



Sen. Cristina Castro

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1 AMENDMENT TO SENATE BILL 773

2 AMENDMENT NO. _____. Amend Senate Bill 773 by replacing
3 everything after the enacting clause with the following:

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

7 (5 ILCS 375/6.11)

8 Sec. 6.11. Required health benefits; Illinois Insurance
9 Code requirements. The program of health benefits shall
10 provide the post-mastectomy care benefits required to be
11 covered by a policy of accident and health insurance under
12 Section 356t of the Illinois Insurance Code. The program of
13 health benefits shall provide the coverage required under
14 Sections 356g, 356g.5, 356g.5-1, 356m, 356q, 356u, 356w, 356x,
15 356z.2, 356z.4, 356z.4a, 356z.6, 356z.8, 356z.9, 356z.10,
16 356z.11, 356z.12, 356z.13, 356z.14, 356z.15, 356z.17, 356z.22,

1 356z.25, 356z.26, 356z.29, 356z.30a, 356z.32, 356z.33,
2 356z.36, 356z.40, 356z.41, 356z.45, 356z.46, 356z.47, 356z.51,
3 356z.53, 356z.54, 356z.55, 356z.56, 356z.57, 356z.59, 356z.60,
4 ~~and 356z.61, and 356z.62,~~ 356z.64, 356z.67, 356z.68, 356z.70,
5 and 356z.71 of the Illinois Insurance Code. The program of
6 health benefits must comply with Sections 155.22a, 155.37,
7 355b, 356z.19, 370c, and 370c.1 and Article XXXIIB of the
8 Illinois Insurance Code. The program of health benefits shall
9 provide the coverage required under Section 356m of the
10 Illinois Insurance Code and, for the employees of the State
11 Employee Group Insurance Program only, the coverage as also
12 provided in Section 6.11B of this Act. The Department of
13 Insurance shall enforce the requirements of this Section with
14 respect to Sections 370c and 370c.1 of the Illinois Insurance
15 Code; all other requirements of this Section shall be enforced
16 by the Department of Central Management Services.

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

23 (Source: P.A. 102-30, eff. 1-1-22; 102-103, eff. 1-1-22;
24 102-203, eff. 1-1-22; 102-306, eff. 1-1-22; 102-642, eff.
25 1-1-22; 102-665, eff. 10-8-21; 102-731, eff. 1-1-23; 102-768,
26 eff. 1-1-24; 102-804, eff. 1-1-23; 102-813, eff. 5-13-22;

1 102-816, eff. 1-1-23; 102-860, eff. 1-1-23; 102-1093, eff.
2 1-1-23; 102-1117, eff. 1-13-23; 103-8, eff. 1-1-24; 103-84,
3 eff. 1-1-24; 103-91, eff. 1-1-24; 103-420, eff. 1-1-24;
4 103-445, eff. 1-1-24; 103-535, eff. 8-11-23; 103-551, eff.
5 8-11-23; revised 8-29-23.)

6 (5 ILCS 375/6.11B)

7 Sec. 6.11B. Infertility coverage.

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

19 (b) Beginning on January 1, 2024, coverage under this
20 Section for procedures for in vitro fertilization, gamete
21 intrafallopian tube transfer, or zygote intrafallopian tube
22 transfer shall be required only if the procedures:

23 (1) are considered medically appropriate based on
24 clinical guidelines or standards developed by the American
25 Society for Reproductive Medicine, the American College of

1 Obstetricians and Gynecologists, or the Society for
2 Assisted Reproductive Technology; and

3 (2) are performed at medical facilities or clinics
4 that conform to the American College of Obstetricians and
5 Gynecologists guidelines for in vitro fertilization or the
6 American Society for Reproductive Medicine minimum
7 standards for practices offering assisted reproductive
8 technologies.

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

11 (1) a failure to establish a pregnancy or to carry a
12 pregnancy to live birth after 12 months of regular,
13 unprotected sexual intercourse if the woman is 35 years of
14 age or younger, or after 6 months of regular, unprotected
15 sexual intercourse if the woman is over 35 years of age;
16 conceiving but having a miscarriage does not restart the
17 12-month or 6-month term for determining infertility;

18 (2) a person's inability to reproduce either as a
19 single individual or with a partner without medical
20 intervention; or

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

24 (d) The State Employees Group Insurance Program may not
25 impose any exclusions, limitations, or other restrictions on
26 coverage of fertility medications that are different from

1 those imposed on any other prescription medications, nor may
2 it impose any exclusions, limitations, or other restrictions
3 on coverage of any fertility services based on a covered
4 individual's participation in fertility services provided by
5 or to a third party, nor may it impose deductibles,
6 copayments, coinsurance, benefit maximums, waiting periods, or
7 any other limitations on coverage for the diagnosis of
8 infertility, treatment for infertility, and standard fertility
9 preservation services, except as provided in this Section,
10 that are different from those imposed upon benefits for
11 services not related to infertility.

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

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

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

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

18 (55 ILCS 5/5-1069.3)

19 Sec. 5-1069.3. Required health benefits. If a county,
20 including a home rule county, is a self-insurer for purposes
21 of providing health insurance coverage for its employees, the
22 coverage shall include coverage for the post-mastectomy care
23 benefits required to be covered by a policy of accident and
24 health insurance under Section 356t and the coverage required

1 under Sections 356g, 356g.5, 356g.5-1, 356m, 356q, 356u, 356w,
2 356x, 356z.4, 356z.4a, 356z.6, 356z.8, 356z.9, 356z.10,
3 356z.11, 356z.12, 356z.13, 356z.14, 356z.15, 356z.22, 356z.25,
4 356z.26, 356z.29, 356z.30a, 356z.32, 356z.33, 356z.36,
5 356z.40, 356z.41, 356z.45, 356z.46, 356z.47, 356z.48, 356z.51,
6 356z.53, 356z.54, 356z.56, 356z.57, 356z.59, 356z.60, ~~and~~
7 356z.61, ~~and~~ 356z.62, 356z.64, 356z.67, 356z.68, 356z.70, and
8 356z.71 of the Illinois Insurance Code. The coverage shall
9 comply with Sections 155.22a, 355b, 356z.19, and 370c of the
10 Illinois Insurance Code. The Department of Insurance shall
11 enforce the requirements of this Section. The requirement that
12 health benefits be covered as provided in this Section is an
13 exclusive power and function of the State and is a denial and
14 limitation under Article VII, Section 6, subsection (h) of the
15 Illinois Constitution. A home rule county to which this
16 Section applies must comply with every provision of this
17 Section.

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

24 (Source: P.A. 102-30, eff. 1-1-22; 102-103, eff. 1-1-22;
25 102-203, eff. 1-1-22; 102-306, eff. 1-1-22; 102-443, eff.
26 1-1-22; 102-642, eff. 1-1-22; 102-665, eff. 10-8-21; 102-731,

1 eff. 1-1-23; 102-804, eff. 1-1-23; 102-813, eff. 5-13-22;
2 102-816, eff. 1-1-23; 102-860, eff. 1-1-23; 102-1093, eff.
3 1-1-23; 102-1117, eff. 1-13-23; 103-84, eff. 1-1-24; 103-91,
4 eff. 1-1-24; 103-420, eff. 1-1-24; 103-445, eff. 1-1-24;
5 103-535, eff. 8-11-23; 103-551, eff. 8-11-23; revised
6 8-29-23.)

7 Section 15. The Illinois Municipal Code is amended by
8 changing Section 10-4-2.3 as follows:

9 (65 ILCS 5/10-4-2.3)

10 Sec. 10-4-2.3. Required health benefits. If a
11 municipality, including a home rule municipality, is a
12 self-insurer for purposes of providing health insurance
13 coverage for its employees, the coverage shall include
14 coverage for the post-mastectomy care benefits required to be
15 covered by a policy of accident and health insurance under
16 Section 356t and the coverage required under Sections 356g,
17 356g.5, 356g.5-1, 356m, 356q, 356u, 356w, 356x, 356z.4,
18 356z.4a, 356z.6, 356z.8, 356z.9, 356z.10, 356z.11, 356z.12,
19 356z.13, 356z.14, 356z.15, 356z.22, 356z.25, 356z.26, 356z.29,
20 356z.30a, 356z.32, 356z.33, 356z.36, 356z.40, 356z.41,
21 356z.45, 356z.46, 356z.47, 356z.48, 356z.51, 356z.53, 356z.54,
22 356z.56, 356z.57, 356z.59, 356z.60, ~~and~~ 356z.61, ~~and~~ 356z.62, and
23 356z.64, 356z.67, 356z.68, 356z.70, and 356z.71 of the
24 Illinois Insurance Code. The coverage shall comply with

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

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; 102-443, eff.
17 1-1-22; 102-642, eff. 1-1-22; 102-665, eff. 10-8-21; 102-731,
18 eff. 1-1-23; 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; 103-84, eff. 1-1-24; 103-91,
21 eff. 1-1-24; 103-420, eff. 1-1-24; 103-445, eff. 1-1-24;
22 103-535, eff. 8-11-23; 103-551, eff. 8-11-23; revised
23 8-29-23.)

24 Section 20. The School Code is amended by changing Section
25 10-22.3f as follows:

1 (105 ILCS 5/10-22.3f)

2 Sec. 10-22.3f. Required health benefits. Insurance
3 protection and benefits for employees shall provide the
4 post-mastectomy care benefits required to be covered by a
5 policy of accident and health insurance under Section 356t and
6 the coverage required under Sections 356g, 356g.5, 356g.5-1,
7 356m, 356q, 356u, 356w, 356x, 356z.4, 356z.4a, 356z.6, 356z.8,
8 356z.9, 356z.11, 356z.12, 356z.13, 356z.14, 356z.15, 356z.22,
9 356z.25, 356z.26, 356z.29, 356z.30a, 356z.32, 356z.33,
10 356z.36, 356z.40, 356z.41, 356z.45, 356z.46, 356z.47, 356z.51,
11 356z.53, 356z.54, 356z.56, 356z.57, 356z.59, 356z.60, ~~and~~
12 356z.61, ~~and~~ 356z.62, 356z.64, 356z.67, 356z.68, 356z.70, and
13 356z.71 of the Illinois Insurance Code. Insurance policies
14 shall comply with Section 356z.19 of the Illinois Insurance
15 Code. The coverage shall comply with Sections 155.22a, 355b,
16 and 370c of the Illinois Insurance Code. The Department of
17 Insurance shall enforce the requirements of this Section.

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

24 (Source: P.A. 102-30, eff. 1-1-22; 102-103, eff. 1-1-22;
25 102-203, eff. 1-1-22; 102-306, eff. 1-1-22; 102-642, eff.

1 1-1-22; 102-665, eff. 10-8-21; 102-731, eff. 1-1-23; 102-804,
2 eff. 1-1-23; 102-813, eff. 5-13-22; 102-816, eff. 1-1-23;
3 102-860, eff. 1-1-23; 102-1093, eff. 1-1-23; 102-1117, eff.
4 1-13-23; 103-84, eff. 1-1-24; 103-91, eff. 1-1-24; 103-420,
5 eff. 1-1-24; 103-445, eff. 1-1-24; 103-535, eff. 8-11-23;
6 103-551, eff. 8-11-23; revised 8-29-23.)

7 Section 25. The Illinois Insurance Code is amended by
8 changing Sections 356m and 356z.32 and by adding Section
9 356z.71 as follows:

10 (215 ILCS 5/356m) (from Ch. 73, par. 968m)

11 Sec. 356m. Infertility coverage.

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

24 (a-5) No group policy of accident and health insurance

1 that provides pregnancy-related benefits may be issued,
2 amended, delivered, or renewed in this State on or after
3 January 1, 2026 unless the policy contains coverage for the
4 diagnosis and treatment of infertility, including, but not
5 limited to, in vitro fertilization, uterine embryo lavage,
6 embryo transfer, artificial insemination, gamete
7 intrafallopian tube transfer, zygote intrafallopian tube
8 transfer, surgical sperm extraction procedures, and low tubal
9 ovum transfer. The coverage required shall include procedures
10 necessary to screen or diagnose a fertilized egg before
11 implantation, including, but not limited to, preimplantation
12 genetic testing for aneuploidy, preimplantation genetic
13 testing for chromosome structural rearrangements, and
14 preimplantation genetic testing for monogenic or single gene
15 disorders. Coverage under this subsection for the diagnosis
16 and treatment of infertility shall be required only if the
17 procedures:

18 (1) are considered medically appropriate by the
19 patient's medical provider based on clinical guidelines or
20 standards developed by the American Society for
21 Reproductive Medicine, the American College of
22 Obstetricians and Gynecologists, or the Society for
23 Assisted Reproductive Technology; and

24 (2) are performed at medical facilities or clinics
25 that are members in good standing of the Society for
26 Assisted Reproductive Technology.

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

5 ~~(1) Coverage for procedures for in vitro~~
6 ~~fertilization, gamete intrafallopian tube transfer, or~~
7 ~~zygote intrafallopian tube transfer shall be required only~~
8 ~~if:~~

9 (1) ~~(A)~~ the covered individual has been unable to
10 attain a viable pregnancy, maintain a viable pregnancy, or
11 sustain a successful pregnancy through reasonable, less
12 costly medically appropriate infertility treatments for
13 which coverage is available under the policy, plan, or
14 contract;

15 (2) ~~(B)~~ the covered individual has not undergone 4
16 completed oocyte retrievals, except that if a live birth
17 follows a completed oocyte retrieval, then 2 more
18 completed oocyte retrievals shall be covered; and

19 (3) ~~(C)~~ the procedures are performed at medical
20 facilities that conform to the American College of
21 Obstetric and Gynecology guidelines for in vitro
22 fertilization clinics or to the American Fertility Society
23 minimal standards for programs of in vitro fertilization.

24 ~~(2) The procedures required to be covered under this~~
25 ~~Section are not required to be contained in any policy or~~
26 ~~plan issued to or by a religious institution or~~

1 ~~organization or to or by an entity sponsored by a~~
2 ~~religious institution or organization that finds the~~
3 ~~procedures required to be covered under this Section to~~
4 ~~violate its religious and moral teachings and beliefs.~~

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

7 (1) a failure to establish a pregnancy or to carry a
8 pregnancy to live birth after 12 months of regular,
9 unprotected sexual intercourse if the woman is 35 years of
10 age or younger, or after 6 months of regular, unprotected
11 sexual intercourse if the woman is over 35 years of age;
12 conceiving but having a miscarriage does not restart the
13 12-month or 6-month term for determining infertility;

14 (2) a person's inability to reproduce either as a
15 single individual or with a partner without medical
16 intervention; or

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

20 (d) A policy, contract, or certificate may not impose any
21 exclusions, limitations, or other restrictions on coverage of
22 fertility medications that are different from those imposed on
23 any other prescription medications, nor may it impose any
24 exclusions, limitations, or other restrictions on coverage of
25 any fertility services based on a covered individual's
26 participation in fertility services provided by or to a third

1 party, nor may it impose deductibles, copayments, coinsurance,
2 benefit maximums, waiting periods, or any other limitations on
3 coverage for the diagnosis of infertility, treatment for
4 infertility, and standard fertility preservation services,
5 except as provided in this Section, that are different from
6 those imposed upon benefits for services not related to
7 infertility.

8 (e) The procedures required to be covered under this
9 Section are not required to be contained in any policy or plan
10 issued to or by a religious institution or organization or to
11 or by an entity sponsored by a religious institution or
12 organization that finds the procedures required to be covered
13 under this Section to violate its religious and moral
14 teachings and beliefs.

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

16 (215 ILCS 5/356z.71 new)

17 Sec. 356z.71. Coverage for annual menopause health visit.
18 A group or individual policy of accident and health insurance
19 providing coverage for more than 25 employees that is amended,
20 delivered, issued, or renewed on or after January 1, 2026
21 shall provide, for individuals 45 years of age and older,
22 coverage for an annual menopause health visit. A policy
23 subject to this Section shall not impose a deductible,
24 coinsurance, copayment, or any other cost-sharing requirement
25 on the coverage provided; except that this Section does not

1 apply to this coverage to the extent such coverage would
2 disqualify a high-deductible health plan from eligibility for
3 a health savings account pursuant to Section 223 of the
4 Internal Revenue Code.

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

7 (215 ILCS 125/5-3) (from Ch. 111 1/2, par. 1411.2)

8 Sec. 5-3. Insurance Code provisions.

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

1 408, 408.2, 409, 412, 444, and 444.1, paragraph (c) of
2 subsection (2) of Section 367, and Articles IIA, VIII 1/2,
3 XII, XII 1/2, XIII, XIII 1/2, XXV, XXVI, and XXXIIB of the
4 Illinois Insurance Code.

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

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

11 (2) a corporation organized under the laws of this
12 State; or

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

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

22 (1) the Director shall give primary consideration to
23 the continuation of benefits to enrollees and the
24 financial conditions of the acquired Health Maintenance
25 Organization after the merger, consolidation, or other
26 acquisition of control takes effect;

1 (2) (i) the criteria specified in subsection (1) (b) of
2 Section 131.8 of the Illinois Insurance Code shall not
3 apply and (ii) the Director, in making his determination
4 with respect to the merger, consolidation, or other
5 acquisition of control, need not take into account the
6 effect on competition of the merger, consolidation, or
7 other acquisition of control;

8 (3) the Director shall have the power to require the
9 following information:

10 (A) certification by an independent actuary of the
11 adequacy of the reserves of the Health Maintenance
12 Organization sought to be acquired;

13 (B) pro forma financial statements reflecting the
14 combined balance sheets of the acquiring company and
15 the Health Maintenance Organization sought to be
16 acquired as of the end of the preceding year and as of
17 a date 90 days prior to the acquisition, as well as pro
18 forma financial statements reflecting projected
19 combined operation for a period of 2 years;

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

24 (D) such other information as the Director shall
25 require.

26 (d) The provisions of Article VIII 1/2 of the Illinois

1 Insurance Code and this Section 5-3 shall apply to the sale by
2 any health maintenance organization of greater than 10% of its
3 enrollee population (including, without limitation, the health
4 maintenance organization's right, title, and interest in and
5 to its health care certificates).

6 (e) In considering any management contract or service
7 agreement subject to Section 141.1 of the Illinois Insurance
8 Code, the Director (i) shall, in addition to the criteria
9 specified in Section 141.2 of the Illinois Insurance Code,
10 take into account the effect of the management contract or
11 service agreement on the continuation of benefits to enrollees
12 and the financial condition of the health maintenance
13 organization to be managed or serviced, and (ii) need not take
14 into account the effect of the management contract or service
15 agreement on competition.

16 (f) Except for small employer groups as defined in the
17 Small Employer Rating, Renewability and Portability Health
18 Insurance Act and except for medicare supplement policies as
19 defined in Section 363 of the Illinois Insurance Code, a
20 Health Maintenance Organization may by contract agree with a
21 group or other enrollment unit to effect refunds or charge
22 additional premiums under the following terms and conditions:

23 (i) the amount of, and other terms and conditions with
24 respect to, the refund or additional premium are set forth
25 in the group or enrollment unit contract agreed in advance
26 of the period for which a refund is to be paid or

1 additional premium is to be charged (which period shall
2 not be less than one year); and

3 (ii) the amount of the refund or additional premium
4 shall not exceed 20% of the Health Maintenance
5 Organization's profitable or unprofitable experience with
6 respect to the group or other enrollment unit for the
7 period (and, for purposes of a refund or additional
8 premium, the profitable or unprofitable experience shall
9 be calculated taking into account a pro rata share of the
10 Health Maintenance Organization's administrative and
11 marketing expenses, but shall not include any refund to be
12 made or additional premium to be paid pursuant to this
13 subsection (f)). The Health Maintenance Organization and
14 the group or enrollment unit may agree that the profitable
15 or unprofitable experience may be calculated taking into
16 account the refund period and the immediately preceding 2
17 plan years.

18 The Health Maintenance Organization shall include a
19 statement in the evidence of coverage issued to each enrollee
20 describing the possibility of a refund or additional premium,
21 and upon request of any group or enrollment unit, provide to
22 the group or enrollment unit a description of the method used
23 to calculate (1) the Health Maintenance Organization's
24 profitable experience with respect to the group or enrollment
25 unit and the resulting refund to the group or enrollment unit
26 or (2) the Health Maintenance Organization's unprofitable

1 experience with respect to the group or enrollment unit and
2 the resulting additional premium to be paid by the group or
3 enrollment unit.

4 In no event shall the Illinois Health Maintenance
5 Organization Guaranty Association be liable to pay any
6 contractual obligation of an insolvent organization to pay any
7 refund authorized under this Section.

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

14 (Source: P.A. 102-30, eff. 1-1-22; 102-34, eff. 6-25-21;
15 102-203, eff. 1-1-22; 102-306, eff. 1-1-22; 102-443, eff.
16 1-1-22; 102-589, eff. 1-1-22; 102-642, eff. 1-1-22; 102-665,
17 eff. 10-8-21; 102-731, eff. 1-1-23; 102-775, eff. 5-13-22;
18 102-804, eff. 1-1-23; 102-813, eff. 5-13-22; 102-816, eff.
19 1-1-23; 102-860, eff. 1-1-23; 102-901, eff. 7-1-22; 102-1093,
20 eff. 1-1-23; 102-1117, eff. 1-13-23; 103-84, eff. 1-1-24;
21 103-91, eff. 1-1-24; 103-123, eff. 1-1-24; 103-154, eff.
22 6-30-23; 103-420, eff. 1-1-24; 103-426, eff. 8-4-23; 103-445,
23 eff. 1-1-24; 103-551, eff. 8-11-23; revised 8-29-23.)

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

1 (215 ILCS 130/4003) (from Ch. 73, par. 1504-3)

2 Sec. 4003. Illinois Insurance Code provisions. Limited
3 health service organizations shall be subject to the
4 provisions of Sections 133, 134, 136, 137, 139, 140, 141.1,
5 141.2, 141.3, 143, 143c, 147, 148, 149, 151, 152, 153, 154,
6 154.5, 154.6, 154.7, 154.8, 155.04, 155.37, 155.49, 355.2,
7 355.3, 355b, 356m, 356q, 356v, 356z.4, 356z.4a, 356z.10,
8 356z.21, 356z.22, 356z.25, 356z.26, 356z.29, 356z.30a,
9 356z.32, 356z.33, 356z.41, 356z.46, 356z.47, 356z.51, 356z.53,
10 356z.54, 356z.57, 356z.59, 356z.61, 356z.64, 356z.67, 356z.68,
11 356z.71, 364.3, 368a, 401, 401.1, 402, 403, 403A, 408, 408.2,
12 409, 412, 444, and 444.1 and Articles IIA, VIII 1/2, XII, XII
13 1/2, XIII, XIII 1/2, XXV, and XXVI of the Illinois Insurance
14 Code. Nothing in this Section shall require a limited health
15 care plan to cover any service that is not a limited health
16 service. For purposes of the Illinois Insurance Code, except
17 for Sections 444 and 444.1 and Articles XIII and XIII 1/2,
18 limited health service organizations in the following
19 categories are deemed to be domestic companies:

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

21 (2) a corporation organized under the laws of another
22 state, 30% or more of the enrollees of which are residents
23 of this State, except a corporation subject to
24 substantially the same requirements in its state of
25 organization as is a domestic company under Article VIII

1 1/2 of the Illinois Insurance Code.
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; 102-731, eff.
4 1-1-23; 102-775, eff. 5-13-22; 102-813, eff. 5-13-22; 102-816,
5 eff. 1-1-23; 102-860, eff. 1-1-23; 102-1093, eff. 1-1-23;
6 102-1117, eff. 1-13-23; 103-84, eff. 1-1-24; 103-91, eff.
7 1-1-24; 103-420, eff. 1-1-24; 103-426, eff. 8-4-23; 103-445,
8 eff. 1-1-24; revised 8-29-23.)

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

11 (215 ILCS 165/10) (from Ch. 32, par. 604)
12 Sec. 10. Application of Insurance Code provisions. Health
13 services plan corporations and all persons interested therein
14 or dealing therewith shall be subject to the provisions of
15 Articles IIA and XII 1/2 and Sections 3.1, 133, 136, 139, 140,
16 143, 143c, 149, 155.22a, 155.37, 354, 355.2, 355.3, 355b,
17 356g, 356g.5, 356g.5-1, 356m, 356q, 356r, 356t, 356u, 356v,
18 356w, 356x, 356y, 356z.1, 356z.2, 356z.3a, 356z.4, 356z.4a,
19 356z.5, 356z.6, 356z.8, 356z.9, 356z.10, 356z.11, 356z.12,
20 356z.13, 356z.14, 356z.15, 356z.18, 356z.19, 356z.21, 356z.22,
21 356z.25, 356z.26, 356z.29, 356z.30, 356z.30a, 356z.32,
22 356z.32a, 356z.33, 356z.40, 356z.41, 356z.46, 356z.47,
23 356z.51, 356z.53, 356z.54, 356z.56, 356z.57, 356z.59, 356z.60,
24 356z.61, 356z.62, 356z.64, 356z.67, 356z.68, 356z.71, 364.01,

1 364.3, 367.2, 368a, 401, 401.1, 402, 403, 403A, 408, 408.2,
2 and 412, and paragraphs (7) and (15) of Section 367 of the
3 Illinois Insurance Code.

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

10 (Source: P.A. 102-30, eff. 1-1-22; 102-203, eff. 1-1-22;
11 102-306, eff. 1-1-22; 102-642, eff. 1-1-22; 102-665, eff.
12 10-8-21; 102-731, eff. 1-1-23; 102-775, eff. 5-13-22; 102-804,
13 eff. 1-1-23; 102-813, eff. 5-13-22; 102-816, eff. 1-1-23;
14 102-860, eff. 1-1-23; 102-901, eff. 7-1-22; 102-1093, eff.
15 1-1-23; 102-1117, eff. 1-13-23; 103-84, eff. 1-1-24; 103-91,
16 eff. 1-1-24; 103-420, eff. 1-1-24; 103-445, eff. 1-1-24;
17 103-551, eff. 8-11-23; revised 8-29-23.)

18 Section 99. Effective date. This Act takes effect upon
19 becoming law."