



# Illinois Department of Insurance

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JB PRITZKER  
Governor

ROBERT H. MURIEL  
Director

## MEMORANDUM

**TO: All Issuers of Health Insurance Coverage and Travel Insurance**

**FROM: Robert H. Muriel, Director of Insurance**

**DATE: March 2, 2020**

**RE: Company Bulletin 2020-2**

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**Re: Insurance Coverage for Coronavirus COVID 19**

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In the midst of the ongoing COVID 19 outbreak, the Illinois Department of Insurance (Department) is issuing this bulletin in recognition of the critical role that health insurance coverage plays in the public's actual and perceived access to and affordability of health care services. This bulletin does not apply to excepted benefit policies or short-term, limited-duration health insurance coverage.

### **Balance Billing and Surprise Bills**

Members of the public may seek a variety of forms of health care in connection with COVID 19, including physician office visits, laboratory testing, urgent care services, and emergency services, among others. The federal Centers for Disease Control and Prevention (CDC) and the Illinois Department of Public Health (IDPH) have agreed to bear the cost of the lab test for the presence of COVID 19. However, it is possible that hospitals will still charge their own fees for collecting the specimens, which then could be billed to the patient or to the patient's health insurance issuer. The federal government also may stop covering the cost of CDC lab test at some point. Press coverage of the outbreak has revealed uncertainty for the moment about who will bear the costs arising from quarantines imposed upon individuals returning from overseas, including the hospital stay and ambulance transportation.

Given this uncertainty, it bears a reminder that Section 356z.3a of the Illinois Insurance Code requires health insurance issuers to impose no greater cost-sharing on an enrollee than their coverage provides at the in-network level when the enrollee receives care from certain specialists at participating network hospital or participating ambulatory surgical center, even if the specialists themselves are not participating providers. This requirement does not apply if the enrollee has willfully chosen a non-participating provider specialist when a participating provider was available. These specializations include radiology, anesthesiology, pathology, emergency physicians, and neonatology, some of which

could be called upon to address testing or treatment in connection with COVID 19. The enrollee must be held harmless from any of these providers' charges that exceed the applicable cost-sharing for an in-network provider, regardless of whether the issuer and provider have agreed upon the overall charges.

Additionally, emergency services for an emergency medical condition must be covered at the in-network level regardless of which provider performs the services. 215 ILCS 5/370o, 124/10(b)(7), and 134/65. Emergency services include transportation services, such as ambulance services, as well as inpatient and outpatient hospital services from a qualified provider that are needed to evaluate or stabilize the patient. Many individuals who have contracted COVID 19 are only mildly ill and do not have an emergency medical condition that triggers this consumer protection, but exceptional circumstances may arise.

### **Barriers from Cost-Sharing**

Individuals enrolled in health insurance coverage with a high deductible could be reluctant to seek testing or treatment because of the anticipated cost. The Department encourages health insurance issuers to consider all feasible and prudent options to reduce the barriers of cost-sharing for testing and treatment of COVID 19 during the outbreak.

### **Prescription Drug Supply**

The CDC and American Red Cross have general guidance for disaster preparedness that households should maintain at least a 30-day supply of any prescription drugs used by household members. In the event that individuals are subject to quarantine at home for COVID 19, they could be reliant on their existing supplies. To the extent consistent with clinical guidelines, and in a manner prudently calculated to ensure an enrollee's ability to maintain a 30-day supply at home during the outbreak, the Department encourages issuers to cover enrollees for prescription drug refills even when the enrollee has not yet reached their scheduled refill date, provided that the prescription itself would remain valid beyond the refill date. This recommendation does not apply to prescription drugs with a high likelihood of abuse, such as opioids that are restricted to 7-day prescriptions.

In the same vein, the Department encourages issuers to consider allowing enrollees the temporary use of out-of-network pharmacies at the in-network benefit level of coverage in the event a shortage of medications occurs at network pharmacies.

Health insurance issuers are also reminded that Illinois law requires that any form of third-party payments for prescription drugs, such as drug manufacturers' coupons or financial assistance from not-for-profit or government organizations, be counted toward a policy's applicable cost-sharing limitations, including any copay, coinsurance, deductible, or out-of-pocket maximum. 215 ILCS 5/155.36 and 134/30(d).

### **Denial or Termination of Coverage**

Section 356z.27 of the Illinois Insurance Code prohibits individual or group accident and health insurance from imposing any pre-existing condition exclusions, including in connection with COVID 19. Federal law and state regulations provide protections against preexisting condition exclusions in health insurance coverage, as well. 42 U.S.C. 300gg-3; 50 Ill. Adm. Code 2001.5.

A health insurance issuer may not cancel or nonrenew coverage based on an enrollee's receipt of, or attempt to obtain, treatment or testing for COVID 19. An issuer also may not deny enrollment in new coverage based on testing for or treatment of COVID 19. *See* 50 Ill. Adm. Code 2001.4.

### **Travel Insurance**

Unless a travel insurance policy contains an exception applicable to COVID 19, a policy of travel insurance that covers the risks sickness, accident, or death incident to travel presumptively must cover such risks relating to COVID 19. The extent of coverage for health care services, including emergency transportation within a foreign country, as well as the costs of returning to the United States for further treatment, may depend on the terms and conditions of the policy.

### **Public Education**

Issuers have an opportunity to magnify public health education efforts to relay guidance about mitigating the risk for contracting or spreading COVID 19 and to explain options available for covered health care services. Informative communications received from an issuer could reassure enrollees that medically necessary testing and treatment will be covered, and thereby reduce the risk of the virus spreading untracked and untreated. The Department encourages informative engagement with enrollees subject to the guidance of public health officials.