**Section 2051.220 Definitions**

"Act" means the Health Care Reimbursement Reform Act of 1985 [215 ILCS 5/Art. XX½].

"Administrator", "Preferred Provider Program Administrator" or "PPP Administrator" means any person, partnership or corporation, other than a risk-bearing entity that arranges, contracts with, or administers contracts with a provider under which insureds or beneficiaries are provided an incentive to use the services of the provider. Administrator also includes any person, partnership or corporation, other than a risk-bearing entity, that enters into a contract with another administrator to enroll beneficiaries or insureds in a preferred provider program marketed as an independently identifiable program based on marketing materials or member benefit identification cards. For the purposes of this Part, an employer shall be considered an administrator.

"Administrator Trust Fund" or "ATF" means a special fiduciary account established and maintained by an administrator pursuant to Section 370*l* of the Act in which contributions and/or premiums are deposited.

"Advertisement" means any printed or published material, audiovisual material and descriptive literature of the administrator, discounted health care services plan administrator, or private label marketer used in direct mail, newspapers, magazines, radio scripts, television scripts, billboards and similar displays; and any descriptive literature or sales aids of all kinds disseminated by a representative of the administrator, discounted health care services plan administrator, or private label marketer for presentation to the public, including, but not limited to, circulars, leaflets, booklets, depictions, illustrations, form letters and prepared sales presentations.

"Affiliate" means a person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the persons specified.

"Beneficiary" means an individual, enrollee, insured, participant or any other person entitled to reimbursement for covered expenses of, or the discounting of provider fees for, health care services under a program in which the beneficiary has an incentive to utilize the services of a provider that has entered into an agreement or arrangement with an administrator pursuant to Section 370g(f) of the Act. Beneficiary, for the purposes of a workers' compensation preferred provider program (WC PPP), shall also include covered employees.

"Code" means the Illinois Insurance Code [215 ILCS 5].

"Control", "controlling", "controlled by" and "under common control with" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, the holding of policyholders' proxies, by contract other than a commercial contract for goods or non-management services, or otherwise, unless the power is solely the result of an official position with or corporate office held by the person. Control is presumed to exist if any person, directly or indirectly, owns, controls, holds with the power to vote, or holds shareholders' proxies representing 10% or more of the voting securities of any other person, or holds or controls sufficient policyholders' proxies to elect the majority of the board of directors of the domestic company. This presumption may be rebutted by a showing made to the Director.

"Covered Employee" means an employee or former employee whose employer has established or contracted for an approved WC PPP for the provision of health care services to injured employees in accordance with Section 8.1a of the Workers' Compensation Act.

"Department" means the Illinois Department of Insurance.

"Director" means the Director of the Illinois Department of Insurance.

"Discounted Health Care Services" means health care services provided by health care services providers under a discounted health care services plan when there are no other incentives, such as copayment, coinsurance or any other reimbursement differential, for beneficiaries to utilize the provider.

"Discounted Health Care Services Plan" or "DHCSP" means a preferred provider program by which beneficiaries, in exchange for fees, dues, charges or other consideration, are provided an incentive, in the form of discounted health care services, to use the services of the provider.

"Discounted Health Care Services Plan Administrator" or "DHCSP Administrator" means an administrator that arranges, contracts with, or administers contracts with a provider under which insureds or beneficiaries are provided an incentive to use health care services provided by health care services providers under a discounted health care services plan in which there are no other incentives, such as copayment, coinsurance or any other reimbursement differential, for beneficiaries to utilize the provider. DHCSP administrator also includes any person, partnership or corporation, other than a risk-bearing entity, that enters into a contract with another DHCSP administrator to enroll beneficiaries or insureds in a DHCSP marketed as an independently identifiable program based on marketing materials or member benefit identification cards.

"Doing Business As" or "DBA" means the name under which discounted health care services are marketed.

"Economic Evaluation" means any evaluation, as described in Section 8.1a(b) of the Workers' Compensation Act, of a particular physician, provider, medical group or individual practice association based in whole or in part on the economic costs or utilization of services associated with medical care provided or authorized by the physician, provider, medical group or individual practice association. Negotiated rates with a provider are not a form of economic evaluation.

"Employer" means an employer contracting directly with providers, or with multiple WC PPP administrators for the purposes of implementing a preferred provider program under Section 8.1a of the Workers' Compensation Act.

"Exclusive Provider Organization" or "EPO" means any arrangement, other than a health maintenance organization, limited health service organization, voluntary health services plans, or a DHCSP, under which the beneficiary receives no coverage or benefits when utilizing non-preferred providers, except when such an arrangement is shown to be in the best interest of the beneficiaries and has been expressly approved by the Director in writing. WC PPPs are not a form of EPO.

"Financial Institution" means a federal or State chartered bank or savings and loan institution.

"Gatekeeper Option" means an option offered by or through a preferred provider program that requires the beneficiary to preselect a particular primary care physician, from a list of participating primary care physicians, who shall coordinate all of the non-emergency primary, specialty, hospital and other health care services, including referrals to other providers, as a condition for receipt of a higher level of benefits or reimbursement level, or both.

"Health Care Preferred Provider Program" or "HC PPP" means a preferred provider program for the provision of health care services provided for health insurance or discounted health care services coverage.

"Health Care Preferred Provider Program Administrator" or "HC PPP Administrator" means an administrator of an HC PPP. HC PPP administrator also includes any person, partnership or corporation, other than a risk-bearing entity, that enters into a contract with another HC PPP administrator to enroll beneficiaries or insureds in an HC PPP marketed as an independently identifiable program based on marketing materials or member benefit identification cards.

"Health Care Services" means health care services or products rendered or sold by a provider within the scope of the provider's license or legal authorization. The term includes, but is not limited to, hospital, medical, surgical, dental, vision and pharmaceutical services or products.

"Health Service Corporation" means a voluntary health service plan and/or a dental service plan licensed under the Voluntary Health Services Plans Act [215 ILCS 165] or the Dental Service Plan Act [215 ILCS 110].

"HMO Act" means the Health Maintenance Organization Act [215 ILCS 125].

"Non-preferred Provider" means any provider that does not have a contractual relationship, directly or indirectly, with the administrator or DHCSP administrator for the provision of, or discounting of, health care services.

"Payor" means an entity responsible for bearing the risk of health care services. An administrator other than a self-insured employer implementing a WC PPP, is prohibited from being a payor and may not bear or assume any underwriting risk.

"Preferred Provider" means any provider who has entered, either directly or indirectly, into an agreement with an administrator, employer or risk-bearing entity relating to health care services that may be rendered to beneficiaries under a preferred provider program, including providing discounts for health care services.

"Preferred Provider Arrangements" means policies, agreements or arrangements with providers relating to the amounts to be charged to beneficiaries or, in the case of Workers' Compensation preferred provider programs, employers, for health care services that include incentives for the beneficiary to use those services, including discounted health care services.

"Preferred Provider Program" or "PPP" means a system to make preferred provider arrangements available to beneficiaries.

"Primary Care Physician" means a provider who has contracted with an administrator to provide primary care services as defined by the contract and who is a physician licensed to practice medicine in all of its branches who spends a majority of clinical time engaged in general practice or in the practice of internal medicine, pediatrics, gynecology, obstetrics or family practice, or a chiropractic physician licensed to treat human ailments without the use of drugs or operative surgery. (See 77 Ill. Adm. Code 240.20.)

"Primary Treating Physician" means a provider who has contracted with a WC PPP administrator to provide health care services and who is a type of physician licensed to treat the injury experienced by the covered employee. This physician will be responsible for managing the care of the covered employee, including rendering and prescribing treatment.

"Private Label Marketer" means any entity, other than a DHCSP administrator, that directly or indirectly contracts with an administrator respecting the marketing or use of a DHCSP under a name other than that of the administrator.

"Provider" means an individual or entity duly licensed or legally authorized to provide health care services.

"Risk-Bearing Entity" means an insurer, health service corporation, limited health service organization holding a certificate of authority under the Limited Health Service Organization Act [215 ILCS 130], or health maintenance organization holding a certificate of authority under the HMO Act.

"Specialty Preferred Provider Program Administrator" or "SPPP Administrator" means an administrator of a preferred provider program for the provision of workers' compensation benefits that contracts with preferred providers for health care services in one or a limited number of health care specialties, including but not limited to ambulance services, durable medical equipment, lab and imaging services, home health services, physical and occupational therapy and pharmacy benefits. SPPP administrators are subject to the requirements of a WC PPP administrator, unless specifically exempted, and must contract with a WC PPP administrator to supplement WC PPPs approved by the Director of Insurance.

"Workers' Compensation Preferred Provider Program" or "WC PPP" means a preferred provider program for the provision of workers' compensation benefits that meets the requirements of Section 8.1a of the Workers' Compensation Act.

"Workers' Compensation Preferred Provider Program Administrator" or "WC PPP Administrator" means an administrator of a WC PPP.

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