

Gov. Pritzker Highlights Health Insurance Reform Initiatives

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SPRINGFIELD — Today, Governor JB Pritzker joined doctors, patients, stakeholders, and legislators to highlight efforts to reform predatory health insurance practices and protect patients. The Healthcare Protection Act (HPA), first introduced in the governor’s [FY25 Budget Address](#) in late February, aims to put power back into the hands of patients by banning step therapy, banning prior authorization for crisis mental health care, improving network adequacy, and ending unchecked rate increases for large group insurance companies.

“Illinoisans who are suffering should not have to jump over hurdle after hurdle to get the care they need to survive,” said Governor JB Pritzker. “The only people who should be making decisions about patient care are doctors and patients themselves — not an

insurance employee with no medical background. Thank you to my partners in the general assembly who are fighting with me towards healthcare reform, and with it, and saving lives across Illinois.”

"People seeking medical care should not have to worry that the best course of treatment determined by their trusted doctor will be denied by an insurance agent who has never met them," said Lt. Governor Juliana Stratton. "Insurance companies are supposed to ease the burden of accessing healthcare, not create further obstacles. Here in Illinois, we are done with predatory practices and insurance overreach."

HPA is targeting utilization management, which often forces consumers to obtain permission from their providers before receiving care that doctors have already determined necessary. This boosts profits for insurance companies and creates barriers to care for patients and their doctors. Utilization management also includes a practice called “step therapy,” which forces patients to move through less effective treatment options before eventually gaining access to the treatment that doctors recommended initially.

HPA will ban “step therapy” processes in Illinois, and require insurance companies to align definitions of medical necessity to match that of doctors.

HPA also addresses prior authorization. Illinois will soon become the first state in the nation to ban prior authorization for in-patient adult and children’s mental health care. This way, those experiencing crises have access to care immediately to ensure safety for themselves and others, without having to gain permission from insurance providers.

Additionally, HPA will mandate all insurance companies post treatments that require prior authorization, making it easier for consumers to compare plans when shopping for coverage. Short Term Limited Duration insurance plans, or “junk insurance,” will also be prohibited, as twelve other states have already done. These insurance plans are not ideal for consumers because they do not have to comply with ACA key provisions such as coverage for preexisting conditions.

“The Department of Insurance will not allow health insurers to impose barriers to care and coverage for Illinois consumers,” said IDOI Director Dana Popish Severinghaus. “The Healthcare Protection Act not only prohibits practices that limit Illinoisans access to coverage for their health care needs, but it further strengthens our regulatory authority to assess robust penalties and fines for health insurance companies that do not comply with the law. As the state’s regulator of insurance companies, we will continue to protect Illinois insurance consumers and demand that they receive the coverage they pay for and deserve.”

“The Department of Healthcare and Family Services supports efforts to hold insurers accountable for making sure customers have efficient health care access, and providing transparency about their authorization practices to ensure administrative burdens aren’t being used to impede access to care,” said HFS Director Elizabeth Whitehorn. “Patients and providers should be deciding together what services and treatments are best, in order to improve an individual’s health outcomes. These are principles HFS works to uphold as we provide Medicaid coverage for millions of Illinoisans.”

The second part of the Healthcare Protection Act calls for improved network adequacy and transparency standards. Insurance companies will be held to stricter standards when updating their in-network care directories to reflect actual availability- indicating whether or not doctors and specialists are able to accept new patients, and removing those who are not in-network any longer or are no longer practicing.

In June 2023, Governor Pritzker [signed HB 579](#), which ended unfair rate hikes in the fully-insured individual and small group insurance market. The final HPA initiative focuses on eliminating unchecked rate increases in fully-insured large group insurance carriers as well.

“Too many people have fallen victim to predatory health care practices. Our current standards and approaches need to change,” said State Senator Robert Peters (D-Chicago). “Everyone, no matter who they are or where they live, deserves access to safe and effective care across all aspects of their health, maternal and mental health included.”

"The Healthcare Protection Act (HPA) includes common sense changes that will put patients and their doctors back in charge of their health care, not insurance companies," said Rep. Anna Moeller (D-Elgin). "It also provides reasonable controls on the cost of insurance and protection from junk plans that don't cover basic treatments. I applaud the Governor for his leadership on this critical issue and I look forward to working with my House and Senate colleagues and dedicated advocates to ensure consumers have better and more affordable healthcare in Illinois."

"Ascension Illinois is one of the largest providers of behavioral health services in the state," said Clay Ciha, President and CEO of Ascension Alexian Brothers Behavioral Health Hospital. "Our hospitals provide care to the most vulnerable members of the communities we are privileged to serve. Being able to provide uninterrupted inpatient behavioral health services, without restrictive prior and concurrent authorizations as provided in HB 5395, will allow us to more effectively address behavioral health needs in the right setting and at the right time."

“We applaud Governor Pritzker, Representative Moeller, and Senator Peters for leading the effort to make healthcare coverage more accessible and affordable for the people of Illinois,” said Stephanie Altman, Director of Healthcare Justice and Senior Director of Policy at the Shriver Center on Poverty Law. “This bill will make real changes that help the people we represent by lowering costs, getting rid of “junk” insurance plans, reducing health disparities, and increasing health equity.”

“For far too long, insurers have used unnecessarily complex and inconsistent prior authorization processes to deny and delay necessary healthcare to patients in Illinois,” said A.J. Wilhelmi, President and CEO of Illinois Health and Hospital Association (IHA). “These burdensome practices are a top challenge for hospitals in delivering timely and appropriate healthcare. IHA and the hospital community are pleased to support Governor Pritzker’s prior authorization reforms to eliminate barriers to healthcare and streamline access to patient care in Illinois.”