Sen. Karina Villa

Filed: 10/28/2025

1 AMENDMENT TO HOUSE BILL 1085

2 AMENDMENT NO. ______. Amend House Bill 1085, AS AMENDED,
3 by replacing everything after the enacting clause with the
4 following:

5 "Section 5. The Counties Code is amended by changing
6 Section 5-1069.3 as follows:

7 (55 ILCS 5/5-1069.3)
8 Sec. 5-1069.3. Required health benefits. If a county,
9 including a home rule county, is a self-insurer for purposes
10 of providing health insurance coverage for its employees, the
11 coverage shall include coverage for the post-mastectomy care
12 benefits required to be covered by a policy of accident and
13 health insurance under Section 356t and the coverage required
14 under Sections 356g, 356g.5, 356g.5-1, 356m, 356q, 356u,
15 356u.10, 356w, 356x, 356z.4, 356z.4a, 356z.6, 356z.8, 356z.9,
16 356z.10, 356z.11, 356z.12, 356z.13, 356z.14, 356z.15, 356z.22,

356z.25, 356z.26, 356z.29, 356z.30, 356z.32, 356z.33, 356z.36, 356z.40, 356z.41, 356z.45, 356z.46, 356z.47, 356z.48, 356z.51, 356z.53, 356z.54, 356z.56, 356z.57, 356z.59, 356z.60, 356z.61, 356z.62, 356z.64, 356z.67, 356z.68, ~~and~~ 356z.70, ~~and~~ 356z.71, 356z.74, and 356z.77 of the Illinois Insurance Code. The coverage shall comply with Sections 155.22a, 355b, 356z.19, ~~and~~ 370c, and 370c.4 of the Illinois Insurance Code. The Department of Insurance shall enforce the requirements of this Section. The requirement that health benefits be covered as provided in this Section is an exclusive power and function of the State and is a denial and limitation under Article VII, Section 6, subsection (h) of the Illinois Constitution. A home rule county to which this Section applies must comply with every provision of this Section.

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

(Source: P.A. 102-30, eff. 1-1-22; 102-103, eff. 1-1-22; 102-203, eff. 1-1-22; 102-306, eff. 1-1-22; 102-443, eff. 1-1-22; 102-642, eff. 1-1-22; 102-665, eff. 10-8-21; 102-731, eff. 1-1-23; 102-804, eff. 1-1-23; 102-813, eff. 5-13-22; 102-816, eff. 1-1-23; 102-860, eff. 1-1-23; 102-1093, eff. 1-1-23; 102-1117, eff. 1-13-23; 103-84, eff. 1-1-24; 103-91,

eff. 1-1-24; 103-420, eff. 1-1-24; 103-445, eff. 1-1-24; 103-535, eff. 8-11-23; 103-551, eff. 8-11-23; 103-605, eff. 7-1-24; 103-718, eff. 7-19-24; 103-751, eff. 8-2-24; 103-914, eff. 1-1-25; 103-918, eff. 1-1-25; 103-1024, eff. 1-1-25; revised 11-26-24.)

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

(65 ILCS 5/10-4-2.3)

Sec. 10-4-2.3. Required health benefits. If a municipality, including a home rule municipality, is a self-insurer for purposes of providing health insurance coverage for its employees, the coverage shall include coverage for the post-mastectomy care benefits required to be covered by a policy of accident and health insurance under Section 356t and the coverage required under Sections 356g, 356g.5, 356g.5-1, 356m, 356q, 356u, 356u.10, 356w, 356x, 356z.4, 356z.4a, 356z.6, 356z.8, 356z.9, 356z.10, 356z.11, 356z.12, 356z.13, 356z.14, 356z.15, 356z.22, 356z.25, 356z.26, 356z.29, 356z.30, 356z.32, 356z.33, 356z.36, 356z.40, 356z.41, 356z.45, 356z.46, 356z.47, 356z.48, 356z.51, 356z.53, 356z.54, 356z.56, 356z.57, 356z.59, 356z.60, 356z.61, 356z.62, 356z.64, 356z.67, 356z.68, ~~and~~ 356z.70, ~~and~~ 356z.71, 356z.74, and 356z.77 of the Illinois Insurance Code. The coverage shall comply with Sections 155.22a, 355b, 356z.19, ~~and~~ 370c, and

1 370c.4 of the Illinois Insurance Code. The Department of
2 Insurance shall enforce the requirements of this Section. The
3 requirement that health benefits be covered as provided in
4 this is an exclusive power and function of the State and is a
5 denial and limitation under Article VII, Section 6, subsection
6 (h) of the Illinois Constitution. A home rule municipality to
7 which this Section applies must comply with every provision of
8 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; 103-605, eff.
23 7-1-24; 103-718, eff. 7-19-24; 103-751, eff. 8-2-24; 103-914,
24 eff. 1-1-25; 103-918, eff. 1-1-25; 103-1024, eff. 1-1-25;
25 revised 11-26-24.)

Section 15. The School Code is amended by changing Section 10-22.3f as follows:

(105 ILCS 5/10-22.3f)

Sec. 10-22.3f. Required health benefits. Insurance protection and benefits for employees shall provide the post-mastectomy care benefits required to be covered by a policy of accident and health insurance under Section 356t and the coverage required under Sections 356g, 356g.5, 356g.5-1, 356m, 356q, 356u, 356u.10, 356w, 356x, 356z.4, 356z.4a, 356z.6, 356z.8, 356z.9, 356z.11, 356z.12, 356z.13, 356z.14, 356z.15, 356z.22, 356z.25, 356z.26, 356z.29, 356z.30, 356z.32, 356z.33, 356z.36, 356z.40, 356z.41, 356z.45, 356z.46, 356z.47, 356z.51, 356z.53, 356z.54, 356z.56, 356z.57, 356z.59, 356z.60, 356z.61, 356z.62, 356z.64, 356z.67, 356z.68, ~~and~~ 356z.70, ~~and~~ 356z.71, 356z.74, and 356z.77 of the Illinois Insurance Code. Insurance policies shall comply with Section 356z.19 of the Illinois Insurance Code. The coverage shall comply with Sections 155.22a, 355b, ~~and~~ 370c, and 370c.4 of the Illinois Insurance Code. The Department of Insurance shall enforce the requirements of this Section.

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

whatever reason, is unauthorized.
(Source: P.A. 102-30, eff. 1-1-22; 102-103, eff. 1-1-22; 102-203, eff. 1-1-22; 102-306, eff. 1-1-22; 102-642, eff. 1-1-22; 102-665, eff. 10-8-21; 102-731, eff. 1-1-23; 102-804, eff. 1-1-23; 102-813, eff. 5-13-22; 102-816, eff. 1-1-23; 102-860, eff. 1-1-23; 102-1093, eff. 1-1-23; 102-1117, eff. 1-13-23; 103-84, eff. 1-1-24; 103-91, eff. 1-1-24; 103-420, eff. 1-1-24; 103-445, eff. 1-1-24; 103-535, eff. 8-11-23; 103-551, eff. 8-11-23; 103-605, eff. 7-1-24; 103-718, eff. 7-19-24; 103-751, eff. 8-2-24; 103-914, eff. 1-1-25; 103-918, eff. 1-1-25; 103-1024, eff. 1-1-25; revised 11-26-24.)

Section 20. The Illinois Insurance Code is amended by adding Section 370c.4 as follows:

(215 ILCS 5/370c.4 new)

Sec. 370c.4. Mental health and substance use parity.

(a) In this Section:

"Application" means a person's or facility's application to become a participating provider with an insurer in at least one of the insurer's provider networks.

"Applying provider" means a provider or facility that has submitted a completed application to become a participating provider or facility with an insurer.

"Behavioral health trainee" means any person: (1) engaged in the provision of mental health or substance use disorder

1 clinical services as part of that person's supervised course
2 of study while enrolled in a master's or doctoral psychology,
3 social work, counseling, or marriage or family therapy program
4 or as a postdoctoral graduate working toward licensure; and
5 (2) who is working toward clinical State licensure under the
6 clinical supervision of a fully licensed mental health or
7 substance use disorder treatment provider.
8 "Completed application" means a person's or facility's
9 application to become a participating provider that has been
10 submitted to the insurer and includes all the required
11 information for the application to be considered by the
12 insurer according to the insurer's policies and procedures for
13 verifying a provider's or facility's credentials.
14 "Contracting process" means the process by which a mental
15 health or substance use disorder treatment provider or
16 facility makes a completed application with an insurer to
17 become a participating provider with the insurer until the
18 effective date of a final contract between the provider or
19 facility and the insurer. "Contracting process" includes the
20 process of verifying a provider's credentials.
21 "Participating provider" means any mental health or
22 substance use disorder treatment provider that has a contract
23 to provide mental health or substance use disorder services
24 with an insurer.
25 (b) Consistent with the principles of the federal Mental
26 Health Parity and Addiction Equity Act of 2008, and for the

1 purposes of strengthening network adequacy for mental health
2 and substance use disorder services and lowering
3 out-of-network utilization, provider reimbursement rates
4 subject to this Section shall comply with the reimbursement
5 rate floors for all in-network mental health and substance use
6 disorder services, including inpatient services, outpatient
7 services, office visits, and residential care, delivered by
8 Illinois providers and facilities using the Illinois data in
9 the Research Triangle Institute International's study,
10 Behavioral Health Parity - Pervasive Disparities in Access to
11 In-Network Care Continue, Mark, T.L., & Parish, W. (April
12 2024). The reimbursement rate floors for in-network mental
13 health and substance use disorder services requires that
14 reimbursement for each service, classified by Healthcare
15 Common Procedure Coding System (HCPCS) codes, Current
16 Procedural Terminology (CPT) codes, Ambulatory Payment
17 Classifications (APC), Enhanced Ambulatory Patient Groups
18 (EAPG), Medicare Severity Diagnosis Related Groups (MS-DRG),
19 All Patient Refined Diagnosis Related Groups (APR-DRG), and
20 base payment rates with adjusters and applicable outliers must
21 be equal to or greater than the dollar amounts applicable
22 under this subsection on the date of service for the
23 geographic location. The reimbursement rate floor for each
24 Healthcare Common Procedure Coding System (HCPCS) code,
25 Current Procedural Terminology (CPT) code, Ambulatory Payment
26 Classification (APC), Enhanced Ambulatory Patient Group

1 (EAPG), Medicare Severity Diagnosis Related Group (MS-DRG),
2 All Patient Refined Diagnosis Related Group (APR-DRG), and
3 base payment rate with adjusters and applicable outliers shall
4 apply to all group or individual policies of accident and
5 health insurance or managed care plans that are amended,
6 delivered, issued, or renewed on or after January 1, 2027, or
7 any contracted third party administering the behavioral health
8 benefits for the insurer.

9 (1) Except as otherwise provided in this subsection,
10 the reimbursement rate floor for each Healthcare Common
11 Procedure Coding System (HCPCS) code, Current Procedural
12 Terminology (CPT) code, Ambulatory Payment Classification
13 (APC), Enhanced Ambulatory Patient Group (EAPG), Medicare
14 Severity Diagnosis Related Group (MS-DRG), All Patient
15 Refined Diagnosis Related Group (APR-DRG), and base
16 payment rate with adjusters and applicable outliers for a
17 mental health or substance use disorder service shall be
18 equal to the following dollar amount:

19 (A)(i) the average reimbursement percentage for
20 Illinois All Medical/Surgical Clinicians, as listed on
21 the first line of Appendix C-13, page C-52 of the
22 Research Triangle Institute International study, plus;

23 (ii) half of the difference between the
24 average reimbursement percentage and the
25 percentage at the 75th percentile for Illinois All
26 Medical/Surgical Clinicians, as listed in the

first line in Appendix C-13, page C-52, multiplied by;

(B) the same source of the benchmark rate that was used to calculate the percentages in items (i) and (ii) of subparagraph (A), using the updated benchmark rate for medical/surgical clinicians for the same Healthcare Common Procedure Coding System (HCPCS) or Current Procedural Terminology (CPT) code in effect on the date of service for the geographic location, except that:

(i) the source of the benchmark rate for a hospital inpatient service shall follow the formula set out by the same federal health care program for the acute inpatient operating prospective payment system in effect on the date of service for the geographic location using all applicable adjusters and outliers; and

(ii) the source of the benchmark rate for a hospital outpatient service shall follow the formula set out by the same federal health care program for the hospital outpatient services prospective payment system in effect on the date of service for the geographic location using all applicable adjusters and outliers.

Calculation of the benchmark rate shall adhere to the methodologies used in the Research Triangle

1 Institution International study using comparable
2 benefits within the same classification.
3 (2) If the rate benchmark set by this subsection is
4 tied to a federal health care program, a rate floor dollar
5 amount shall take effect on the date the federal health
6 care program's benchmark rate takes effect. However, for
7 any year that the benchmark rate decreases for any
8 Healthcare Common Procedure Coding System (HCPCS) code,
9 Current Procedural Terminology (CPT) code, Ambulatory
10 Payment Classification (APC), Enhanced Ambulatory Patient
11 Group (EAPG), Medicare Severity Diagnosis Related Group
12 (MS-DRG), All Patient Refined Diagnosis Related Group
13 (APR-DRG), and base payment rate with adjusters and
14 applicable outliers, the reimbursement rate floor for the
15 purposes of this Section shall remain at the level it was
16 the previous year. Notwithstanding any other provision of
17 this Section, all rate floor dollar amounts in effect on
18 January 1, 2027 shall be equal to the amount described in
19 paragraph (1). The Department has the authority to enforce
20 and monitor the reimbursement rate floor set pursuant to
21 this Section.
22 (c) A group or individual policy of accident and health
23 insurance or managed care plan that is amended, delivered,
24 issued, or renewed on or after January 1, 2027, or any
25 contracted third party administering the behavioral health
26 benefits for the insurer, shall cover all medically necessary

1 mental health or substance use disorder services received by
2 the same insured on the same day from the same or different
3 mental health or substance use provider or facility for both
4 outpatient and inpatient care.
5 (d) A group or individual policy of accident and health
6 insurance or managed care plan that is amended, delivered,
7 issued, or renewed on or after January 1, 2027, or any
8 contracted third party administering the behavioral health
9 benefits for the insurer, shall cover any medically necessary
10 mental health or substance use disorder service provided by a
11 behavioral health trainee when the trainee is working toward
12 clinical State licensure and is under the supervision of a
13 fully licensed mental health or substance use disorder
14 treatment provider who is a physician licensed to practice
15 medicine in all its branches, licensed clinical psychologist,
16 licensed clinical social worker, licensed clinical
17 professional counselor, licensed marriage and family
18 therapist, licensed speech-language pathologist, or other
19 licensed or certified professional at a program licensed
20 pursuant to the Substance Use Disorder Act who is engaged in
21 treating mental, emotional, nervous, or substance use
22 disorders or conditions. Services provided by the trainee must
23 be billed under the supervising clinician's rendering National
24 Provider Identifier.
25 (e) A group or individual policy of accident and health
26 insurance or managed care plan that is amended, delivered,

1 issued, or renewed on or after January 1, 2027, or any
2 contracted third party administering the behavioral health
3 benefits for the insurer, shall:
4 (1) cover medically necessary 60-minute psychotherapy
5 billed using the Current Procedural Terminology Code 90837
6 for Individual Therapy;
7 (2) not impose more onerous documentation requirements
8 on the provider than is required for other psychotherapy
9 Current Procedural Terminology (CPT) codes; and
10 (3) not audit the use of Current Procedural
11 Terminology Code 90837 any more frequently than audits for
12 the use of other psychotherapy Current Procedural
13 Terminology (CPT) codes.
14 (f)(1) Any group or individual policy of accident and
15 health insurance or managed care plan that is amended,
16 delivered, issued, or renewed on or after January 1, 2027, or
17 any contracted third party administering the behavioral health
18 benefits for the insurer, shall complete the contracting
19 process with a mental health or substance use disorder
20 treatment provider or facility for becoming a participating
21 provider in the insurer's network, including the verification
22 of the provider's credentials, within 60 days from the date of
23 a completed application to the insurer to become a
24 participating provider. Nothing in this paragraph (1),
25 however, presumes or establishes a contract between an insurer
26 and a provider.

1 (2) Any group or individual policy of accident and health
2 insurance or managed care plan that is amended, delivered,
3 issued, or renewed on or after January 1, 2027, or any
4 contracted third party administering the behavioral health
5 benefits for the insurer, shall reimburse a participating
6 mental health or substance use disorder treatment provider or
7 facility at the contracted reimbursement rate for any
8 medically necessary services provided to an insured from the
9 date of submission of the provider's or facility's completed
10 application to become a participating provider with the
11 insurer up to the effective date of the provider's contract.
12 The provider's claims for such services shall be reimbursed
13 only when submitted after the effective date of the provider's
14 contract with the insurer. This paragraph (2) does not apply
15 to a provider that does not have a completed contract with an
16 insurer. If a provider opts to submit claims for medically
17 necessary mental health or substance use disorder services
18 pursuant to this paragraph (2), the provider must notify the
19 insured following submission of the claims to the insurer that
20 the services provided to the insured may be treated as
21 in-network services.

22 (3) Any group or individual policy of accident and health
23 insurance or managed care plan that is amended, delivered,
24 issued, or renewed on or after January 1, 2027, or any
25 contracted third party administering the behavioral health
26 benefits for the insurer, shall cover any medically necessary

1 mental health or substance use disorder service provided by a
2 fully licensed mental health or substance use disorder
3 treatment provider affiliated with a mental health or
4 substance use disorder treatment group practice who has
5 submitted a completed application to become a participating
6 provider with an insurer who is delivering services under the
7 supervision of another fully licensed participating mental
8 health or substance use disorder treatment provider within the
9 same group practice up to the effective date of the applying
10 provider's contract with the insurer as a participating
11 provider. Services provided by the applying provider must be
12 billed under the supervising licensed provider's rendering
13 National Provider Identifier.
14 (4) Upon request, an insurer, or any contracted third
15 party administering the behavioral health benefits for the
16 insurer, shall provide an applying provider with the insurer's
17 credentialing policies and procedures. An insurer, or any
18 contracted third party administering the behavioral health
19 benefits for the insurer, shall post the following
20 nonproprietary information on its website and make that
21 information available to all applicants:
22 (A) a list of the information required to be included
23 in an application;
24 (B) a checklist of the materials that must be
25 submitted in the credentialing process; and
26 (C) designated contact information of a network

1 representative, including a designated point of contact,
2 an email address, and a telephone number, to which an
3 applicant may address any credentialing inquiries.
4 (g) The Department has the same authority to enforce this
5 Section as it has to enforce compliance with Sections 370c and
6 370c.1. Additionally, if the Department determines that an
7 insurer or any contracted third party administering the
8 behavioral health benefits for the insurer has violated this
9 Section, the Department shall, after appropriate notice and
10 opportunity for hearing in accordance with Section 402, by
11 order assess a civil penalty of $1,000 for each violation. The
12 Department shall establish any processes or procedures
13 necessary to monitor compliance with this Section.
14 (h) At the end of 2 years, 7 years, and 12 years following
15 the implementation of subsection (b) of this Section, the
16 Department shall review the impact of this Section on network
17 adequacy for mental health and substance use disorder
18 treatment and access to affordable mental health and substance
19 use care. By no later than December 31, 2030, December 31,
20 2035, and December 31, 2040, the Department shall submit a
21 report in each of those years to the General Assembly that
22 includes its analyses and findings. For the purpose of
23 evaluating trends in network adequacy, the Department is
24 granted the authority to examine out-of-network utilization
25 and out-of-pocket costs for insureds for mental health and
26 substance use disorder treatment and services for all plans to

compare with in-network utilization for purposes of evaluating access to care. The Department shall conduct an analysis of the impact, if any, of the reimbursement rate floor for mental health and substance use disorder services on health insurance premiums across the State-regulated health insurance markets, taking into consideration the need to expand network adequacy to improve access to care.

(i) The Department of Insurance shall adopt any rules necessary to implement this Section by no later than September 1, 2026.

(j) This Section does not apply to a health care plan serving Medicaid populations that provides, arranges for, pays for, or reimburses the cost of any health care service for persons who are enrolled under the Illinois Public Aid Code or under the Children's Health Insurance Program Act.

Section 99. Effective date. This Act takes effect June 1, 2026.".