

1 AMENDMENT TO SENATE BILL 459

2 AMENDMENT NO. _____. Amend Senate Bill 459 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Managed Care Reform and Patient Rights
5 Act is amended by changing Section 20 as follows:

6 (215 ILCS 134/20)

7 Sec. 20. Notice of nonrenewal or termination. A health
8 care plan must give at least 60 days notice of nonrenewal or
9 termination of a health care provider to the health care
10 provider and to the enrollees served by the health care
11 provider. The notice shall include a name and address to
12 which an enrollee or health care provider may direct comments
13 and concerns regarding the nonrenewal or termination.
14 Immediate written notice may be provided without 60 days
15 notice when a health care provider's license has been
16 disciplined by the Department of Professional Regulation or a
17 health care provider's hospital medical staff privileges
18 required in a contract with a health care plan have been
19 suspended or revoked a-State-licensing-board.

20 (Source: P.A. 91-617, eff. 1-1-00.)

21 Section 10. The Medical Practice Act of 1987 is amended

1 by changing Section 23 as follows:

2 (225 ILCS 60/23) (from Ch. 111, par. 4400-23)

3 (Section scheduled to be repealed on January 1, 2007)

4 Sec. 23. Reports relating to professional conduct and
5 capacity.

6 (A) Entities required to report.

7 (1) Health care institutions. The chief
8 administrator or executive officer of any health care
9 institution licensed by the Illinois Department of Public
10 Health shall report to the Disciplinary Board when any
11 person's clinical privileges are terminated or are
12 restricted based on a final determination, in accordance
13 with that institution's by-laws or rules and regulations,
14 that a person has either committed an act or acts which
15 may directly threaten patient care, and not of an
16 administrative nature, or that a person may be mentally
17 or physically disabled in such a manner as to endanger
18 patients under that person's care. Such officer also
19 shall report if a person accepts voluntary termination or
20 restriction of clinical privileges in lieu of formal
21 action based upon conduct related directly to patient
22 care and not of an administrative nature, or in lieu of
23 formal action seeking to determine whether a person may
24 be mentally or physically disabled in such a manner as to
25 endanger patients under that person's care. The Medical
26 Disciplinary Board shall, by rule, provide for the
27 reporting to it of all instances in which a person,
28 licensed under this Act, who is impaired by reason of
29 age, drug or alcohol abuse or physical or mental
30 impairment, is under supervision and, where appropriate,
31 is in a program of rehabilitation. Such reports shall be
32 strictly confidential and may be reviewed and considered
33 only by the members of the Disciplinary Board, or by

1 authorized staff as provided by rules of the Disciplinary
2 Board. Provisions shall be made for the periodic report
3 of the status of any such person not less than twice
4 annually in order that the Disciplinary Board shall have
5 current information upon which to determine the status of
6 any such person. Such initial and periodic reports of
7 impaired physicians shall not be considered records
8 within the meaning of The State Records Act and shall be
9 disposed of, following a determination by the
10 Disciplinary Board that such reports are no longer
11 required, in a manner and at such time as the
12 Disciplinary Board shall determine by rule. The filing
13 of such reports shall be construed as the filing of a
14 report for purposes of subsection (C) of this Section.

15 (2) Professional associations. The President or
16 chief executive officer of any association or society, of
17 persons licensed under this Act, operating within this
18 State shall report to the Disciplinary Board when the
19 association or society renders a final determination that
20 a person has committed unprofessional conduct related
21 directly to patient care or that a person may be mentally
22 or physically disabled in such a manner as to endanger
23 patients under that person's care.

24 (3) Professional liability insurers. Every
25 insurance company which offers policies of professional
26 liability insurance to persons licensed under this Act,
27 or any other entity which seeks to indemnify the
28 professional liability of a person licensed under this
29 Act, shall report to the Disciplinary Board the
30 settlement of any claim or cause of action, or final
31 judgment rendered in any cause of action, which alleged
32 negligence in the furnishing of medical care by such
33 licensed person when such settlement or final judgment is
34 in favor of the plaintiff.

1 (4) State's Attorneys. The State's Attorney of
2 each county shall report to the Disciplinary Board all
3 instances in which a person licensed under this Act is
4 convicted or otherwise found guilty of the commission of
5 any felony. The State's Attorney of each county may
6 report to the Disciplinary Board through a verified
7 complaint any instance in which the State's Attorney
8 believes that a physician has willfully violated the
9 notice requirements of the Parental Notice of Abortion
10 Act of 1995.

11 (5) State agencies. All agencies, boards,
12 commissions, departments, or other instrumentalities of
13 the government of the State of Illinois shall report to
14 the Disciplinary Board any instance arising in connection
15 with the operations of such agency, including the
16 administration of any law by such agency, in which a
17 person licensed under this Act has either committed an
18 act or acts which may be a violation of this Act or which
19 may constitute unprofessional conduct related directly to
20 patient care or which indicates that a person licensed
21 under this Act may be mentally or physically disabled in
22 such a manner as to endanger patients under that person's
23 care.

24 (B) Mandatory reporting. All reports required by items
25 (34), (35), and (36) of subsection (A) of Section 22 and by
26 Section 23 shall be submitted to the Disciplinary Board in a
27 timely fashion. The reports shall be filed in writing within
28 60 days after a determination that a report is required under
29 this Act. All reports shall contain the following
30 information:

31 (1) The name, address and telephone number of the
32 person making the report.

33 (2) The name, address and telephone number of the
34 person who is the subject of the report.

1 (3) The name or other means of identification of
2 any patient or patients whose treatment is a subject of
3 the report, provided, however, no medical records may be
4 revealed without the written consent of the patient or
5 patients.

6 (4) A brief description of the facts which gave
7 rise to the issuance of the report, including the dates
8 of any occurrences deemed to necessitate the filing of
9 the report.

10 (5) If court action is involved, the identity of
11 the court in which the action is filed, along with the
12 docket number and date of filing of the action.

13 (6) Any further pertinent information which the
14 reporting party deems to be an aid in the evaluation of
15 the report.

16 The Department shall have the right to inform patients of
17 the right to provide written consent for the Department to
18 obtain copies of hospital and medical records. The
19 Disciplinary Board or Department may exercise the power under
20 Section 38 of this Act to subpoena copies of hospital or
21 medical records in mandatory report cases alleging death or
22 permanent bodily injury when consent to obtain records is not
23 provided by a patient or legal representative. Appropriate
24 rules shall be adopted by the Department with the approval of
25 the Disciplinary Board.

26 When the Department has received written reports
27 concerning incidents required to be reported in items (34),
28 (35), and (36) of subsection (A) of Section 22, the
29 licensee's failure to report the incident to the Department
30 under those items shall not be the sole grounds for
31 disciplinary action.

32 Nothing contained in this Section shall act to in any
33 way, waive or modify the confidentiality of medical reports
34 and committee reports to the extent provided by law. Any

1 information reported or disclosed shall be kept for the
2 confidential use of the Disciplinary Board, the Medical
3 Coordinators, the Disciplinary Board's attorneys, the medical
4 investigative staff, and authorized clerical staff, as
5 provided in this Act, and shall be afforded the same status
6 as is provided information concerning medical studies in Part
7 21 of Article VIII of the Code of Civil Procedure.

8 In addition to any other reports mentioned in this
9 subsection, the Department shall make the reports described
10 in subsection (f-5) of Section 15 of the Health Care
11 Professional Credentials Data Collection Act, and the
12 information contained in the reports shall be afforded the
13 same status as is provided information concerning medical
14 studies in Part 21 of Article VIII of the Code of Civil
15 Procedure.

16 (C) Immunity from prosecution. Any individual or
17 organization acting in good faith, and not in a wilful and
18 wanton manner, in complying with this Act by providing any
19 report or other information to the Disciplinary Board, or
20 assisting in the investigation or preparation of such
21 information, or by participating in proceedings of the
22 Disciplinary Board, or by serving as a member of the
23 Disciplinary Board, shall not, as a result of such actions,
24 be subject to criminal prosecution or civil damages.

25 (D) Indemnification. Members of the Disciplinary Board,
26 the Medical Coordinators, the Disciplinary Board's attorneys,
27 the medical investigative staff, physicians retained under
28 contract to assist and advise the medical coordinators in the
29 investigation, and authorized clerical staff shall be
30 indemnified by the State for any actions occurring within the
31 scope of services on the Disciplinary Board, done in good
32 faith and not wilful and wanton in nature. The Attorney
33 General shall defend all such actions unless he or she
34 determines either that there would be a conflict of interest

1 in such representation or that the actions complained of were
2 not in good faith or were wilful and wanton.

3 Should the Attorney General decline representation, the
4 member shall have the right to employ counsel of his or her
5 choice, whose fees shall be provided by the State, after
6 approval by the Attorney General, unless there is a
7 determination by a court that the member's actions were not
8 in good faith or were wilful and wanton.

9 The member must notify the Attorney General within 7 days
10 of receipt of notice of the initiation of any action
11 involving services of the Disciplinary Board. Failure to so
12 notify the Attorney General shall constitute an absolute
13 waiver of the right to a defense and indemnification.

14 The Attorney General shall determine within 7 days after
15 receiving such notice, whether he or she will undertake to
16 represent the member.

17 (E) Deliberations of Disciplinary Board. Upon the
18 receipt of any report called for by this Act, other than
19 those reports of impaired persons licensed under this Act
20 required pursuant to the rules of the Disciplinary Board, the
21 Disciplinary Board shall notify in writing, by certified
22 mail, the person who is the subject of the report. Such
23 notification shall be made within 30 days of receipt by the
24 Disciplinary Board of the report.

25 The notification shall include a written notice setting
26 forth the person's right to examine the report. Included in
27 such notification shall be the address at which the file is
28 maintained, the name of the custodian of the reports, and the
29 telephone number at which the custodian may be reached. The
30 person who is the subject of the report shall submit a
31 written statement responding, clarifying, adding to, or
32 proposing the amending of the report previously filed. The
33 statement shall become a permanent part of the file and must
34 be received by the Disciplinary Board no more than 60 days

1 after the date on which the person was notified by the
2 Disciplinary Board of the existence of the original report.

3 The Disciplinary Board shall review all reports received
4 by it, together with any supporting information and
5 responding statements submitted by persons who are the
6 subject of reports. The review by the Disciplinary Board
7 shall be in a timely manner but in no event, shall the
8 Disciplinary Board's initial review of the material contained
9 in each disciplinary file be less than 61 days nor more than
10 180 days after the receipt of the initial report by the
11 Disciplinary Board.

12 When the Disciplinary Board makes its initial review of
13 the materials contained within its disciplinary files, the
14 Disciplinary Board shall, in writing, make a determination as
15 to whether there are sufficient facts to warrant further
16 investigation or action. Failure to make such determination
17 within the time provided shall be deemed to be a
18 determination that there are not sufficient facts to warrant
19 further investigation or action.

20 Should the Disciplinary Board find that there are not
21 sufficient facts to warrant further investigation, or action,
22 the report shall be accepted for filing and the matter shall
23 be deemed closed and so reported to the Director. The
24 Director shall then have 30 days to accept the Medical
25 Disciplinary Board's decision or request further
26 investigation. The Director shall inform the Board in
27 writing of the decision to request further investigation,
28 including the specific reasons for the decision. The
29 individual or entity filing the original report or complaint
30 and the person who is the subject of the report or complaint
31 shall be notified in writing by the Director of any final
32 action on their report or complaint.

33 (F) Summary reports. The Disciplinary Board shall
34 prepare, on a timely basis, but in no event less than one

1 every other month, a summary report of final actions taken
2 upon disciplinary files maintained by the Disciplinary Board.
3 The summary reports shall be sent by the Disciplinary Board
4 to every health care facility licensed by the Illinois
5 Department of Public Health, every professional association
6 and society of persons licensed under this Act functioning on
7 a statewide basis in this State, the American Medical
8 Association, the American Osteopathic Association, the
9 American Chiropractic Association, all insurers providing
10 professional liability insurance to persons licensed under
11 this Act in the State of Illinois, the Federation of State
12 Medical Licensing Boards, and the Illinois Pharmacists
13 Association.

14 (G) Any violation of this Section shall be a Class A
15 misdemeanor.

16 (H) If any such person violates the provisions of this
17 Section an action may be brought in the name of the People of
18 the State of Illinois, through the Attorney General of the
19 State of Illinois, for an order enjoining such violation or
20 for an order enforcing compliance with this Section. Upon
21 filing of a verified petition in such court, the court may
22 issue a temporary restraining order without notice or bond
23 and may preliminarily or permanently enjoin such violation,
24 and if it is established that such person has violated or is
25 violating the injunction, the court may punish the offender
26 for contempt of court. Proceedings under this paragraph
27 shall be in addition to, and not in lieu of, all other
28 remedies and penalties provided for by this Section.

29 (Source: P.A. 89-18, eff. 6-1-95; 89-702, eff. 7-1-97;
30 90-699, eff. 1-1-99.)

31 Section 15. The Health Care Professional Credentials
32 Data Collection Act is amended by changing Section 15 as
33 follows:

1 (410 ILCS 517/15)

2 Sec. 15. Development and use of uniform health care and
3 hospital credentials forms.

4 (a) The Department, in consultation with the council,
5 shall by rule establish:

6 (1) a uniform health care credentials form that
7 shall include the credentials data commonly requested by
8 health care entities and health care plans for purposes
9 of credentialing and shall minimize the need for the
10 collection of additional credentials data;

11 (2) a uniform health care recredentials form that
12 shall include the credentials data commonly requested by
13 health care entities and health care plans for purposes
14 of recredentialing and shall minimize the need for the
15 collection of additional credentials data;

16 (3) a uniform hospital credentials form that shall
17 include the credentials data commonly requested by
18 hospitals for purposes of credentialing and shall
19 minimize the need for the collection of additional
20 credentials data;

21 (4) a uniform hospital recredentials form that
22 shall include the credentials data commonly requested by
23 hospitals for purposes of recredentialing and shall
24 minimize the need for collection of additional
25 credentials data; and

26 (5) uniform updating forms.

27 (b) The uniform forms established in subsection (a)
28 shall be coordinated to reduce the need to provide redundant
29 information. Further, the forms shall be made available in
30 both paper and electronic formats.

31 (c) The Department, in consultation with the council,
32 shall establish by rule a date after which an electronic
33 format may be required by a health care entity, a health care
34 plan, or a hospital, and a health care professional may

1 require acceptance of an electronic format by a health care
2 entity, a health care plan, or a hospital.

3 (d) Beginning January 1, 2002, each health care entity
4 or health care plan that employs, contracts with, or allows
5 health care professionals to provide medical or health care
6 services and requires health care professionals to be
7 credentialed or recredentialed shall for purposes of
8 collecting credentials data only require:

- 9 (1) the uniform health care credentials form;
- 10 (2) the uniform health care recredentials form;
- 11 (3) the uniform updating forms; and
- 12 (4) any additional credentials data requested.

13 (e) Beginning January 1, 2002, each hospital that
14 employs, contracts with, or allows health care professionals
15 to provide medical or health care services and requires
16 health care professionals to be credentialed or
17 recredentialed shall for purposes of collecting credentials
18 data only require:

- 19 (1) the uniform hospital credentials form;
- 20 (2) the uniform hospital recredentials form;
- 21 (3) the uniform updating forms; and
- 22 (4) any additional credentials data requested.

23 (f) Each health care entity and health care plan shall
24 complete the process of verifying a health care
25 professional's credentials data in a timely fashion and shall
26 complete the process of credentialing or recredentialing of
27 the health care professional within 60 days after submission
28 of all credentials data and completion of verification of the
29 credentials data.

30 (f-5) Each health care plan that credentials health care
31 professionals may register with the Department of
32 Professional Regulation to receive information on a monthly
33 basis concerning the licensure status of, any disciplinary
34 action taken against, and specified mandatory reports

1 concerning any health care professional. The Department of
2 Professional Regulation shall make the reports described in
3 this subsection to registered health plans. The reports
4 shall be transmitted in an electronic format not later than
5 15 days after the close of the month in which action is taken
6 or reported to the Department of Professional Regulation.
7 The reports shall contain at a minimum, the following
8 information: (1) the current licensure status and any
9 disciplinary action with regard to a license, including but
10 not limited to any limitations, restrictions, suspensions,
11 probations, or revocations or failure to renew a license and
12 (2) any mandatory report of a final adverse action of a peer
13 review committee of a hospital or professional association
14 with respect to an allegation against a health care
15 professional or a matter that relates to the professional
16 conduct or qualifications of the health care professional
17 received under Section 23 of Medical Practice of 1987. Any
18 transmittal of information by the Department of Professional
19 Regulation under this Section shall be to the health care
20 plan's peer review designee. The information provided under
21 this subsection shall be afforded the same status as is
22 information concerning medical studies by Part 21 of Article
23 VIII of the Code of Civil Procedure. The Department of
24 Professional Regulation may adopt, by rule, a fee to be
25 collected from health plans registering for monthly reports
26 as described in this subsection sufficient only to cover the
27 costs of the preparation and dissemination of such reports.

28 (g) Each health care professional shall provide any
29 corrections, updates, and modifications to his or her
30 credentials data to ensure that all credentials data on the
31 health care professional remains current. Such corrections,
32 updates, and modifications shall be provided within 5
33 business days for State health care professional license
34 revocation, federal Drug Enforcement Agency license

1 revocation, Medicare or Medicaid sanctions, revocation of
2 hospital privileges, any lapse in professional liability
3 coverage required by a health care entity, health care plan,
4 or hospital, or conviction of a felony, and within 45 days
5 for any other change in the information from the date the
6 health care professional knew of the change. All updates
7 shall be made on the uniform updating forms developed by the
8 Department.

9 (h) Any credentials data collected or obtained by the
10 health care entity, health care plan, or hospital shall be
11 confidential, as provided by law, and otherwise may not be
12 redisclosed without written consent of the health care
13 professional, except that in any proceeding to challenge
14 credentialing or recredentialing, or in any judicial review,
15 the claim of confidentiality shall not be invoked to deny a
16 health care professional, health care entity, health care
17 plan, or hospital access to or use of credentials data.
18 Nothing in this Section prevents a health care entity, health
19 care plan, or hospital from disclosing any credentials data
20 to its officers, directors, employees, agents,
21 subcontractors, medical staff members, any committee of the
22 health care entity, health care plan, or hospital involved in
23 the credentialing process, or accreditation bodies or
24 licensing agencies. However, any redisclosure of credentials
25 data contrary to this Section is prohibited.

26 (i) Nothing in this Act shall be construed to restrict
27 the right of any health care entity, health care plan or
28 hospital to request additional information necessary for
29 credentialing or recredentialing.

30 (j) Nothing in this Act shall be construed to restrict
31 in any way the authority of any health care entity, health
32 care plan or hospital to approve, suspend or deny an
33 application for hospital staff membership, clinical
34 privileges, or managed care network participation.

1 (k) Nothing in this Act shall be construed to prohibit
2 delegation of credentialing and recredentialing activities as
3 long as the delegated entity follows the requirements set
4 forth in this Act.

5 (l) Nothing in this Act shall be construed to require
6 any health care entity or health care plan to credential or
7 survey any health care professional.

8 (m) Nothing in this Act shall be construed to prevent any
9 health care entity or health care plan from submitting a
10 query to the Department of Professional Regulation for the
11 current licensure status of any health care professional or
12 the National Practitioner Data Bank at any time.

13 (Source: P.A. 91-602, eff. 8-16-99; 92-193, eff. 1-1-02.)".