

HB0176



94TH GENERAL ASSEMBLY

State of Illinois

2005 and 2006

HB0176

Introduced 1/11/2005, by Rep. William Davis

SYNOPSIS AS INTRODUCED:

215 ILCS 5/368f new

Amends the Illinois Insurance Code. Provides that payors and health care professionals and health care providers must have the ability to accept and submit claims electronically in accordance with federal standards. Provides for the Department of Financial and Professional Regulation to establish a timetable for compliance. Establishes an exemption for long-term care facilities and small health care providers and professionals. Effective immediately.

LRB094 05560 LJB 35609 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning provider billing.

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 adding
5 Section 368f as follows:

6 (215 ILCS 5/368f new)

7 Sec. 368f. Requirements to enable electronic exchange of
8 information.

9 (a) A payor, as specified in subsection (a) of Section 368a
10 of this Code, shall have the ability to accept health claims or
11 equivalent encounter information electronically and shall
12 utilize the federal standards for these electronic
13 transactions adopted by the Secretary of Health and Human
14 Services pursuant to Section 1173 of the Health Insurance
15 Portability and Accountability Act and accompanying
16 regulations.

17 A health care professional or health care facility that is
18 licensed to provide health care services in Illinois and that
19 accepts patients who are enrolled in an individual health plan
20 or a group health plan, including a health insurance issuer
21 offering coverage through the group health plan, Medicaid, or
22 the State employee health plan shall submit health claims or
23 equivalent encounter information electronically and shall
24 utilize the federal standards for these electronic
25 transactions adopted by the Secretary of Health and Human
26 Services pursuant to Section 1173 of the Health Insurance
27 Portability and Accountability Act and accompanying
28 regulations.

29 (b) The Department shall establish a timetable for
30 implementation of the electronic transmission of health care
31 transactions.

32 (c) The Secretary may temporarily waive the application of

1 this Section in cases in which:

2 (1) there is no method available for the submission of
3 claims in an electronic form; or

4 (2) the entity submitting the claim is a small health
5 care professional or health care facility with fewer than
6 10 full-time equivalent employees that has demonstrated
7 that compliance with this Act will result in an undue
8 hardship or other special circumstance on the health care
9 professional or health care facility.

10 (d) The Department shall establish an application and
11 review process for health care professionals and health care
12 facilities with identified special circumstances no later than
13 6 months prior to the effective date of implementation as
14 determined under subsection (b).

15 (e) The Department shall report to the Governor and the
16 General Assembly within one year after establishing the
17 timetable pursuant to this Section, and at least annually
18 thereafter, on the number of extensions or temporary waivers of
19 the implementation requirement that it has granted pursuant to
20 subsection (c), the reasons therefor, and recommendations to
21 overcome obstacles to full compliance by affected health care
22 professionals and health care facilities.

23 (f) Beginning January 1, 2006, an individual health plan or
24 a group health plan, including a health insurance issuer
25 offering coverage through the group health plan, or a state
26 agency administering a government health plan, may not deduct
27 more than a \$2 per claim service fee for adjudication of any
28 paper health claims.

29 (g) This Section does not apply to long-term care
30 facilities.

31 Section 99. Effective date. This Act takes effect upon
32 becoming law.