



97TH GENERAL ASSEMBLY

State of Illinois

2011 and 2012

HB1193

Introduced 02/08/11, by Rep. Greg Harris

SYNOPSIS AS INTRODUCED:

215 ILCS 5/368d

Amends the Illinois Insurance Code. In the provision concerning recoupment, provides that no recoupment or offset may be requested or withheld from future payments 366 or more days after the original payment. Provides for exceptions for cases in which there has been a formal adjudication of fraud or the provider has already been paid in full. Provides that nothing in the provision concerning recoupments shall be construed to preclude insurers or certain organizations from resolving coordination of benefits between or among each other without recouping payment from the provider beyond the 366-day time limit.

LRB097 05476 RPM 45536 b

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 changing Section 368d as follows:

6 (215 ILCS 5/368d)

7 Sec. 368d. Recoupments.

8 (a) A health care professional or health care provider
9 shall be provided a remittance advice, which must include an
10 explanation of a recoupment or offset taken by an insurer,
11 health maintenance organization, independent practice
12 association, or physician hospital organization, if any. The
13 recoupment explanation shall, at a minimum, include the name of
14 the patient; the date of service; the service code or if no
15 service code is available a service description; the recoupment
16 amount; and the reason for the recoupment or offset. In
17 addition, an insurer, health maintenance organization,
18 independent practice association, or physician hospital
19 organization shall provide with the remittance advice a
20 telephone number or mailing address to initiate an appeal of
21 the recoupment or offset.

22 (b) It is not a recoupment when a health care professional
23 or health care provider is paid an amount prospectively or

1 concurrently under a contract with an insurer, health
2 maintenance organization, independent practice association, or
3 physician hospital organization that requires a retrospective
4 reconciliation based upon specific conditions outlined in the
5 contract.

6 (c) No recoupment or offset may be requested or withheld
7 from future payments 366 or more days after the original
8 payment is made, except in cases in which a court, government
9 administrative agency, or other tribunal has made a formal
10 adjudication of fraud or in cases in which the provider has
11 already been paid in full by another payor or by a workers'
12 compensation insurer. No contract between an insurer and a
13 health care professional or health care provider may provide
14 for recoupments in violation of this Section. Nothing in this
15 Section shall be construed to preclude insurers, health
16 maintenance organizations, independent practice associations,
17 or physician hospital organizations from resolving
18 coordination of benefits between or among each other without
19 recouping payment from the provider beyond the 366-day time
20 limit provided in this subsection.

21 (Source: P.A. 93-261, eff. 1-1-04.)