

SB2256



97TH GENERAL ASSEMBLY

State of Illinois

2011 and 2012

SB2256

Introduced 2/15/2011, by Sen. William R. Haine

SYNOPSIS AS INTRODUCED:

215 ILCS 5/368g new

Amends the Illinois Insurance Code. Provides that no insurer shall implement any change to a provider contract that may adversely impact reimbursement unless, prior to the effective date of the change, the insurer gives the health care provider with whom the insurer has directly contracted and who is impacted by the change at least 60 days written notice of the change. Sets forth provisions concerning notice.

LRB097 08544 RPM 48671 b

A BILL FOR

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 adding
5 Section 368g as follows:

6 (215 ILCS 5/368g new)

7 Sec. 368g. Provider contract changes.

8 (a) No insurer shall implement a change to a provider
9 contract or modify policies and procedures that have been
10 incorporated or incorporated by reference into that contract
11 that may adversely impact reimbursement unless, prior to the
12 effective date of the change, the insurer gives the health care
13 provider with whom the insurer has directly contracted and who
14 is impacted by the change at least 60 days written notice of
15 the change.

16 (b) If the contracting health care provider objects to the
17 change that is the subject of the notice from the insurer, then
18 the health care provider may, within 30 days after the date of
19 the notice, give written notice to the insurer to terminate the
20 contract with the insurer effective upon the implementation
21 date of the adverse reimbursement change.

22 (c) The notice provisions required by this Section shall
23 not apply where:

1 (1) such change is otherwise required by law,
2 regulation or applicable regulatory authority, or as a
3 result of changes in fee schedules, reimbursement
4 methodology, or payment policies established by a
5 government agency or by the American Medical Association's
6 current procedural terminology codes, reporting
7 guidelines, and conventions; or

8 (2) such change is expressly provided for under the
9 terms of the contract by the inclusion of or reference to a
10 specific fee or fee schedule, reimbursement methodology,
11 or payment policy indexing mechanism.