

1 AN ACT concerning insurance.

2 Be it enacted by the People of the State of Illinois,  
3 represented in the General Assembly:

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

6 (215 ILCS 5/368e new)

7 Sec. 368e. Recoupments. Any attempt to recoup payments  
8 shall be initiated by providing a written explanation of any  
9 proposed recoupment, including, but not limited to, the name  
10 of the patient, the date of service, the service code, and  
11 the payment amount, the details concerning the reasons for  
12 the recoupment, and an explanation of the appeal process. A  
13 health care professional or health care provider shall be  
14 given 60 days to appeal the proposed recoupment or to repay  
15 the recoupment amount. If the professional or provider  
16 chooses to appeal the proposed recoupment and, upon appeal,  
17 the proposed recoupment is determined to be appropriate, the  
18 professional or provider must pay the recoupment within 30  
19 days of receiving the notice of the final appeal's decision.  
20 If the professional or provider does not make any required  
21 recoupment payment within these time frames, the company may  
22 offset future payments to effectuate the recoupment. Except  
23 in an instance in which the health care professional or  
24 health care provider has been found guilty of committing  
25 civil or criminal insurance fraud, no recoupment of any  
26 payments may be initiated 24 months after the date the moneys  
27 were paid.

28 Section 99. Effective date. This Act takes effect on  
29 December 1, 2003.