



95TH GENERAL ASSEMBLY

State of Illinois

2007 and 2008

SB2534

Introduced 2/15/2008, by Sen. Dan Kotowski

SYNOPSIS AS INTRODUCED:

215 ILCS 5/370e.1 new

Amends the Illinois Insurance Code. Provides that no contract between a health care service plan and a physician, physician group, or other licensed health care practitioner shall contain any incentive plan that includes a specific payment made directly, in any type or form, to a physician, physician group, or other licensed health care practitioner as an inducement to prescribe a specific medication or type of medication or to deny, reduce, limit, or delay specific, medically necessary and appropriate services provided with respect to a specific enrollee or groups of enrollees with similar medical conditions. Provides that nothing in the provision shall be construed to prohibit contracts that contain incentive plans that involve general payments, such as capitation payments or shared-risk arrangements that are not tied to specific medical decisions involving specific enrollees or groups of enrollees with similar medical conditions. Provides that the payments rendered or to be rendered to physicians, physician groups, or other licensed health care practitioners under these arrangements shall be deemed confidential.

LRB095 16871 KBJ 42912 b

1 AN ACT concerning regulation.

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 370e.1 as follows:

6 (215 ILCS 5/370e.1 new)

7 Sec. 370e.1. Incentives prohibited. No contract between a
8 health care service plan and a physician, physician group, or
9 other licensed health care practitioner shall contain any
10 incentive plan that includes a specific payment made directly,
11 in any type or form, to a physician, physician group, or other
12 licensed health care practitioner as an inducement to prescribe
13 a specific medication or type of medication or deny, reduce,
14 limit, or delay specific, medically necessary and appropriate
15 services provided with respect to a specific enrollee or groups
16 of enrollees with similar medical conditions. Nothing in this
17 Section shall be construed to prohibit contracts that contain
18 incentive plans that involve general payments, such as
19 capitation payments or shared-risk arrangements that are not
20 tied to specific medical decisions involving specific
21 enrollees or groups of enrollees with similar medical
22 conditions. The payments rendered or to be rendered to
23 physicians, physician groups, or other licensed health care

1 practitioners under these arrangements shall be deemed
2 confidential.