

1 AN ACT concerning State government.

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

4 Section 5. The Illinois Health Finance Reform Act is  
5 amended by changing Section 4-2 as follows:

6 (20 ILCS 2215/4-2) (from Ch. 111 1/2, par. 6504-2)

7 Sec. 4-2. Powers and duties.

8 (a) (Blank).

9 (b) (Blank).

10 (c) (Blank).

11 (d) Uniform Provider Utilization and Charge Information.

12 (1) The Department of Public Health shall require that  
13 all hospitals and ambulatory surgical treatment centers  
14 licensed to operate in the State of Illinois adopt a  
15 uniform system for submitting patient claims and encounter  
16 data ~~charges~~ for payment from public and private payors.  
17 This system shall be based upon adoption of the uniform  
18 electronic hospital billing form pursuant to the Health  
19 Insurance Portability and Accountability Act.

20 (2) (Blank).

21 (3) The Department of Insurance shall require all  
22 third-party payors, including but not limited to, licensed  
23 insurers, medical and hospital service corporations,  
24 health maintenance organizations, and self-funded employee  
25 health plans, to accept the uniform billing form, without  
26 attachment as submitted by hospitals pursuant to paragraph  
27 (1) of subsection (d) above, effective January 1, 1985;  
28 provided, however, nothing shall prevent all such third  
29 party payors from requesting additional information  
30 necessary to determine eligibility for benefits or  
31 liability for reimbursement for services provided.

32 (4) By no later than 60 days after the end of each

1 calendar quarter, each ~~Each~~ hospital licensed in the State  
2 shall electronically submit to the Department inpatient  
3 and outpatient claims and encounter ~~patient billing~~ data  
4 related to surgical and invasive procedures collected  
5 under paragraph (5) for each patient.

6 By no later than 60 days after the end of each calendar  
7 quarter, each ambulatory surgical treatment center  
8 licensed in the State shall electronically submit to the  
9 Department outpatient claims and encounter data collected  
10 under paragraph (5) for each patient. ~~conditions and~~  
11 ~~procedures required for public disclosure pursuant to~~  
12 ~~paragraph (6). For hospitals, the billing data to be~~  
13 ~~reported shall include all inpatient surgical cases.~~  
14 ~~Billing data submitted under this Act shall not include a~~  
15 ~~patient's name, address, or Social Security number.~~

16 (5) By no later than January 1, 2006 ~~January 1, 2005,~~  
17 the Department must collect and compile claims and  
18 encounter ~~billing~~ data related to surgical and invasive  
19 procedures ~~required under paragraph (6)~~ according to  
20 uniform electronic submission formats as required under  
21 the Health Insurance Portability and Accountability Act.  
22 By no later than January 1, 2006, the Department must  
23 collect and compile from ambulatory surgical treatment  
24 centers the claims and encounter data according to uniform  
25 electronic data element formats as required under the  
26 Health Insurance Portability and Accountability Act of  
27 1996 (HIPAA).

28 (6) The Department shall make available on its website  
29 the "Consumer Guide to Health Care" by January 1, 2006. The  
30 "Consumer Guide to Health Care" shall include information  
31 on at least 30 inpatient conditions and procedures  
32 identified by the Department that demonstrate the highest  
33 degree of variation in patient charges and quality of care.  
34 By no later than January 1, 2007, the "Consumer Guide to  
35 Health Care" shall include information for both inpatient  
36 and outpatient conditions and procedures. As to each

1 condition or procedure, the "Consumer Guide to Health Care"  
2 shall include up-to-date comparison information relating  
3 to volume of cases, average charges, risk-adjusted  
4 mortality rates, and nosocomial infection rates.  
5 Information disclosed pursuant to this paragraph on  
6 mortality and infection rates shall be based upon  
7 information hospitals and ambulatory surgical treatment  
8 centers have either (i) previously submitted to the  
9 Department pursuant to their obligations to report health  
10 care information under this Act or other public health  
11 reporting laws and regulations outside of this Act or (ii)  
12 submitted to the Department under the provisions of the  
13 Hospital Report Card Act.

14 (7) Publicly disclosed information must be provided in  
15 language that is easy to understand and accessible to  
16 consumers using an interactive query system.

17 (8) None of the information the Department discloses to  
18 the public under this subsection may be made available  
19 unless the information has been reviewed, adjusted, and  
20 validated according to the following process:

21 (i) Hospitals, ambulatory surgical treatment  
22 centers, and organizations representing hospitals,   
23 ambulatory surgical treatment centers, purchasers,  
24 consumer groups, and health plans are meaningfully  
25 involved in the development of all aspects of the  
26 Department's methodology for collecting, analyzing,  
27 and disclosing the information collected under this  
28 Act, including collection methods, formatting, and  
29 methods and means for release and dissemination;

30 (ii) The entire methodology for collecting  
31 ~~collection~~ and analyzing the data is disclosed to all  
32 relevant organizations and to all providers that are  
33 the subject of any information to be made available to  
34 the public before any public disclosure of such  
35 information;

36 (iii) Data collection and analytical methodologies

1 are used that meet accepted standards of validity and  
2 reliability before any information is made available  
3 to the public;

4 (iv) The limitations of the data sources and  
5 analytic methodologies used to develop comparative  
6 provider information are clearly identified and  
7 acknowledged, including, but not limited to,  
8 appropriate and inappropriate uses of the data;

9 (v) To the greatest extent possible, comparative  
10 hospital and ambulatory surgical treatment center  
11 information initiatives use standard-based norms  
12 derived from widely accepted provider-developed  
13 practice guidelines;

14 (v-5) For ambulatory services, information is  
15 provided on surgical infections and mortality for  
16 selected procedures, as determined by the Department,  
17 based on review by the Department of its own, local, or  
18 national studies.

19 (vi) Comparative hospital and ambulatory surgical  
20 treatment center information and other information  
21 that the Department has compiled regarding hospitals  
22 and ambulatory surgical treatment centers is shared  
23 with the hospitals and ambulatory surgical treatment  
24 centers under review prior to public dissemination of  
25 the information and these providers have an  
26 opportunity to make corrections and additions of  
27 helpful explanatory comments about the information  
28 before the publication;

29 (vii) Comparisons among hospitals and ambulatory  
30 surgical treatment centers adjust for patient case mix  
31 and other relevant risk factors and control for  
32 provider peer groups, if applicable;

33 (viii) Effective safeguards to protect against the  
34 unauthorized use or disclosure of hospital and  
35 ambulatory surgical treatment center information are  
36 developed and implemented;

1 (ix) Effective safeguards to protect against the  
2 dissemination of inconsistent, incomplete, invalid,  
3 inaccurate, or subjective provider data are developed  
4 and implemented;

5 (x) The quality and accuracy of hospital and  
6 ambulatory surgical treatment center information  
7 reported under this Act and its data collection,  
8 analysis, and dissemination methodologies are  
9 evaluated regularly; and

10 (xi) Only the most basic identifying information  
11 from mandatory reports is used, and patient  
12 identifiable information is not released. The input  
13 data collected by the Department shall not be a public  
14 record under the Illinois Freedom of Information Act.

15 None of the information the Department discloses to the  
16 public under this Act may be used to establish a standard  
17 of care in a private civil action.

18 (9) The Department must develop and implement an  
19 outreach campaign to educate the public regarding the  
20 availability of the "Consumer Guide to Health Care".

21 (10) By January 1, 2006, ~~Within 12 months after the~~  
22 ~~effective date of this amendatory Act of the 93rd General~~  
23 ~~Assembly,~~ the Department must study the most effective  
24 methods for public disclosure of patient claims and  
25 encounter ~~charge~~ data and health care quality information  
26 that will be useful to consumers in making health care  
27 decisions and report its recommendations to the Governor  
28 and to the General Assembly.

29 (11) The Department must undertake all steps necessary  
30 under State and Federal law, including the  
31 Gramm-Leach-Bliley Act and the HIPAA privacy regulations,  
32 to protect patient confidentiality in order to prevent the  
33 identification of individual patient records.

34 (12) The Department must adopt rules for inpatient and  
35 outpatient data collection and report this no later than  
36 January 1, 2006.

1           (13) In addition to the data products indicated above,  
2           the Department shall respond to requests by government  
3           agencies, academic research organizations, and private  
4           sector organizations for purposes of clinical performance  
5           measurements and analyses of data collected pursuant to  
6           this Section.

7           (14) The Department must evaluate additional methods  
8           for comparing the performance of hospitals and ambulatory  
9           surgical treatment centers, including the value of  
10           disclosing additional measures that are adopted by the  
11           National Quality Forum, The Joint Commission on  
12           Accreditation of Healthcare Organizations, the Centers for  
13           Medicare and Medicaid Services, or a similar national  
14           entity that establishes standards to measure the  
15           performance of health care providers. The Department shall  
16           report its findings and recommendations on its Internet  
17           website and to the Governor and General Assembly no later  
18           than January 1, 2006.

19           (e) (Blank).

20           (Source: P.A. 92-597, eff. 7-1-02; 93-144, eff. 7-10-03.)

21           Section 99. Effective date. This Act takes effect upon  
22           becoming law.