

May 26, 2021

**ILLINOIS HEALTH AND HOSPITAL ASSOCIATION  
STATE ADVOCACY UPDATE**

**SUBJECT: Agreement Reached on Groundbreaking Telehealth Legislation**

IHA is pleased to report that an agreement has been reached on groundbreaking telehealth legislation, which was filed late Tuesday as [House Bill 3308, Senate Committee Amendment 1](#). This legislation will help move Illinois into the 21<sup>st</sup> century by enhancing and codifying coverage and payment parity for state-regulated commercial insurance and ensuring strong patient and provider protections. Until now Illinois has had some of the nation's most onerous telehealth restrictions. The legislation, once enacted, ensures that Illinoisans will continue to have access to innovative telehealth services after the COVID-19 pandemic ends. The legislation will be heard in the Senate Insurance Committee on Thursday, May 27 at 9:30 a.m.

**ACTION REQUESTED:** Contact your state Senator NOW and urge them to vote Yes on House Bill 3308/Senate Committee Amendment 1. To look up the contact information for your Senator, [click here](#), go to the "Find Officials" section, and fill in your local address information. To send an email message to your Senator, [click here](#).

As part of the Coalition to Protect Telehealth, comprised of 36 leading healthcare and patient advocacy organizations, IHA coordinated the negotiations leading to HB3308/SA1 in an intense series of meetings and discussions with legislators, the insurance industry and other stakeholders. The Coalition was able to achieve key concessions, defeating proposals to exclude physical health services from the coverage and reimbursement mandates, impose a one-year sunset on the reimbursement parity provisions, and use of narrow telehealth networks comprised of out-of-state providers. Together with our members and Coalition partners, IHA held the line and prevented these harmful provisions from being included in the bill, achieving the Coalition's key [principles](#) in the final legislation.

**Commercial Insurance Provisions**

- *Reimbursement Parity:* Insurers must reimburse in-network healthcare professionals and facilities, including those in tiered networks, on the same basis, in the same manner, and at the same reimbursement rate that would apply to in-person services.
- *The Reimbursement Mandate:*
  - Applies to those telehealth services that meet the same criteria required to bill in-person care.
  - Does not preclude insurers and providers from voluntarily negotiating alternate reimbursement rates for telehealth services, as long as any agreed upon rates account for ongoing provider investments in telehealth platforms;
  - Includes a 5-year sunset clause (mental health and substance use disorder telehealth services are excluded from the sunset); and

- Requires the Department of Insurance and the Department of Public Health to commission an in-state medical college to carry out a study on the efficacy of the coverage and reimbursement parity mandates before the sunset date.
- *Coverage Mandate:* Insurers must cover clinically appropriate, medically necessary telehealth services (real-time audio or audio/video interactions), e-visits (patient portal communications) and virtual check-ins (5-10-minute “live” conversations to prevent an in-person visit) in the same manner as any other benefits covered under the policy.
- *Patient and Provider Protections:* Existing patient and provider protections in the Illinois Insurance Code for telehealth services were clarified and broadened. Specifically, insurers are prohibited from:
  - Requiring in-person contact to occur between a healthcare professional and a patient prior to the provision of a telehealth service;
  - Requiring patients or providers to demonstrate or document a hardship or access barrier to an in-person consultation;
  - Requiring use of telehealth services when a patient’s provider has determined it is not appropriate or when a patient chooses an in-person care;
  - Requiring a healthcare professional to be physically present in the same room as a patient receiving the telehealth service, unless deemed medically necessary by the professional delivering the service;
  - Creating geographic or facility restrictions for telehealth services;
  - Requiring patients to use a separate panel of health care professionals or facilities for telehealth services;
  - Imposing utilization review requirements that are unnecessary, duplicative or unwarranted, or imposing treatment limitations, prior authorization, documentation, or recordkeeping requirements that are more stringent than those for in-person services; and
  - Imposing deductibles, copayments/co-insurance, or any other cost-sharing that exceed those required for in-person services.

### Medicaid Provisions

The Department of Healthcare and Family Services(HFS) has committed to the continuation of existing Medicaid telehealth coverage and reimbursement requirements for the Medicaid fee-for-service and managed care programs after the COVID-19 public health emergency ends, as permitted by [\*89 Ill. Adm. Code 140.403\(e\)\*](#). HFS also committed to meeting with IHA and other stakeholders to consider whether any Medicaid coverage or reimbursement provisions should be codified in state statute.

IHA especially thanks and commends our members and the *Coalition to Protect Telehealth* for their outstanding support of and response to this critical issue, which helped pave the way for the agreement on House Bill 3308/Senate Amendment 1. IHA members and the Coalition filed thousands of witness slips, emailed thousands of messages to their legislators, made numerous

phone calls and engaged in many personal conversations urging their Representatives and Senators to support and co-sponsor meaningful telehealth legislation.

For additional information, contact IHA.