



Rep. Kay Hatcher

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1 AMENDMENT TO HOUSE BILL 1562

2 AMENDMENT NO. _____. Amend House Bill 1562 by replacing
3 everything after the enacting clause with the following:

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 for payment from public and private payors. This

1 system shall be based upon adoption of the uniform
2 electronic billing form pursuant to the Health Insurance
3 Portability and Accountability Act.

4 (2) (Blank).

5 (3) The Department of Insurance shall require all
6 third-party payors, including but not limited to, licensed
7 insurers, medical and hospital service corporations,
8 health maintenance organizations, and self-funded employee
9 health plans, to accept the uniform billing form, without
10 attachment as submitted by hospitals pursuant to paragraph
11 (1) of subsection (d) above, effective January 1, 1985;
12 provided, however, nothing shall prevent all such third
13 party payors from requesting additional information
14 necessary to determine eligibility for benefits or
15 liability for reimbursement for services provided.

16 (4) By no later than 60 days after the end of each
17 calendar quarter, each hospital licensed in the State shall
18 electronically submit to the Department inpatient and
19 outpatient claims and encounter data related to surgical
20 and invasive procedures collected under paragraph (5) for
21 each patient.

22 By no later than 60 days after the end of each calendar
23 quarter, each ambulatory surgical treatment center
24 licensed in the State shall electronically submit to the
25 Department outpatient claims and encounter data collected
26 under paragraph (5) for each patient, provided however,

1 that, until July 1, 2006, ambulatory surgical treatment
2 centers who cannot electronically submit data may submit
3 data by computer diskette. For hospitals, the claims and
4 encounter data to be reported shall include all inpatient
5 surgical cases. Claims and encounter data submitted under
6 this Act shall not include a patient's name, address, or
7 Social Security number.

8 (5) By no later than January 1, 2006, the Department
9 must collect and compile claims and encounter data related
10 to surgical and invasive procedures according to uniform
11 electronic submission formats as required under the Health
12 Insurance Portability and Accountability Act. By no later
13 than January 1, 2006, the Department must collect and
14 compile from ambulatory surgical treatment centers the
15 claims and encounter data according to uniform electronic
16 data element formats as required under the Health Insurance
17 Portability and Accountability Act of 1996 (HIPAA).

18 (6) The Department shall make available on its website
19 the "Consumer Guide to Health Care" by January 1, 2006. The
20 Department shall also make available on its website the
21 Hospital Report Card Act. The "Consumer Guide to Health
22 Care" and the Hospital Report Card Act were established to
23 educate and assist Illinois health care consumers as they
24 make health care choices for themselves, their families,
25 and their loved ones. Significant and useful information is
26 available through the "Consumer Guide to Health Care" and

1 the Hospital Report Card Act. The links to the "Consumer
2 Guide to Health Care" and the Hospital Report Card Act on
3 the Department's website shall include a brief description
4 of the information available in both. When the Department
5 creates new or updates existing consumer fact sheets and
6 other information or materials for the purpose of educating
7 the Illinois health care consumer, it shall reference the
8 web pages of the "Consumer Guide to Health Care" and the
9 Hospital Report Card Act when it is relevant and
10 appropriate. The "Consumer Guide to Health Care" shall
11 include information on at least 30 inpatient conditions and
12 procedures identified by the Department that demonstrate
13 the highest degree of variation in patient charges and
14 quality of care. By no later than January 1, 2007, the
15 "Consumer Guide to Health Care" shall also include
16 information on at least 30 outpatient conditions and
17 procedures identified by the Department that demonstrate
18 the highest degree of variation in patient charges and
19 quality care. As to each condition or procedure, the
20 "Consumer Guide to Health Care" shall include up-to-date
21 comparison information relating to volume of cases,
22 average charges, risk-adjusted mortality rates, and
23 nosocomial infection rates and, with respect to outpatient
24 surgical and invasive procedures, shall include
25 information regarding surgical infections, complications,
26 and direct admissions of outpatient cases to hospitals for

1 selected procedures, as determined by the Department,
2 based on review by the Department of its own, local, or
3 national studies. Information disclosed pursuant to this
4 paragraph on mortality and infection rates shall be based
5 upon information hospitals and ambulatory surgical
6 treatment centers have either (i) previously submitted to
7 the Department pursuant to their obligations to report
8 health care information under this Act or other public
9 health reporting laws and regulations outside of this Act
10 or (ii) submitted to the Department under the provisions of
11 the Hospital Report Card Act.

12 (7) Publicly disclosed information must be provided in
13 language that is easy to understand and accessible to
14 consumers using an interactive query system. The guide
15 shall include such additional information as is necessary
16 to enhance decision making among consumer and health care
17 purchasers, which shall include, at a minimum, appropriate
18 guidance on how to interpret the data and an explanation of
19 why the data may vary from provider to provider. The
20 "Consumer Guide to Health Care" shall also cite standards
21 that facilities meet under state and federal law and, if
22 applicable, to achieve voluntary accreditation.

23 (8) None of the information the Department discloses to
24 the public under this subsection may be made available
25 unless the information has been reviewed, adjusted, and
26 validated according to the following process:

1 (i) Hospitals, ambulatory surgical treatment
2 centers, and organizations representing hospitals,
3 ambulatory surgical treatment centers, purchasers,
4 consumer groups, and health plans are meaningfully
5 involved in providing advice and consultation to the
6 Department in the development of all aspects of the
7 Department's methodology for collecting, analyzing,
8 and disclosing the information collected under this
9 Act, including collection methods, formatting, and
10 methods and means for release and dissemination;

11 (ii) The entire methodology for collecting and
12 analyzing the data is disclosed to all relevant
13 organizations and to all providers that are the subject
14 of any information to be made available to the public
15 before any public disclosure of such information;

16 (iii) Data collection and analytical methodologies
17 are used that meet accepted standards of validity and
18 reliability before any information is made available
19 to the public;

20 (iv) The limitations of the data sources and
21 analytic methodologies used to develop comparative
22 provider information are clearly identified and
23 acknowledged, including, but not limited to,
24 appropriate and inappropriate uses of the data;

25 (v) To the greatest extent possible, comparative
26 hospital and ambulatory surgical treatment center

1 information initiatives use standard-based norms
2 derived from widely accepted provider-developed
3 practice guidelines;

4 (vi) Comparative hospital and ambulatory surgical
5 treatment center information and other information
6 that the Department has compiled regarding hospitals
7 and ambulatory surgical treatment centers is shared
8 with the hospitals and ambulatory surgical treatment
9 centers under review prior to public dissemination of
10 the information and these providers have an
11 opportunity to make corrections and additions of
12 helpful explanatory comments about the information
13 before the publication;

14 (vii) Comparisons among hospitals and ambulatory
15 surgical treatment centers adjust for patient case mix
16 and other relevant risk factors and control for
17 provider peer groups, if applicable;

18 (viii) Effective safeguards to protect against the
19 unauthorized use or disclosure of hospital and
20 ambulatory surgical treatment center information are
21 developed and implemented;

22 (ix) Effective safeguards to protect against the
23 dissemination of inconsistent, incomplete, invalid,
24 inaccurate, or subjective provider data are developed
25 and implemented;

26 (x) The quality and accuracy of hospital and

1 ambulatory surgical treatment center information
2 reported under this Act and its data collection,
3 analysis, and dissemination methodologies are
4 evaluated regularly; and

5 (xi) Only the most basic hospital or ambulatory
6 surgical treatment center identifying information from
7 mandatory reports is used. Information regarding a
8 hospital or ambulatory surgical center may be released
9 regardless of the number of employees or health care
10 professionals whose data are reflected in the data for
11 the hospital or ambulatory surgical treatment center
12 as long as no specific information identifying an
13 employee or a health care professional is released.
14 Further, patient identifiable information is not
15 released. The input data collected by the Department
16 shall not be a public record under the Illinois Freedom
17 of Information Act.

18 None of the information the Department discloses to the
19 public under this Act may be used to establish a standard
20 of care in a private civil action.

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

24 (10) By January 1, 2006, the Department must study the
25 most effective methods for public disclosure of patient
26 claims and encounter data and health care quality

1 information that will be useful to consumers in making
2 health care decisions and report its recommendations to the
3 Governor and to the General Assembly.

4 (11) The Department must undertake all steps necessary
5 under State and Federal law to protect patient
6 confidentiality in order to prevent the identification of
7 individual patient records.

8 (12) The Department must adopt rules for inpatient and
9 outpatient data collection and reporting no later than
10 January 1, 2006.

11 (13) In addition to the data products indicated above,
12 the Department shall respond to requests by government
13 agencies, academic research organizations, and private
14 sector organizations for purposes of clinical performance
15 measurements and analyses of data collected pursuant to
16 this Section.

17 (14) The Department, with the advice of and in
18 consultation with hospitals, ambulatory surgical treatment
19 centers, organizations representing hospitals,
20 organizations representing ambulatory treatment centers,
21 purchasers, consumer groups, and health plans, must
22 evaluate additional methods for comparing the performance
23 of hospitals and ambulatory surgical treatment centers,
24 including the value of disclosing additional measures that
25 are adopted by the National Quality Forum, The Joint
26 Commission on Accreditation of Healthcare Organizations,

1 the Accreditation Association for Ambulatory Health Care,
2 the Centers for Medicare and Medicaid Services, or similar
3 national entities that establish standards to measure the
4 performance of health care providers. The Department shall
5 report its findings and recommendations on its Internet
6 website and to the Governor and General Assembly no later
7 than July 1, 2006.

8 (e) (Blank).

9 (Source: P.A. 93-144, eff. 7-10-03; 94-27, eff. 6-14-05.)".