

1 AMENDMENT TO HOUSE BILL 2775

2 AMENDMENT NO. _____. Amend House Bill 2775 by replacing
3 the title with the following:

4 "AN ACT concerning insurance."; and

5 by replacing everything after the enacting clause with the
6 following:

7 "Section 5. The Illinois Insurance Code is amended by
8 adding Section 368e as follows:

9 (215 ILCS 5/368e new)

10 Sec. 368e. Recoupments. Any attempt to recoup payment
11 made to a health care professional or health care provider by
12 an insurer, health maintenance organization, independent
13 practice association, or physician-hospital organization
14 shall be initiated by providing a written explanation of any
15 proposed recoupment, including, but not limited to, the name
16 of the patient, the date of service, the service code, and
17 the payment amount, the details concerning the reasons for
18 the recoupment, and an explanation of the appeal process. A
19 health care professional or health care provider shall be
20 given 60 days to appeal the proposed recoupment or to repay
21 the recoupment amount. If the health care professional or

1 health care provider chooses to appeal the proposed
2 recoupment and, upon appeal, the proposed recoupment is
3 determined to be appropriate, the health care professional or
4 health care provider must pay the recoupment within 30 days
5 of receiving the notice of the final appeal's decision. If
6 the health care professional or health care provider does not
7 make any required recoupment payment within these time
8 frames, the insurer, health maintenance organization,
9 independent practice association, or physician hospital
10 organization may offset future payments to effectuate the
11 recoupment. Except in an instance in which the health care
12 professional or health care provider has been found guilty of
13 committing civil or criminal insurance fraud, no recoupment
14 of any payments may be initiated 24 months after the date the
15 moneys were paid, except when requested or initiated by a
16 governmental unit. It is not a recoupment when a health care
17 professional or health care provider is paid an amount
18 prospectively under a contract with an insurer, health
19 maintenance organization, independent practice association,
20 or physician hospital organization that includes a
21 retrospective reconciliation based on the services provided.

22 Section 99. Effective date. This Act takes effect on
23 December 1, 2003."