z.11, 356z.12, 356z.13, 356z.14, 356z.15, 356z.22, 356z.25,
20 356z.26, 356z.29, 356z.30a, 356z.32, 356z.33, 356z.36,
21 356z.40, 356z.41, 356z.45, 356z.46, 356z.47, 356z.48, 356z.51,
22 356z.53, 356z.54, 356z.56, 356z.57, 356z.59, 356z.60, ~~and~~
23 356z.61, ~~and~~ 356z.62, 356z.64, 356z.67, 356z.68, 356z.70, and
24 356z.71 of the Illinois Insurance Code. The coverage shall

1 comply with Sections 155.22a, 355b, 356z.19, and 370c of the
2 Illinois Insurance Code. The Department of Insurance shall
3 enforce the requirements of this Section. The requirement that
4 health benefits be covered as provided in this Section is an
5 exclusive power and function of the State and is a denial and
6 limitation under Article VII, Section 6, subsection (h) of the
7 Illinois Constitution. A home rule county to which this
8 Section applies must comply with every provision of this
9 Section.

10 Rulemaking authority to implement Public Act 95-1045, if
11 any, is conditioned on the rules being adopted in accordance
12 with all provisions of the Illinois Administrative Procedure
13 Act and all rules and procedures of the Joint Committee on
14 Administrative Rules; any purported rule not so adopted, for
15 whatever reason, is unauthorized.

16 (Source: P.A. 102-30, eff. 1-1-22; 102-103, eff. 1-1-22;
17 102-203, eff. 1-1-22; 102-306, eff. 1-1-22; 102-443, eff.
18 1-1-22; 102-642, eff. 1-1-22; 102-665, eff. 10-8-21; 102-731,
19 eff. 1-1-23; 102-804, eff. 1-1-23; 102-813, eff. 5-13-22;
20 102-816, eff. 1-1-23; 102-860, eff. 1-1-23; 102-1093, eff.
21 1-1-23; 102-1117, eff. 1-13-23; 103-84, eff. 1-1-24; 103-91,
22 eff. 1-1-24; 103-420, eff. 1-1-24; 103-445, eff. 1-1-24;
23 103-535, eff. 8-11-23; 103-551, eff. 8-11-23; revised
24 8-29-23.)

25 Section 15. The Illinois Municipal Code is amended by

1 changing Section 10-4-2.3 as follows:

2 (65 ILCS 5/10-4-2.3)

3 Sec. 10-4-2.3. Required health benefits. If a
4 municipality, including a home rule municipality, is a
5 self-insurer for purposes of providing health insurance
6 coverage for its employees, the coverage shall include
7 coverage for the post-mastectomy care benefits required to be
8 covered by a policy of accident and health insurance under
9 Section 356t and the coverage required under Sections 356g,
10 356g.5, 356g.5-1, 356m, 356q, 356u, 356w, 356x, 356z.4,
11 356z.4a, 356z.6, 356z.8, 356z.9, 356z.10, 356z.11, 356z.12,
12 356z.13, 356z.14, 356z.15, 356z.22, 356z.25, 356z.26, 356z.29,
13 356z.30a, 356z.32, 356z.33, 356z.36, 356z.40, 356z.41,
14 356z.45, 356z.46, 356z.47, 356z.48, 356z.51, 356z.53, 356z.54,
15 356z.56, 356z.57, 356z.59, 356z.60, ~~and 356z.61, and 356z.62,~~
16 356z.64, 356z.67, 356z.68, 356z.70, and 356z.71 of the
17 Illinois Insurance Code. The coverage shall comply with
18 Sections 155.22a, 355b, 356z.19, and 370c of the Illinois
19 Insurance Code. The Department of Insurance shall enforce the
20 requirements of this Section. The requirement that health
21 benefits be covered as provided in this is an exclusive power
22 and function of the State and is a denial and limitation under
23 Article VII, Section 6, subsection (h) of the Illinois
24 Constitution. A home rule municipality to which this Section
25 applies must comply with every provision of this Section.

1 Rulemaking authority to implement Public Act 95-1045, if
2 any, is conditioned on the rules being adopted in accordance
3 with all provisions of the Illinois Administrative Procedure
4 Act and all rules and procedures of the Joint Committee on
5 Administrative Rules; any purported rule not so adopted, for
6 whatever reason, is unauthorized.

7 (Source: P.A. 102-30, eff. 1-1-22; 102-103, eff. 1-1-22;
8 102-203, eff. 1-1-22; 102-306, eff. 1-1-22; 102-443, eff.
9 1-1-22; 102-642, eff. 1-1-22; 102-665, eff. 10-8-21; 102-731,
10 eff. 1-1-23; 102-804, eff. 1-1-23; 102-813, eff. 5-13-22;
11 102-816, eff. 1-1-23; 102-860, eff. 1-1-23; 102-1093, eff.
12 1-1-23; 102-1117, eff. 1-13-23; 103-84, eff. 1-1-24; 103-91,
13 eff. 1-1-24; 103-420, eff. 1-1-24; 103-445, eff. 1-1-24;
14 103-535, eff. 8-11-23; 103-551, eff. 8-11-23; revised
15 8-29-23.)

16 Section 20. The School Code is amended by changing Section
17 10-22.3f as follows:

18 (105 ILCS 5/10-22.3f)

19 Sec. 10-22.3f. Required health benefits. Insurance
20 protection and benefits for employees shall provide the
21 post-mastectomy care benefits required to be covered by a
22 policy of accident and health insurance under Section 356t and
23 the coverage required under Sections 356g, 356g.5, 356g.5-1,
24 356m, 356q, 356u, 356w, 356x, 356z.4, 356z.4a, 356z.6, 356z.8,

1 356z.9, 356z.11, 356z.12, 356z.13, 356z.14, 356z.15, 356z.22,
2 356z.25, 356z.26, 356z.29, 356z.30a, 356z.32, 356z.33,
3 356z.36, 356z.40, 356z.41, 356z.45, 356z.46, 356z.47, 356z.51,
4 356z.53, 356z.54, 356z.56, 356z.57, 356z.59, 356z.60, ~~and~~
5 356z.61, ~~and~~ 356z.62, 356z.64, 356z.67, 356z.68, 356z.70, and
6 356z.71 of the Illinois Insurance Code. Insurance policies
7 shall comply with Section 356z.19 of the Illinois Insurance
8 Code. The coverage shall comply with Sections 155.22a, 355b,
9 and 370c of the Illinois Insurance Code. The Department of
10 Insurance shall enforce the requirements of this Section.

11 Rulemaking authority to implement Public Act 95-1045, if
12 any, is conditioned on the rules being adopted in accordance
13 with all provisions of the Illinois Administrative Procedure
14 Act and all rules and procedures of the Joint Committee on
15 Administrative Rules; any purported rule not so adopted, for
16 whatever reason, is unauthorized.

17 (Source: P.A. 102-30, eff. 1-1-22; 102-103, eff. 1-1-22;
18 102-203, eff. 1-1-22; 102-306, eff. 1-1-22; 102-642, eff.
19 1-1-22; 102-665, eff. 10-8-21; 102-731, eff. 1-1-23; 102-804,
20 eff. 1-1-23; 102-813, eff. 5-13-22; 102-816, eff. 1-1-23;
21 102-860, eff. 1-1-23; 102-1093, eff. 1-1-23; 102-1117, eff.
22 1-13-23; 103-84, eff. 1-1-24; 103-91, eff. 1-1-24; 103-420,
23 eff. 1-1-24; 103-445, eff. 1-1-24; 103-535, eff. 8-11-23;
24 103-551, eff. 8-11-23; revised 8-29-23.)

25 Section 25. The Illinois Insurance Code is amended by

1 changing Sections 356m and 356z.32 and by adding Section
2 356z.71 as follows:

3 (215 ILCS 5/356m) (from Ch. 73, par. 968m)

4 Sec. 356m. Infertility coverage.

5 (a) No group policy of accident and health insurance
6 providing coverage for more than 25 employees that provides
7 pregnancy-related ~~pregnancy-related~~ benefits may be issued,
8 amended, delivered, or renewed in this State after January 1,
9 2016 and through December 31, 2025 ~~the effective date of this~~
10 ~~amendatory Act of the 99th General Assembly~~ unless the policy
11 contains coverage for the diagnosis and treatment of
12 infertility including, but not limited to, in vitro
13 fertilization, uterine embryo lavage, embryo transfer,
14 artificial insemination, gamete intrafallopian tube transfer,
15 zygote intrafallopian tube transfer, and low tubal ovum
16 transfer.

17 (a-5) No group policy of accident and health insurance
18 that provides pregnancy-related benefits may be issued,
19 amended, delivered, or renewed in this State on or after
20 January 1, 2026 unless the policy contains coverage for the
21 diagnosis and treatment of infertility, including, but not
22 limited to, in vitro fertilization, uterine embryo lavage,
23 embryo transfer, artificial insemination, gamete
24 intrafallopian tube transfer, zygote intrafallopian tube
25 transfer, surgical sperm extraction procedures, and low tubal

1 ovum transfer. The coverage required shall include procedures
2 necessary to screen or diagnose a fertilized egg before
3 implantation, including, but not limited to, preimplantation
4 genetic testing for aneuploidy, preimplantation genetic
5 testing for chromosome structural rearrangements, and
6 preimplantation genetic testing for monogenic or single gene
7 disorders. Coverage under this subsection for the diagnosis
8 and treatment of infertility shall be required only if the
9 procedures:

10 (1) are considered medically appropriate by the
11 patient's medical provider based on clinical guidelines or
12 standards developed by the American Society for
13 Reproductive Medicine, the American College of
14 Obstetricians and Gynecologists, or the Society for
15 Assisted Reproductive Technology; and

16 (2) are performed at medical facilities or clinics
17 that are members in good standing of the Society for
18 Assisted Reproductive Technology.

19 (b) The coverage required under subsection (a) for
20 procedures for in vitro fertilization, gamete intrafallopian
21 tube transfer, or zygote intrafallopian tube transfer shall be
22 required only if ~~is subject to the following conditions:~~

23 ~~(1) Coverage for procedures for in vitro~~
24 ~~fertilization, gamete intrafallopian tube transfer, or~~
25 ~~zygote intrafallopian tube transfer shall be required only~~
26 ~~if:~~

1 (1) ~~(A)~~ the covered individual has been unable to
2 attain a viable pregnancy, maintain a viable pregnancy, or
3 sustain a successful pregnancy through reasonable, less
4 costly medically appropriate infertility treatments for
5 which coverage is available under the policy, plan, or
6 contract;

7 (2) ~~(B)~~ the covered individual has not undergone 4
8 completed oocyte retrievals, except that if a live birth
9 follows a completed oocyte retrieval, then 2 more
10 completed oocyte retrievals shall be covered; and

11 (3) ~~(C)~~ the procedures are performed at medical
12 facilities that conform to the American College of
13 Obstetric and Gynecology guidelines for in vitro
14 fertilization clinics or to the American Fertility Society
15 minimal standards for programs of in vitro fertilization.

16 ~~(2) The procedures required to be covered under this~~
17 ~~Section are not required to be contained in any policy or~~
18 ~~plan issued to or by a religious institution or~~
19 ~~organization or to or by an entity sponsored by a~~
20 ~~religious institution or organization that finds the~~
21 ~~procedures required to be covered under this Section to~~
22 ~~violate its religious and moral teachings and beliefs.~~

23 (c) As used in this Section, "infertility" means a
24 disease, condition, or status characterized by:

25 (1) a failure to establish a pregnancy or to carry a
26 pregnancy to live birth after 12 months of regular,

1 unprotected sexual intercourse if the woman is 35 years of
2 age or younger, or after 6 months of regular, unprotected
3 sexual intercourse if the woman is over 35 years of age;
4 conceiving but having a miscarriage does not restart the
5 12-month or 6-month term for determining infertility;

6 (2) a person's inability to reproduce either as a
7 single individual or with a partner without medical
8 intervention; or

9 (3) a licensed physician's findings based on a
10 patient's medical, sexual, and reproductive history, age,
11 physical findings, or diagnostic testing.

12 (d) A policy, contract, or certificate may not impose any
13 exclusions, limitations, or other restrictions on coverage of
14 fertility medications that are different from those imposed on
15 any other prescription medications, nor may it impose any
16 exclusions, limitations, or other restrictions on coverage of
17 any fertility services based on a covered individual's
18 participation in fertility services provided by or to a third
19 party, nor may it impose deductibles, copayments, coinsurance,
20 benefit maximums, waiting periods, or any other limitations on
21 coverage for the diagnosis of infertility, treatment for
22 infertility, and standard fertility preservation services,
23 except as provided in this Section, that are different from
24 those imposed upon benefits for services not related to
25 infertility.

26 (e) The procedures required to be covered under this

1 Section are not required to be contained in any policy or plan
2 issued to or by a religious institution or organization or to
3 or by an entity sponsored by a religious institution or
4 organization that finds the procedures required to be covered
5 under this Section to violate its religious and moral
6 teachings and beliefs.

7 (Source: P.A. 102-170, eff. 1-1-22.)

8 (215 ILCS 5/356z.71 new)

9 Sec. 356z.71. Coverage for annual menopause health visit.
10 A group or individual policy of accident and health insurance
11 providing coverage for more than 25 employees that is amended,
12 delivered, issued, or renewed on or after January 1, 2026
13 shall provide, for individuals 45 years of age and older,
14 coverage for an annual menopause health visit. A policy
15 subject to this Section shall not impose a deductible,
16 coinsurance, copayment, or any other cost-sharing requirement
17 on the coverage provided; except that this Section does not
18 apply to this coverage to the extent such coverage would
19 disqualify a high-deductible health plan from eligibility for
20 a health savings account pursuant to Section 223 of the
21 Internal Revenue Code.

22 Section 30. The Health Maintenance Organization Act is
23 amended by changing Section 5-3 as follows:

1 (215 ILCS 125/5-3) (from Ch. 111 1/2, par. 1411.2)

2 Sec. 5-3. Insurance Code provisions.

3 (a) Health Maintenance Organizations shall be subject to
4 the provisions of Sections 133, 134, 136, 137, 139, 140,
5 141.1, 141.2, 141.3, 143, 143c, 147, 148, 149, 151, 152, 153,
6 154, 154.5, 154.6, 154.7, 154.8, 155.04, 155.22a, 155.49,
7 355.2, 355.3, 355b, 355c, 356f, 356g.5-1, 356m, 356q, 356v,
8 356w, 356x, 356z.2, 356z.3a, 356z.4, 356z.4a, 356z.5, 356z.6,
9 356z.8, 356z.9, 356z.10, 356z.11, 356z.12, 356z.13, 356z.14,
10 356z.15, 356z.17, 356z.18, 356z.19, 356z.20, 356z.21, 356z.22,
11 356z.23, 356z.24, 356z.25, 356z.26, 356z.28, 356z.29, 356z.30,
12 356z.30a, 356z.31, 356z.32, 356z.33, 356z.34, 356z.35,
13 356z.36, 356z.37, 356z.38, 356z.39, 356z.40, 356z.41, 356z.44,
14 356z.45, 356z.46, 356z.47, 356z.48, 356z.49, 356z.50, 356z.51,
15 356z.53, 356z.54, 356z.55, 356z.56, 356z.57, 356z.58, 356z.59,
16 356z.60, 356z.61, 356z.62, 356z.64, 356z.65, 356z.67, 356z.68,
17 356z.71, 364, 364.01, 364.3, 367.2, 367.2-5, 367i, 368a, 368b,
18 368c, 368d, 368e, 370c, 370c.1, 401, 401.1, 402, 403, 403A,
19 408, 408.2, 409, 412, 444, and 444.1, paragraph (c) of
20 subsection (2) of Section 367, and Articles IIA, VIII 1/2,
21 XII, XII 1/2, XIII, XIII 1/2, XXV, XXVI, and XXXIIB of the
22 Illinois Insurance Code.

23 (b) For purposes of the Illinois Insurance Code, except
24 for Sections 444 and 444.1 and Articles XIII and XIII 1/2,
25 Health Maintenance Organizations in the following categories
26 are deemed to be "domestic companies":

1 (1) a corporation authorized under the Dental Service
2 Plan Act or the Voluntary Health Services Plans Act;

3 (2) a corporation organized under the laws of this
4 State; or

5 (3) a corporation organized under the laws of another
6 state, 30% or more of the enrollees of which are residents
7 of this State, except a corporation subject to
8 substantially the same requirements in its state of
9 organization as is a "domestic company" under Article VIII
10 1/2 of the Illinois Insurance Code.

11 (c) In considering the merger, consolidation, or other
12 acquisition of control of a Health Maintenance Organization
13 pursuant to Article VIII 1/2 of the Illinois Insurance Code,

14 (1) the Director shall give primary consideration to
15 the continuation of benefits to enrollees and the
16 financial conditions of the acquired Health Maintenance
17 Organization after the merger, consolidation, or other
18 acquisition of control takes effect;

19 (2) (i) the criteria specified in subsection (1) (b) of
20 Section 131.8 of the Illinois Insurance Code shall not
21 apply and (ii) the Director, in making his determination
22 with respect to the merger, consolidation, or other
23 acquisition of control, need not take into account the
24 effect on competition of the merger, consolidation, or
25 other acquisition of control;

26 (3) the Director shall have the power to require the

1 following information:

2 (A) certification by an independent actuary of the
3 adequacy of the reserves of the Health Maintenance
4 Organization sought to be acquired;

5 (B) pro forma financial statements reflecting the
6 combined balance sheets of the acquiring company and
7 the Health Maintenance Organization sought to be
8 acquired as of the end of the preceding year and as of
9 a date 90 days prior to the acquisition, as well as pro
10 forma financial statements reflecting projected
11 combined operation for a period of 2 years;

12 (C) a pro forma business plan detailing an
13 acquiring party's plans with respect to the operation
14 of the Health Maintenance Organization sought to be
15 acquired for a period of not less than 3 years; and

16 (D) such other information as the Director shall
17 require.

18 (d) The provisions of Article VIII 1/2 of the Illinois
19 Insurance Code and this Section 5-3 shall apply to the sale by
20 any health maintenance organization of greater than 10% of its
21 enrollee population (including, without limitation, the health
22 maintenance organization's right, title, and interest in and
23 to its health care certificates).

24 (e) In considering any management contract or service
25 agreement subject to Section 141.1 of the Illinois Insurance
26 Code, the Director (i) shall, in addition to the criteria

1 specified in Section 141.2 of the Illinois Insurance Code,
2 take into account the effect of the management contract or
3 service agreement on the continuation of benefits to enrollees
4 and the financial condition of the health maintenance
5 organization to be managed or serviced, and (ii) need not take
6 into account the effect of the management contract or service
7 agreement on competition.

8 (f) Except for small employer groups as defined in the
9 Small Employer Rating, Renewability and Portability Health
10 Insurance Act and except for medicare supplement policies as
11 defined in Section 363 of the Illinois Insurance Code, a
12 Health Maintenance Organization may by contract agree with a
13 group or other enrollment unit to effect refunds or charge
14 additional premiums under the following terms and conditions:

15 (i) the amount of, and other terms and conditions with
16 respect to, the refund or additional premium are set forth
17 in the group or enrollment unit contract agreed in advance
18 of the period for which a refund is to be paid or
19 additional premium is to be charged (which period shall
20 not be less than one year); and

21 (ii) the amount of the refund or additional premium
22 shall not exceed 20% of the Health Maintenance
23 Organization's profitable or unprofitable experience with
24 respect to the group or other enrollment unit for the
25 period (and, for purposes of a refund or additional
26 premium, the profitable or unprofitable experience shall

1 be calculated taking into account a pro rata share of the
2 Health Maintenance Organization's administrative and
3 marketing expenses, but shall not include any refund to be
4 made or additional premium to be paid pursuant to this
5 subsection (f)). The Health Maintenance Organization and
6 the group or enrollment unit may agree that the profitable
7 or unprofitable experience may be calculated taking into
8 account the refund period and the immediately preceding 2
9 plan years.

10 The Health Maintenance Organization shall include a
11 statement in the evidence of coverage issued to each enrollee
12 describing the possibility of a refund or additional premium,
13 and upon request of any group or enrollment unit, provide to
14 the group or enrollment unit a description of the method used
15 to calculate (1) the Health Maintenance Organization's
16 profitable experience with respect to the group or enrollment
17 unit and the resulting refund to the group or enrollment unit
18 or (2) the Health Maintenance Organization's unprofitable
19 experience with respect to the group or enrollment unit and
20 the resulting additional premium to be paid by the group or
21 enrollment unit.

22 In no event shall the Illinois Health Maintenance
23 Organization Guaranty Association be liable to pay any
24 contractual obligation of an insolvent organization to pay any
25 refund authorized under this Section.

26 (g) Rulemaking authority to implement Public Act 95-1045,

1 if any, is conditioned on the rules being adopted in
2 accordance with all provisions of the Illinois Administrative
3 Procedure Act and all rules and procedures of the Joint
4 Committee on Administrative Rules; any purported rule not so
5 adopted, for whatever reason, is unauthorized.

6 (Source: P.A. 102-30, eff. 1-1-22; 102-34, eff. 6-25-21;
7 102-203, eff. 1-1-22; 102-306, eff. 1-1-22; 102-443, eff.
8 1-1-22; 102-589, eff. 1-1-22; 102-642, eff. 1-1-22; 102-665,
9 eff. 10-8-21; 102-731, eff. 1-1-23; 102-775, eff. 5-13-22;
10 102-804, eff. 1-1-23; 102-813, eff. 5-13-22; 102-816, eff.
11 1-1-23; 102-860, eff. 1-1-23; 102-901, eff. 7-1-22; 102-1093,
12 eff. 1-1-23; 102-1117, eff. 1-13-23; 103-84, eff. 1-1-24;
13 103-91, eff. 1-1-24; 103-123, eff. 1-1-24; 103-154, eff.
14 6-30-23; 103-420, eff. 1-1-24; 103-426, eff. 8-4-23; 103-445,
15 eff. 1-1-24; 103-551, eff. 8-11-23; revised 8-29-23.)

16 Section 35. The Limited Health Service Organization Act is
17 amended by changing Section 4003 as follows:

18 (215 ILCS 130/4003) (from Ch. 73, par. 1504-3)

19 Sec. 4003. Illinois Insurance Code provisions. Limited
20 health service organizations shall be subject to the
21 provisions of Sections 133, 134, 136, 137, 139, 140, 141.1,
22 141.2, 141.3, 143, 143c, 147, 148, 149, 151, 152, 153, 154,
23 154.5, 154.6, 154.7, 154.8, 155.04, 155.37, 155.49, 355.2,
24 355.3, 355b, 356m, 356q, 356v, 356z.4, 356z.4a, 356z.10,

1 356z.21, 356z.22, 356z.25, 356z.26, 356z.29, 356z.30a,
2 356z.32, 356z.33, 356z.41, 356z.46, 356z.47, 356z.51, 356z.53,
3 356z.54, 356z.57, 356z.59, 356z.61, 356z.64, 356z.67, 356z.68,
4 356z.71, 364.3, 368a, 401, 401.1, 402, 403, 403A, 408, 408.2,
5 409, 412, 444, and 444.1 and Articles IIA, VIII 1/2, XII, XII
6 1/2, XIII, XIII 1/2, XXV, and XXVI of the Illinois Insurance
7 Code. Nothing in this Section shall require a limited health
8 care plan to cover any service that is not a limited health
9 service. For purposes of the Illinois Insurance Code, except
10 for Sections 444 and 444.1 and Articles XIII and XIII 1/2,
11 limited health service organizations in the following
12 categories are deemed to be domestic companies:

13 (1) a corporation under the laws of this State; or

14 (2) a corporation organized under the laws of another
15 state, 30% or more of the enrollees of which are residents
16 of this State, except a corporation subject to
17 substantially the same requirements in its state of
18 organization as is a domestic company under Article VIII
19 1/2 of the Illinois Insurance Code.

20 (Source: P.A. 102-30, eff. 1-1-22; 102-203, eff. 1-1-22;
21 102-306, eff. 1-1-22; 102-642, eff. 1-1-22; 102-731, eff.
22 1-1-23; 102-775, eff. 5-13-22; 102-813, eff. 5-13-22; 102-816,
23 eff. 1-1-23; 102-860, eff. 1-1-23; 102-1093, eff. 1-1-23;
24 102-1117, eff. 1-13-23; 103-84, eff. 1-1-24; 103-91, eff.
25 1-1-24; 103-420, eff. 1-1-24; 103-426, eff. 8-4-23; 103-445,
26 eff. 1-1-24; revised 8-29-23.)

1 Section 40. The Voluntary Health Services Plans Act is
2 amended by changing Section 10 as follows:

3 (215 ILCS 165/10) (from Ch. 32, par. 604)

4 Sec. 10. Application of Insurance Code provisions. Health
5 services plan corporations and all persons interested therein
6 or dealing therewith shall be subject to the provisions of
7 Articles IIA and XII 1/2 and Sections 3.1, 133, 136, 139, 140,
8 143, 143c, 149, 155.22a, 155.37, 354, 355.2, 355.3, 355b,
9 356g, 356g.5, 356g.5-1, 356m, 356q, 356r, 356t, 356u, 356v,
10 356w, 356x, 356y, 356z.1, 356z.2, 356z.3a, 356z.4, 356z.4a,
11 356z.5, 356z.6, 356z.8, 356z.9, 356z.10, 356z.11, 356z.12,
12 356z.13, 356z.14, 356z.15, 356z.18, 356z.19, 356z.21, 356z.22,
13 356z.25, 356z.26, 356z.29, 356z.30, 356z.30a, 356z.32,
14 356z.32a, 356z.33, 356z.40, 356z.41, 356z.46, 356z.47,
15 356z.51, 356z.53, 356z.54, 356z.56, 356z.57, 356z.59, 356z.60,
16 356z.61, 356z.62, 356z.64, 356z.67, 356z.68, 356z.71, 364.01,
17 364.3, 367.2, 368a, 401, 401.1, 402, 403, 403A, 408, 408.2,
18 and 412, and paragraphs (7) and (15) of Section 367 of the
19 Illinois Insurance Code.

20 Rulemaking authority to implement Public Act 95-1045, if
21 any, is conditioned on the rules being adopted in accordance
22 with all provisions of the Illinois Administrative Procedure
23 Act and all rules and procedures of the Joint Committee on
24 Administrative Rules; any purported rule not so adopted, for

1 whatever reason, is unauthorized.

2 (Source: P.A. 102-30, eff. 1-1-22; 102-203, eff. 1-1-22;
3 102-306, eff. 1-1-22; 102-642, eff. 1-1-22; 102-665, eff.
4 10-8-21; 102-731, eff. 1-1-23; 102-775, eff. 5-13-22; 102-804,
5 eff. 1-1-23; 102-813, eff. 5-13-22; 102-816, eff. 1-1-23;
6 102-860, eff. 1-1-23; 102-901, eff. 7-1-22; 102-1093, eff.
7 1-1-23; 102-1117, eff. 1-13-23; 103-84, eff. 1-1-24; 103-91,
8 eff. 1-1-24; 103-420, eff. 1-1-24; 103-445, eff. 1-1-24;
9 103-551, eff. 8-11-23; revised 8-29-23.)

10 Section 99. Effective date. This Act takes effect upon
11 becoming law.