



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.)".