

### **100TH GENERAL ASSEMBLY**

# State of Illinois

## 2017 and 2018

#### HB5354

by Rep. Michael D. Unes

## SYNOPSIS AS INTRODUCED:

5 ILCS 140/7.5	
215 ILCS 5/457	from Ch. 73, par. 1065.4
720 ILCS 5/17-10.4 new	
820 ILCS 305/1	from Ch. 48, par. 138.1
820 ILCS 305/8	from Ch. 48, par. 138.8
820 ILCS 305/8.2	
820 ILCS 305/8.2a	
820 ILCS 305/19	from Ch. 48, par. 138.19
820 ILCS 305/25.5	
820 ILCS 305/29.2	

Amends the Workers' Compensation Act. Limits the scope of the term "arising out of and in the course of employment". Makes changes regarding recovery when an employee is travelling. Increases the duration of the period of temporary total incapacity necessary for recovery. Provides that injuries to the shoulder and hip are to be considered to be injuries to the arm and leg, respectfully. Provides for the implementation of a closed formulary for prescription medicine. Provides for electronic claims. Requires the posting of collateral when seeking judicial review. Provides for a penalty for vexatious delay in payment of benefits. Increases criminal penalties for specified unlawful acts. Requires the Workers' Compensation Commission to provide annual reports to the Governor and General Assembly regarding self-insurance. Amends the Freedom of Information Act to exempt certain workers' compensation related information from the scope of that Act. Amends the Criminal Code of 2012 create the offense of workers' compensation fraud and prescribe penalties.

LRB100 17830 JLS 33010 b

CORRECTIONAL BUDGET AND IMPACT NOTE ACT MAY APPLY FISCAL NOTE ACT MAY APPLY 1 AN ACT concerning employment.

# 2 Be it enacted by the People of the State of Illinois, 3 represented in the General Assembly:

4 Section 5. The Freedom of Information Act is amended by 5 changing Section 7.5 as follows:

6 (5 ILCS 140/7.5)

7 (Text of Section before amendment by P.A. 100-512 and 8 100-517)

9 Sec. 7.5. Statutory exemptions. To the extent provided for 10 by the statutes referenced below, the following shall be exempt 11 from inspection and copying:

12 (a) All information determined to be confidential
13 under Section 4002 of the Technology Advancement and
14 Development Act.

(b) Library circulation and order records identifying
 library users with specific materials under the Library
 Records Confidentiality Act.

(c) Applications, related documents, and medical
 records received by the Experimental Organ Transplantation
 Procedures Board and any and all documents or other records
 prepared by the Experimental Organ Transplantation
 Procedures Board or its staff relating to applications it
 has received.

1 (d) Information and records held by the Department of 2 Public Health and its authorized representatives relating 3 to known or suspected cases of sexually transmissible 4 disease or any information the disclosure of which is 5 restricted under the Illinois Sexually Transmissible 6 Disease Control Act.

7 (e) Information the disclosure of which is exempted
8 under Section 30 of the Radon Industry Licensing Act.

9 (f) Firm performance evaluations under Section 55 of 10 the Architectural, Engineering, and Land Surveying 11 Qualifications Based Selection Act.

12 (g) Information the disclosure of which is restricted
13 and exempted under Section 50 of the Illinois Prepaid
14 Tuition Act.

(h) Information the disclosure of which is exempted under the State Officials and Employees Ethics Act, and records of any lawfully created State or local inspector general's office that would be exempt if created or obtained by an Executive Inspector General's office under that Act.

(i) Information contained in a local emergency energy
 plan submitted to a municipality in accordance with a local
 emergency energy plan ordinance that is adopted under
 Section 11-21.5-5 of the Illinois Municipal Code.

(j) Information and data concerning the distribution
 of surcharge moneys collected and remitted by carriers

1

HB5354

under the Emergency Telephone System Act.

(k) Law enforcement officer identification information
or driver identification information compiled by a law
enforcement agency or the Department of Transportation
under Section 11-212 of the Illinois Vehicle Code.

6 (1) Records and information provided to a residential 7 health care facility resident sexual assault and death 8 review team or the Executive Council under the Abuse 9 Prevention Review Team Act.

10 (m) Information provided to the predatory lending 11 database created pursuant to Article 3 of the Residential 12 Real Property Disclosure Act, except to the extent 13 authorized under that Article.

(n) Defense budgets and petitions for certification of
compensation and expenses for court appointed trial
counsel as provided under Sections 10 and 15 of the Capital
Crimes Litigation Act. This subsection (n) shall apply
until the conclusion of the trial of the case, even if the
prosecution chooses not to pursue the death penalty prior
to trial or sentencing.

(o) Information that is prohibited from being
 disclosed under Section 4 of the Illinois Health and
 Hazardous Substances Registry Act.

(p) Security portions of system safety program plans,
 investigation reports, surveys, schedules, lists, data, or
 information compiled, collected, or prepared by or for the

Regional Transportation Authority under Section 2.11 of
 the Regional Transportation Authority Act or the St. Clair
 County Transit District under the Bi-State Transit Safety
 Act.

5

6

(q) Information prohibited from being disclosed by the Personnel Records Review Act.

7 (r) Information prohibited from being disclosed by the
8 Illinois School Student Records Act.

9

10

(s) Information the disclosure of which is restricted under Section 5-108 of the Public Utilities Act.

11 (t) All identified or deidentified health information 12 in the form of health data or medical records contained in, stored in, submitted to, transferred by, or released from 13 14 the Illinois Health Information Exchange, and identified 15 or deidentified health information in the form of health 16 data and medical records of the Illinois Health Information Exchange in the possession of the Illinois Health 17 Information Exchange Authority due to its administration 18 19 of the Illinois Health Information Exchange. The terms "identified" and "deidentified" shall be given the same 20 21 meaning as in the Health Insurance Portability and 22 Accountability Act of 1996, Public Law 104-191, or any 23 subsequent amendments thereto, and any regulations 24 promulgated thereunder.

(u) Records and information provided to an independent
 team of experts under Brian's Law.

- 5 - LRB100 17830 JLS 33010 b

(v) Names and information of people who have applied 1 2 for or received Firearm Owner's Identification Cards under 3 the Firearm Owners Identification Card Act or applied for or received a concealed carry license under the Firearm 4 5 Concealed Carry Act, unless otherwise authorized by the 6 Firearm Concealed Carry Act; and databases under the 7 Firearm Concealed Carry Act, records of the Concealed Carry 8 Licensing Review Board under the Firearm Concealed Carry 9 Act, and law enforcement agency objections under the 10 Firearm Concealed Carry Act.

(w) Personally identifiable information which is
exempted from disclosure under subsection (g) of Section
19.1 of the Toll Highway Act.

14 (x) Information which is exempted from disclosure
 15 under Section 5-1014.3 of the Counties Code or Section
 16 8-11-21 of the Illinois Municipal Code.

17 Confidential information under the Adult (V) 18 Protective Services Act and its predecessor enabling 19 statute, the Elder Abuse and Neglect Act, including 20 information about the identity and administrative finding 21 against any caregiver of a verified and substantiated 22 decision of abuse, neglect, or financial exploitation of an 23 eligible adult maintained in the Registry established 24 under Section 7.5 of the Adult Protective Services Act.

(z) Records and information provided to a fatality
 review team or the Illinois Fatality Review Team Advisory

- Council under Section 15 of the Adult Protective Services
   Act.
- 3 (aa) Information which is exempted from disclosure
   4 under Section 2.37 of the Wildlife Code.

(bb) Information which is or was prohibited from
 disclosure by the Juvenile Court Act of 1987.

7 (cc) Recordings made under the Law Enforcement
8 Officer-Worn Body Camera Act, except to the extent
9 authorized under that Act.

10 (dd) Information that is prohibited from being
11 disclosed under Section 45 of the Condominium and Common
12 Interest Community Ombudsperson Act.

(ee) Information that is exempted from disclosureunder Section 30.1 of the Pharmacy Practice Act.

(ff) Information that is exempted from disclosure
 under the Revised Uniform Unclaimed Property Act.

17 <u>(qq)</u> <del>(ff)</del> Information that is prohibited from being 18 disclosed under Section 7-603.5 of the Illinois Vehicle 19 Code.

20 (hh) (ff) Records that are exempt from disclosure under
 21 Section 1A-16.7 of the Election Code.

22 <u>(ii)</u> (ff) Information which is exempted from 23 disclosure under Section 2505-800 of the Department of 24 Revenue Law of the Civil Administrative Code of Illinois. 25 (Source: P.A. 99-78, eff. 7-20-15; 99-298, eff. 8-6-15; 99-352, 26 eff. 1-1-16; 99-642, eff. 7-28-16; 99-776, eff. 8-12-16;

HB5354 - 7 - LRB100 17830 JLS 33010 b 99-863, eff. 8-19-16; 100-20, eff. 7-1-17; 100-22, eff. 1-1-18; 1 100-201, eff. 8-18-17; 100-373, eff. 1-1-18; 100-464, eff. 2 8-28-17; 100-465, eff. 8-31-17; revised 11-2-17.) 3 4 (Text of Section after amendment by P.A. 100-517 but before 5 amendment by P.A. 100-512) 6 Sec. 7.5. Statutory exemptions. To the extent provided for 7 by the statutes referenced below, the following shall be exempt from inspection and copying: 8 (a) All information determined to be confidential 9 10 under Section 4002 of the Technology Advancement and 11 Development Act. 12 (b) Library circulation and order records identifying 13 library users with specific materials under the Library 14 Records Confidentiality Act. 15 (C) Applications, related documents, and medical 16 records received by the Experimental Organ Transplantation Procedures Board and any and all documents or other records 17 18 prepared by the Experimental Organ Transplantation Procedures Board or its staff relating to applications it 19 has received. 20 21 (d) Information and records held by the Department of 22 Public Health and its authorized representatives relating 23 to known or suspected cases of sexually transmissible 24 disease or any information the disclosure of which is 25 restricted under the Illinois Sexually Transmissible

1 Disease Control Act.

(e) Information the disclosure of which is exempted
 under Section 30 of the Radon Industry Licensing Act.

4 (f) Firm performance evaluations under Section 55 of
5 the Architectural, Engineering, and Land Surveying
6 Qualifications Based Selection Act.

7 (g) Information the disclosure of which is restricted
8 and exempted under Section 50 of the Illinois Prepaid
9 Tuition Act.

10 (h) Information the disclosure of which is exempted 11 under the State Officials and Employees Ethics Act, and 12 records of any lawfully created State or local inspector 13 general's office that would be exempt if created or 14 obtained by an Executive Inspector General's office under 15 that Act.

(i) Information contained in a local emergency energy
plan submitted to a municipality in accordance with a local
emergency energy plan ordinance that is adopted under
Section 11-21.5-5 of the Illinois Municipal Code.

(j) Information and data concerning the distribution
 of surcharge moneys collected and remitted by carriers
 under the Emergency Telephone System Act.

(k) Law enforcement officer identification information
 or driver identification information compiled by a law
 enforcement agency or the Department of Transportation
 under Section 11-212 of the Illinois Vehicle Code.

- 9 - LRB100 17830 JLS 33010 b

HB5354

1 (1) Records and information provided to a residential 2 health care facility resident sexual assault and death 3 review team or the Executive Council under the Abuse 4 Prevention Review Team Act.

5 (m) Information provided to the predatory lending 6 database created pursuant to Article 3 of the Residential 7 Real Property Disclosure Act, except to the extent 8 authorized under that Article.

9 (n) Defense budgets and petitions for certification of 10 compensation and expenses for court appointed trial 11 counsel as provided under Sections 10 and 15 of the Capital 12 Crimes Litigation Act. This subsection (n) shall apply 13 until the conclusion of the trial of the case, even if the 14 prosecution chooses not to pursue the death penalty prior 15 to trial or sentencing.

16 (o) Information that is prohibited from being
17 disclosed under Section 4 of the Illinois Health and
18 Hazardous Substances Registry Act.

(p) Security portions of system safety program plans,
 investigation reports, surveys, schedules, lists, data, or
 information compiled, collected, or prepared by or for the
 Regional Transportation Authority under Section 2.11 of
 the Regional Transportation Authority Act or the St. Clair
 County Transit District under the Bi-State Transit Safety
 Act.

26

(q) Information prohibited from being disclosed by the

1

Personnel Records Review Act.

- (r) Information prohibited from being disclosed by the
  Illinois School Student Records Act.
- 4

5

(s) Information the disclosure of which is restricted under Section 5-108 of the Public Utilities Act.

(t) All identified or deidentified health information 6 7 in the form of health data or medical records contained in, stored in, submitted to, transferred by, or released from 8 9 the Illinois Health Information Exchange, and identified 10 or deidentified health information in the form of health 11 data and medical records of the Illinois Health Information 12 Exchange in the possession of the Illinois Health Information Exchange Authority due to its administration 13 14 of the Illinois Health Information Exchange. The terms 15 "identified" and "deidentified" shall be given the same 16 meaning as in the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191, or any 17 18 subsequent amendments thereto, and any regulations 19 promulgated thereunder.

20 (u) Records and information provided to an independent
21 team of experts under Brian's Law.

(v) Names and information of people who have applied
for or received Firearm Owner's Identification Cards under
the Firearm Owners Identification Card Act or applied for
or received a concealed carry license under the Firearm
Concealed Carry Act, unless otherwise authorized by the

26

Firearm Concealed Carry Act; and databases under the
 Firearm Concealed Carry Act, records of the Concealed Carry
 Licensing Review Board under the Firearm Concealed Carry
 Act, and law enforcement agency objections under the
 Firearm Concealed Carry Act.

6 (w) Personally identifiable information which is 7 exempted from disclosure under subsection (g) of Section 8 19.1 of the Toll Highway Act.

9 (x) Information which is exempted from disclosure 10 under Section 5-1014.3 of the Counties Code or Section 11 8-11-21 of the Illinois Municipal Code.

12 Confidential information under the (V) Adult 13 Protective Services Act and its predecessor enabling 14 statute, the Elder Abuse and Neglect Act, including 15 information about the identity and administrative finding 16 against any caregiver of a verified and substantiated 17 decision of abuse, neglect, or financial exploitation of an eligible adult maintained in the Registry established 18 under Section 7.5 of the Adult Protective Services Act. 19

(z) Records and information provided to a fatality
review team or the Illinois Fatality Review Team Advisory
Council under Section 15 of the Adult Protective Services
Act.

(aa) Information which is exempted from disclosure
 under Section 2.37 of the Wildlife Code.

(bb) Information which is or was prohibited from

1

disclosure by the Juvenile Court Act of 1987.

2 (cc) Recordings made under the Law Enforcement
3 Officer-Worn Body Camera Act, except to the extent
4 authorized under that Act.

5 (dd) Information that is prohibited from being 6 disclosed under Section 45 of the Condominium and Common 7 Interest Community Ombudsperson Act.

8 (ee) Information that is exempted from disclosure
9 under Section 30.1 of the Pharmacy Practice Act.

10 (ff) Information that is exempted from disclosure11 under the Revised Uniform Unclaimed Property Act.

12 <u>(gg)</u> <del>(ff)</del> Information that is prohibited from being 13 disclosed under Section 7-603.5 of the Illinois Vehicle 14 Code.

(hh) (ff) Records that are exempt from disclosure under
 Section 1A-16.7 of the Election Code.

<u>(ii)</u> (ff) Information which is exempted from
 disclosure under Section 2505-800 of the Department of
 Revenue Law of the Civil Administrative Code of Illinois.

20 <u>(jj)</u> (ff) Information and reports that are required to 21 be submitted to the Department of Labor by registering day 22 and temporary labor service agencies but are exempt from 23 disclosure under subsection (a-1) of Section 45 of the Day 24 and Temporary Labor Services Act.

25 (Source: P.A. 99-78, eff. 7-20-15; 99-298, eff. 8-6-15; 99-352,
26 eff. 1-1-16; 99-642, eff. 7-28-16; 99-776, eff. 8-12-16;

1 99-863, eff. 8-19-16; 100-20, eff. 7-1-17; 100-22, eff. 1-1-18; 2 100-201, eff. 8-18-17; 100-373, eff. 1-1-18; 100-464, eff. 3 8-28-17; 100-465, eff. 8-31-17; 100-517, eff. 6-1-18; revised 4 11-2-17.)

5 (Text of Section after amendment by P.A. 100-512)

HB5354

6 Sec. 7.5. Statutory exemptions. To the extent provided for 7 by the statutes referenced below, the following shall be exempt 8 from inspection and copying:

9 (a) All information determined to be confidential 10 under Section 4002 of the Technology Advancement and 11 Development Act.

12 (b) Library circulation and order records identifying
13 library users with specific materials under the Library
14 Records Confidentiality Act.

(c) Applications, related documents, and medical
 records received by the Experimental Organ Transplantation
 Procedures Board and any and all documents or other records
 prepared by the Experimental Organ Transplantation
 Procedures Board or its staff relating to applications it
 has received.

(d) Information and records held by the Department of
Public Health and its authorized representatives relating
to known or suspected cases of sexually transmissible
disease or any information the disclosure of which is
restricted under the Illinois Sexually Transmissible

Disease Control Act.

(e) Information the disclosure of which is exempted
 under Section 30 of the Radon Industry Licensing Act.

4 (f) Firm performance evaluations under Section 55 of
5 the Architectural, Engineering, and Land Surveying
6 Qualifications Based Selection Act.

7 (g) Information the disclosure of which is restricted
8 and exempted under Section 50 of the Illinois Prepaid
9 Tuition Act.

10 (h) Information the disclosure of which is exempted 11 under the State Officials and Employees Ethics Act, and 12 records of any lawfully created State or local inspector 13 general's office that would be exempt if created or 14 obtained by an Executive Inspector General's office under 15 that Act.

(i) Information contained in a local emergency energy
plan submitted to a municipality in accordance with a local
emergency energy plan ordinance that is adopted under
Section 11-21.5-5 of the Illinois Municipal Code.

(j) Information and data concerning the distribution
 of surcharge moneys collected and remitted by carriers
 under the Emergency Telephone System Act.

(k) Law enforcement officer identification information
or driver identification information compiled by a law
enforcement agency or the Department of Transportation
under Section 11-212 of the Illinois Vehicle Code.

1

1 (1) Records and information provided to a residential 2 health care facility resident sexual assault and death 3 review team or the Executive Council under the Abuse 4 Prevention Review Team Act.

5 (m) Information provided to the predatory lending 6 database created pursuant to Article 3 of the Residential 7 Real Property Disclosure Act, except to the extent 8 authorized under that Article.

9 (n) Defense budgets and petitions for certification of 10 compensation and expenses for court appointed trial 11 counsel as provided under Sections 10 and 15 of the Capital 12 Crimes Litigation Act. This subsection (n) shall apply 13 until the conclusion of the trial of the case, even if the 14 prosecution chooses not to pursue the death penalty prior 15 to trial or sentencing.

(o) Information that is prohibited from being
 disclosed under Section 4 of the Illinois Health and
 Hazardous Substances Registry Act.

(p) Security portions of system safety program plans,
 investigation reports, surveys, schedules, lists, data, or
 information compiled, collected, or prepared by or for the
 Regional Transportation Authority under Section 2.11 of
 the Regional Transportation Authority Act or the St. Clair
 County Transit District under the Bi-State Transit Safety
 Act.

26

(q) Information prohibited from being disclosed by the

1

Personnel Records Review Act.

- (r) Information prohibited from being disclosed by the
  Illinois School Student Records Act.
- 4

5

(s) Information the disclosure of which is restricted under Section 5-108 of the Public Utilities Act.

(t) All identified or deidentified health information 6 7 in the form of health data or medical records contained in, stored in, submitted to, transferred by, or released from 8 9 the Illinois Health Information Exchange, and identified 10 or deidentified health information in the form of health 11 data and medical records of the Illinois Health Information Exchange in the possession of the Illinois Health 12 Information Exchange Authority due to its administration 13 14 of the Illinois Health Information Exchange. The terms 15 "identified" and "deidentified" shall be given the same 16 meaning as in the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191, or any 17 18 subsequent amendments thereto, and any regulations 19 promulgated thereunder.

20 (u) Records and information provided to an independent
21 team of experts under Brian's Law.

(v) Names and information of people who have applied
for or received Firearm Owner's Identification Cards under
the Firearm Owners Identification Card Act or applied for
or received a concealed carry license under the Firearm
Concealed Carry Act, unless otherwise authorized by the

Firearm Concealed Carry Act; and databases under the
 Firearm Concealed Carry Act, records of the Concealed Carry
 Licensing Review Board under the Firearm Concealed Carry
 Act, and law enforcement agency objections under the
 Firearm Concealed Carry Act.

(w) Personally identifiable information which is
exempted from disclosure under subsection (g) of Section
19.1 of the Toll Highway Act.

9 (x) Information which is exempted from disclosure 10 under Section 5-1014.3 of the Counties Code or Section 11 8-11-21 of the Illinois Municipal Code.

12 Confidential information under the (V) Adult 13 Protective Services Act and its predecessor enabling 14 statute, the Elder Abuse and Neglect Act, including 15 information about the identity and administrative finding 16 against any caregiver of a verified and substantiated 17 decision of abuse, neglect, or financial exploitation of an eligible adult maintained in the Registry established 18 under Section 7.5 of the Adult Protective Services Act. 19

(z) Records and information provided to a fatality
 review team or the Illinois Fatality Review Team Advisory
 Council under Section 15 of the Adult Protective Services
 Act.

(aa) Information which is exempted from disclosure
 under Section 2.37 of the Wildlife Code.

26 (bb)

(bb) Information which is or was prohibited from

1

disclosure by the Juvenile Court Act of 1987.

2 (cc) Recordings made under the Law Enforcement
3 Officer-Worn Body Camera Act, except to the extent
4 authorized under that Act.

5 (dd) Information that is prohibited from being 6 disclosed under Section 45 of the Condominium and Common 7 Interest Community Ombudsperson Act.

8 (ee) Information that is exempted from disclosure
9 under Section 30.1 of the Pharmacy Practice Act.

10 (ff) Information that is exempted from disclosure11 under the Revised Uniform Unclaimed Property Act.

12 <u>(gg)</u> <del>(ff)</del> Information that is prohibited from being 13 disclosed under Section 7-603.5 of the Illinois Vehicle 14 Code.

(hh) (ff) Records that are exempt from disclosure under
 Section 1A-16.7 of the Election Code.

<u>(ii)</u> (ff) Information which is exempted from disclosure
 under Section 2505-800 of the Department of Revenue Law of
 the Civil Administrative Code of Illinois.

20 <u>(jj)(ff)</u> Information and reports that are required to 21 be submitted to the Department of Labor by registering day 22 and temporary labor service agencies but are exempt from 23 disclosure under subsection (a-1) of Section 45 of the Day 24 and Temporary Labor Services Act.

25 <u>(kk) (ff)</u> Information prohibited from disclosure under
 26 the Seizure and Forfeiture Reporting Act.

1	(11) Information the disclosure of which is restricted
2	and exempted under Sections 25.5 and 29.2 of the Workers'
3	Compensation Act.
4	(Source: P.A. 99-78, eff. 7-20-15; 99-298, eff. 8-6-15; 99-352,
5	eff. 1-1-16; 99-642, eff. 7-28-16; 99-776, eff. 8-12-16;
6	99-863, eff. 8-19-16; 100-20, eff. 7-1-17; 100-22, eff. 1-1-18;
7	100-201, eff. 8-18-17; 100-373, eff. 1-1-18; 100-464, eff.

8 8-28-17; 100-465, eff. 8-31-17; 100-512, eff. 7-1-18; 100-517, 9 eff. 6-1-18; revised 11-2-17.)

Section 10. The Illinois Insurance Code is amended by changing Section 457 as follows:

12 (215 ILCS 5/457) (from Ch. 73, par. 1065.4)

Sec. 457. Rate filings. (1) Beginning January 1, 1983, 13 every company shall file with the Director every manual of 14 15 classifications, every manual of rules and rates, every rating 16 plan and every modification of the foregoing which it intends to use. Such filings shall be made not later than 30 days after 17 they become effective. A company may satisfy its obligation to 18 make such filings by adopting the filing of a licensed rating 19 20 organization of which it is a member or subscriber, filed 21 pursuant to subsection (2) of this Section, in total or by 22 notifying the Director in what respects it intends to deviate 23 from such filing. Any company adopting a pure premium filed by 24 a rating organization pursuant to subsection (2) must file with the Director the modification factor it is using for expenses and profit so that the final rates in use by such company can be determined.

4 <u>(1.5) Beginning within 30 days of the effective date of</u> 5 <u>this amendatory Act of the 100th General Assembly, an insurer</u> 6 <u>deviating from the workers' compensation loss cost or rate</u> 7 <u>filing of a licensed rating organization of which it is a</u> 8 <u>member shall provide to the Director, within 5 business days of</u> 9 <u>adoption of the deviation, supporting information that</u> 10 <u>specifies the basis and justification for the deviation.</u>

11 (2) Beginning January 1, 1983, each licensed rating 12 organization must file with the Director every manual of 13 classification, every manual of rules and advisory rates, every pure premium which has been fully adjusted and fully developed, 14 every rating plan and every modification of any of the 15 16 foregoing which it intends to recommend for use to its members 17 and subscribers, not later than 30 days after such manual, premium, plan or modification thereof takes effect. Every 18 licensed rating organization shall also file with the Director 19 20 the rate classification system, all rating rules, rating plans, policy forms, underwriting rules or similar materials, and each 21 22 modification of any of the foregoing which it requires its 23 members and subscribers to adhere to not later than 30 days before such filings or modifications thereof are to take 24 25 effect. Every such filing shall state the proposed effective date thereof and shall indicate the character and extent of the 26

- 21 - LRB100 17830 JLS 33010 b

1 coverage contemplated.

2	(2.5) On and after January 1, 2019, the Director shall
3	conduct or authorize an independent actuarial review of any
4	workers' compensation loss cost or rate filing by a licensed
5	rating organization. The review must be completed within 30
6	days of the filing. The cost of the review shall be paid by the
7	rating organization.
8	(3) A filing and any supporting information made pursuant
9	to this Section shall be open to public inspection after the
10	filing becomes effective.
11	(Source: P.A. 82-939.)
12	Section 15. The Criminal Code of 2012 is amended by adding
13	Section 17-10.4 as follows:
14	(720 ILCS 5/17-10.4 new)
15	Sec. 17-10.4. Workers' compensation fraud.
16	(a) It is unlawful for any person, company, corporation,
17	insurance carrier, health care provider, or other entity to:
18	(1) Intentionally present or cause to be presented any
19	false or fraudulent claim for the payment of any workers'
20	compensation benefit.
21	(2) Intentionally make or cause to be made any false or
22	fraudulent material statement or material representation
23	for the purpose of obtaining or denying any workers'
24	compensation benefit.

#### - 22 - LRB100 17830 JLS 33010 b

1	(3) Intentionally make or cause to be made any false or
2	fraudulent statements with regard to entitlement to
3	workers' compensation benefits with the intent to prevent
4	an injured worker from making a legitimate claim for any
5	workers' compensation benefit.
6	(4) Intentionally prepare or provide an invalid,
7	false, or counterfeit certificate of insurance as proof of
8	workers' compensation insurance.
9	(5) Intentionally make or cause to be made any false or
10	fraudulent material statement or material representation
11	for the purpose of obtaining workers' compensation
12	insurance at less than the proper amount for that
13	insurance.
14	(6) Intentionally make or cause to be made any false or
15	fraudulent material statement or material representation
16	on an initial or renewal self-insurance application or
17	accompanying financial statement for the purpose of
18	obtaining self-insurance status or reducing the amount of
19	security that may be required to be furnished pursuant to
20	Section 4 of the Workers' Compensation Act.
21	(7) Intentionally make or cause to be made any false or
22	fraudulent material statement to the Department of
23	Insurance's fraud and insurance non-compliance unit in the
24	course of an investigation of fraud or insurance
25	non-compliance.
26	(8) Intentionally present a bill or statement for the

1	payment for medical services that were not provided.
2	(9) Intentionally assist, abet, solicit, or conspire
3	with any person, company, or other entity to commit any of
4	the acts in paragraph (1), (2), (3), (4), (5), (6), (7), or
5	(8) of this subsection (a).
6	As used in paragraphs (2), (3), (5), (6), (7), and (8),
7	"statement" includes any writing, notice, proof of injury, bill
8	for services, hospital and doctor records and reports, and
9	X-ray and test results.
10	(b) Sentence.
11	(1) A violation of paragraph (a)(3) is a Class 4
12	felony.
13	(2) A violation of paragraph (a)(4) or (a)(7) is a
14	<u>Class 3 felony.</u>
15	(3) A violation of paragraph (a)(1), (a)(2), (a)(5),
16	(a)(6), or (a)(8) in which the value of the property
17	obtained or attempted to be obtained is \$500 or less is a
18	<u>Class A misdemeanor.</u>
19	(4) A violation of paragraph (a)(1), (a)(2), (a)(5),
20	(a)(6), or (a)(8) in which the value of the property
21	obtained or attempted to be obtained is more than \$500 but
22	not more than \$10,000 is a Class 3 felony.
23	(5) A violation of paragraph (a)(1), (a)(2), (a)(5),
24	(a)(6), or (a)(8) in which the value of the property
25	obtained or attempted to be obtained is more than \$10,000
26	but not more than \$100,000 is a Class 2 felony.

### - 24 - LRB100 17830 JLS 33010 b

1	(6) A violation of paragraph (a)(1), (a)(2), (a)(5),
2	(a)(6), or (a)(8) in which the value of the property
3	obtained or attempted to be obtained is more than \$100,000
4	<u>is a Class 1 felony.</u>
5	(7) A violation of paragraph (9) of subsection (a)
6	shall be punishable as the Class of offense for which the
7	person convicted assisted, abetted, solicited, or
8	conspired to commit, as set forth in paragraphs (1) through
9	(6) of this subsection.
10	(8) A person convicted under this Section shall be
11	ordered to pay monetary restitution to the insurance
12	company or self-insured entity or any other person for any
13	financial loss sustained as a result of a violation of this
14	Section, including any court costs and attorney fees. An
15	order of restitution also includes expenses incurred and
16	paid by the State of Illinois or an insurance company or
17	self-insured entity in connection with any medical
18	evaluation or treatment services.
19	For a violation of paragraph (a)(1) or (a)(2), the value of
20	the property obtained or attempted to be obtained includes
21	payments pursuant to the provisions of the Workers'
22	Compensation Act as well as the amount paid for medical
23	expenses. For a violation of paragraph (a)(5), the value of the
24	property obtained or attempted to be obtained is the difference
25	between the proper amount for the coverage sought or provided
26	and the actual amount billed for workers' compensation

HB5354 - 25 - LRB100 17830 JLS 33010 b

insurance. For a violation of paragraph (a)(6), the value of 1 2 the property obtained or attempted to be obtained is the 3 difference between the proper amount of security required pursuant to Section 4 of the Workers' Compensation Act and the 4 5 amount furnished pursuant to the false or fraudulent statements 6 or representations. Notwithstanding the foregoing, an 7 insurance company, self-insured entity, or any other person suffering financial loss sustained as a result of violation of 8 9 this Section may seek restitution, including court costs and attorney's fees, in a civil action in a court of competent 10 11 jurisdiction.

Section 20. The Workers' Compensation Act is amended by changing Sections 1, 8, 8.2, 8.2a, 19, 25.5, and 29.2 as follows:

15 (820 ILCS 305/1) (from Ch. 48, par. 138.1)

Sec. 1. This Act may be cited as the Workers' Compensation Act.

18 (a) The term "employer" as used in this Act means:

The State and each county, city, town, township,
 incorporated village, school district, body politic, or
 municipal corporation therein.

Every person, firm, public or private corporation,
 including hospitals, public service, eleemosynary, religious
 or charitable corporations or associations who has any person

in service or under any contract for hire, express or implied, 1 2 oral or written, and who is engaged in any of the enterprises or businesses enumerated in Section 3 of this Act, or who at or 3 prior to the time of the accident to the employee for which 4 5 compensation under this Act may be claimed, has in the manner provided in this Act elected to become subject to 6 the 7 provisions of this Act, and who has not, prior to such accident, effected a withdrawal of such election in the manner 8 9 provided in this Act.

10 3. Any one engaging in any business or enterprise referred 11 to in subsections 1 and 2 of Section 3 of this Act who 12 undertakes to do any work enumerated therein, is liable to pay 13 compensation to his own immediate employees in accordance with the provisions of this Act, and in addition thereto if he 14 15 directlv or indirectly engages any contractor whether 16 principal or sub-contractor to do any such work, he is liable 17 to pay compensation to the employees of any such contractor or sub-contractor unless such contractor or sub-contractor has 18 insured, in any company or association authorized under the 19 20 laws of this State to insure the liability to pay compensation 21 under this Act, or guaranteed his liability to pay such 22 compensation. With respect to any time limitation on the filing 23 of claims provided by this Act, the timely filing of a claim 24 against a contractor or subcontractor, as the case may be, 25 shall be deemed to be a timely filing with respect to all 26 persons upon whom liability is imposed by this paragraph.

In the event any such person pays compensation under this subsection he may recover the amount thereof from the contractor or sub-contractor, if any, and in the event the contractor pays compensation under this subsection he may recover the amount thereof from the sub-contractor, if any.

6 This subsection does not apply in any case where the 7 accident occurs elsewhere than on, in or about the immediate 8 premises on which the principal has contracted that the work be 9 done.

10 4. Where an employer operating under and subject to the provisions of this Act loans an employee to another such 11 12 employer and such loaned employee sustains a compensable 13 accidental injury in the employment of such borrowing employer 14 and where such borrowing employer does not provide or pay the 15 benefits or payments due such injured employee, such loaning 16 employer is liable to provide or pay all benefits or payments 17 due such employee under this Act and as to such employee the liability of such loaning and borrowing employers is joint and 18 several, provided that such loaning employer is in the absence 19 of agreement to the contrary entitled to receive from such 20 borrowing employer full reimbursement for all sums paid or 21 22 incurred pursuant to this paragraph together with reasonable 23 attorneys' fees and expenses in any hearings before the Illinois Workers' Compensation Commission or in any action to 24 25 secure such reimbursement. Where any benefit is provided or 26 paid by such loaning employer the employee has the duty of

1 rendering reasonable cooperation in any hearings, trials or 2 proceedings in the case, including such proceedings for 3 reimbursement.

Where an employee files an Application for Adjustment of 4 5 Claim with the Illinois Workers' Compensation Commission alleging that his claim is covered by the provisions of the 6 preceding paragraph, and joining both the alleged loaning and 7 8 borrowing employers, they and each of them, upon written demand 9 by the employee and within 7 days after receipt of such demand, 10 shall have the duty of filing with the Illinois Workers' 11 Compensation Commission a written admission or denial of the 12 allegation that the claim is covered by the provisions of the 13 preceding paragraph and in default of such filing or if any such denial be ultimately determined not to have been bona fide 14 15 then the provisions of Paragraph K of Section 19 of this Act 16 shall apply.

17 An employer whose business or enterprise or a substantial part thereof consists of hiring, procuring or furnishing 18 employees to or for other employers operating under and subject 19 20 to the provisions of this Act for the performance of the work of such other employers and who pays such employees their 21 22 salary or wages notwithstanding that they are doing the work of 23 such other employers shall be deemed a loaning employer within the meaning and provisions of this Section. 24

(b) The term "employee" as used in this Act means:
1. Every person in the service of the State, including

1 members of the General Assembly, members of the Commerce 2 Commission, members of the Illinois Workers' Compensation Commission, and all persons in the service of the University of 3 Illinois, county, including deputy sheriffs and assistant 4 5 state's attorneys, city, town, township, incorporated village or school district, body politic, or municipal corporation 6 7 therein, whether by election, under appointment or contract of 8 hire, express or implied, oral or written, including all 9 members of the Illinois National Guard while on active duty in 10 the service of the State, and all probation personnel of the 11 Juvenile Court appointed pursuant to Article VI of the Juvenile 12 Court Act of 1987, and including any official of the State, any 13 county, city, town, township, incorporated village, school district, body politic or municipal corporation therein except 14 15 any duly appointed member of a police department in any city 16 whose population exceeds 500,000 according to the last Federal 17 or State census, and except any member of a fire insurance patrol maintained by a board of underwriters in this State. A 18 duly appointed member of a fire department in any city, the 19 20 population of which exceeds 500,000 according to the last federal or State census, is an employee under this Act only 21 22 with respect to claims brought under paragraph (c) of Section 8. 23

One employed by a contractor who has contracted with the State, or a county, city, town, township, incorporated village, school district, body politic or municipal corporation therein, through its representatives, is not considered as an employee of the State, county, city, town, township, incorporated village, school district, body politic or municipal corporation which made the contract.

5 2. Every person in the service of another under any 6 contract of hire, express or implied, oral or written, including persons whose employment is outside of the State of 7 Illinois where the contract of hire is made within the State of 8 9 Illinois, persons whose employment results in fatal or 10 non-fatal injuries within the State of Illinois where the 11 contract of hire is made outside of the State of Illinois, and 12 persons whose employment is principally localized within the 13 State of Illinois, regardless of the place of the accident or the place where the contract of hire was made, and including 14 aliens, and minors who, for the purpose of this Act are 15 16 considered the same and have the same power to contract, 17 receive payments and give guittances therefor, as adult 18 employees.

Every sole proprietor and every partner of a business
 may elect to be covered by this Act.

An employee or his dependents under this Act who shall have a cause of action by reason of any injury, disablement or death arising out of and in the course of his employment may elect to pursue his remedy in the State where injured or disabled, or in the State where the contract of hire is made, or in the State where the employment is principally localized.

However, any employer may elect to provide and pay 1 2 compensation to any employee other than those engaged in the usual course of the trade, business, profession or occupation 3 of the employer by complying with Sections 2 and 4 of this Act. 4 5 Employees are not included within the provisions of this Act 6 when excluded by the laws of the United States relating to liability of employers to their employees for personal injuries 7 where such laws are held to be exclusive. 8

9 The term "employee" does not include persons performing 10 services as real estate broker, broker-salesman, or salesman 11 when such persons are paid by commission only.

12 (c) "Commission" means the Industrial Commission created 13 by Section 5 of "The Civil Administrative Code of Illinois", 14 approved March 7, 1917, as amended, or the Illinois Workers' 15 Compensation Commission created by Section 13 of this Act.

16 (d) To obtain compensation under this Act, an employee 17 bears the burden of showing, by a preponderance of the 18 evidence, that he or she has sustained accidental injuries 19 arising out of and in the course of the employment.

20 (1) An accidental injury shall not be considered to be
 21 "arising out of and in the course of employment" if,
 22 without limitation, the accidental injury or the medical
 23 condition for which compensation is sought:

24(A) resulted from a hazard or risk that was not25incidental to the employment or did not occur at a time26and place and under circumstances reasonably required

IIDJJJ4
---------

1	by the employment;
2	(B) resulted from a personal or neutral risk
3	including, in the case of an employee who is required
4	to travel for performance of job duties, a personal or
5	neutral risk associated with travel;
6	(C) occurred (i) while the claimant was traveling
7	away from the employer's premises and the travel was
8	not required for the performance of job duties or (ii)
9	during the claimant's commute to and from the
10	employer's premises; or
11	(D) occurred while the claimant, including a
12	claimant who is required to travel for performance of
13	job duties is (i) on a paid or unpaid break and is not
14	performing any specific tasks for the employer during
15	the break or (ii) is on a personal detour or deviation,
16	regardless of whether or not the claimant is otherwise
17	traveling for employment purposes.
18	(2) A hazard or risk is not incidental to the
19	employment if it is a risk of everyday living commonly
20	faced by members of the general public or is associated
21	with an activity of everyday life, regardless of whether
22	the employee was performing an activity required by the
23	employment at the time of the injury or an activity
24	connected with what the employee has to do in fulfilling
25	his duties. A risk commonly faced by members of the general
26	public or associated with an activity of everyday life is a

1

2	(3) In determining whether an employee is required to
3	travel for the performance of job duties, the following
4	factors shall be considered: (i)whether the employer had
5	knowledge that the employee may be required to travel to
6	perform the job; (ii) whether the employer furnished any
7	mode of transportation to or from the employee; (iii)
8	whether the employee received, or the employer paid or
9	agreed to pay, any remuneration or reimbursement for costs
10	or expenses of any form of travel; (iv) whether the
11	employer in any way directed the course or method of
12	travel; (v) whether the employer in any way assisted the
13	employee in making any travel arrangements; and (vi)
14	whether the employer furnished lodging or in any way
15	reimbursed the employee for lodging.
16	(4) Notwithstanding any provision of this Act to the
17	contrary, if an employee, who sustained an accidental
18	injury compensable under this Act that results in a
19	responsibility to pay compensation on the part of the
20	employer, subsequently sustains another injury due to his
21	own intentional conduct or negligence that accelerates,
22	aggravates or worsens the effects or disability of the
23	first injury in any manner, regardless of whether or not he
24	has fully recovered from the effects of the first injury,
25	the employer's responsibility to pay compensation to the
26	employee or his or her dependents shall not be increased

1 <u>due to the effects or disability resulting from the</u> 2 <u>subsequent injury, unless the subsequent injury arose out</u> 3 <u>of and in the course of employment.</u>

4 <u>(5) An injury, its occupational cause, and any</u> 5 <u>resulting manifestations or disability must be established</u> 6 <u>a reasonable degree of medical certainty, based on</u> 7 <u>objective relevant medical findings.</u>

8 (Source: P.A. 97-18, eff. 6-28-11; 97-268, eff. 8-8-11; 97-813, 9 eff. 7-13-12.)

10 (820 ILCS 305/8) (from Ch. 48, par. 138.8)

11 Sec. 8. The amount of compensation which shall be paid to 12 the employee for an accidental injury not resulting in death 13 is:

14 (a) The employer shall provide and pay the negotiated rate, 15 if applicable, or the lesser of the health care provider's 16 actual charges or according to a fee schedule, subject to Section 8.2, in effect at the time the service was rendered for 17 all the necessary first aid, medical and surgical services, and 18 all necessary medical, surgical and 19 hospital services thereafter incurred, limited, however, to that which is 20 21 reasonably required to cure or relieve from the effects of the 22 accidental injury, even if a health care provider sells, 23 transfers, or otherwise assigns an account receivable for 24 procedures, treatments, or services covered under this Act. If 25 the employer does not dispute payment of first aid, medical,

surgical, and hospital services, the employer shall make such 1 2 payment to the provider on behalf of the employee. The employer 3 shall also pay for treatment, instruction and training necessary for the physical, mental and vocational 4 5 rehabilitation of the employee, including all maintenance costs and expenses incidental thereto. If as a result of the 6 7 injury the employee is unable to be self-sufficient the 8 employer shall further pay for such maintenance or 9 institutional care as shall be required.

10 The employee may at any time elect to secure his own 11 physician, surgeon and hospital services at the employer's 12 expense, or,

13 Upon agreement between the employer and the employees, or 14 the employees' exclusive representative, and subject to the 15 approval of the Illinois Workers' Compensation Commission, the 16 employer shall maintain a list of physicians, to be known as a 17 Panel of Physicians, who are accessible to the employees. The employer shall post this list in a place or places easily 18 19 accessible to his employees. The employee shall have the right 20 to make an alternative choice of physician from such Panel if 21 he is not satisfied with the physician first selected. If, due 22 to the nature of the injury or its occurrence away from the 23 employer's place of business, the employee is unable to make a selection from the Panel, the selection process from the Panel 24 25 shall not apply. The physician selected from the Panel may 26 arrange for any consultation, referral or other specialized

medical services outside the Panel at the employer's expense. 1 2 Provided that, in the event the Commission shall find that a 3 doctor selected by the employee is rendering improper or inadequate care, the Commission may order the employee to 4 5 select another doctor certified or qualified in the medical field for which treatment is required. If the employee refuses 6 to make such change the Commission may relieve the employer of 7 his obligation to pay the doctor's charges from the date of 8 refusal to the date of compliance. 9

Any vocational rehabilitation counselors who provide 10 11 service under this Act shall have appropriate certifications 12 which designate the counselor as qualified to render opinions 13 relating vocational rehabilitation. Vocational to rehabilitation may include, but is not limited to, counseling 14 15 for job searches, supervising a job search program, and 16 vocational retraining including education at an accredited 17 learning institution. The employee or employer may petition to the Commission to decide disputes relating to vocational 18 rehabilitation and the Commission shall resolve any such 19 20 dispute, including payment of the vocational rehabilitation 21 program by the employer.

The maintenance benefit shall not be less than the temporary total disability rate determined for the employee. In addition, maintenance shall include costs and expenses incidental to the vocational rehabilitation program.

26

When the employee is working light duty on a part-time

basis or full-time basis and earns less than he or she would be 1 2 earning if employed in the full capacity of the job or jobs, 3 then the employee shall be entitled to temporary partial disability benefits. Temporary partial disability benefits 4 5 shall be equal to two-thirds of the difference between the average amount that the employee would be able to earn in the 6 7 full performance of his or her duties in the occupation in 8 which he or she was engaged at the time of accident and the 9 gross amount which he or she is earning in the modified job 10 provided to the employee by the employer or in any other job 11 that the employee is working.

12 Every hospital, physician, surgeon or other person 13 treatment or services in accordance with rendering the 14 provisions of this Section shall upon written request furnish 15 full and complete reports thereof to, and permit their records 16 to be copied by, the employer, the employee or his dependents, 17 as the case may be, or any other party to any proceeding for compensation before the Commission, or their attorneys. 18

Notwithstanding the foregoing, the employer's liability to pay for such medical services selected by the employee shall be limited to:

22

(1) all first aid and emergency treatment; plus

(2) all medical, surgical and hospital services
provided by the physician, surgeon or hospital initially
chosen by the employee or by any other physician,
consultant, expert, institution or other provider of

1 2

3

services recommended by said initial service provider or any subsequent provider of medical services in the chain of referrals from said initial service provider; plus

medical, surgical and hospital services 4 (3) all 5 provided by any second physician, surgeon or hospital subsequently chosen by the employee or by any other 6 7 physician, consultant, expert, institution or other 8 provider of services recommended by said second service 9 provider or any subsequent provider of medical services in 10 the chain of referrals from said second service provider. 11 Thereafter the employer shall select and pay for all 12 necessary medical, surgical and hospital treatment and the employee may not select a provider of medical services at 13 14 the employer's expense unless the employer agrees to such 15 selection. At any time the employee may obtain any medical 16 treatment he desires at his own expense. This paragraph 17 shall not affect the duty to pay for rehabilitation referred to above. 18

(4) The following shall apply for injuries occurring on
or after June 28, 2011 (the effective date of Public Act
97-18) and only when an employer has an approved preferred
provider program pursuant to Section 8.1a on the date the
employee sustained his or her accidental injuries:

(A) The employer shall, in writing, on a form
promulgated by the Commission, inform the employee of
the preferred provider program;

(B) Subsequent to the report of an injury by an 1 2 employee, the employee may choose in writing at any 3 time to decline the preferred provider program, in which case that would constitute one of the two choices 4 5 of medical providers to which the employee is entitled under subsection (a) (2) or (a) (3); and 6

7 (C) Prior to the report of an injury by an 8 employee, when an employee chooses non-emergency 9 treatment from a provider not within the preferred 10 provider program, that would constitute the employee's 11 one choice of medical providers to which the employee 12 is entitled under subsection (a) (2) or (a) (3).

13 When an employer and employee so agree in writing, nothing 14 in this Act prevents an employee whose injury or disability has been established under this Act, from relying in good faith, on 15 16 treatment by prayer or spiritual means alone, in accordance 17 with the tenets and practice of a recognized church or religious denomination, by a duly accredited practitioner 18 19 thereof, and having nursing services appropriate therewith, without suffering loss or diminution of the compensation 20 benefits under this Act. However, the employee shall submit to 21 22 all physical examinations required by this Act. The cost of 23 such treatment and nursing care shall be paid by the employee 24 unless the employer agrees to make such payment.

25 Where the accidental injury results in the amputation of an 26 arm, hand, leg or foot, or the enucleation of an eye, or the

loss of any of the natural teeth, the employer shall furnish an 1 2 artificial of any such members lost or damaged in accidental injury arising out of and in the course of employment, and 3 shall also furnish the necessary braces in all proper and 4 5 necessary cases. In cases of the loss of a member or members by amputation, the employer shall, whenever necessary, maintain 6 7 in good repair, refit or replace the artificial limbs during 8 the lifetime of the employee. Where the accidental injury 9 accompanied by physical injury results in damage to a denture, 10 eye glasses or contact eye lenses, or where the accidental 11 injury results in damage to an artificial member, the employer 12 shall replace or repair such denture, glasses, lenses, or 13 artificial member.

14 The furnishing by the employer of any such services or 15 appliances is not an admission of liability on the part of the 16 employer to pay compensation.

17 The furnishing of any such services or appliances or the 18 servicing thereof by the employer is not the payment of 19 compensation.

(b) If the period of temporary total incapacity for work lasts more than <u>5 scheduled</u> <del>3</del> working days <u>for the claimant</u>, weekly compensation as hereinafter provided shall be paid beginning on the <u>6th</u> 4th day of such temporary total incapacity and continuing as long as the total temporary incapacity lasts. In cases where the temporary total incapacity for work continues for a period of 14 days or more from the day of the

1 accident compensation shall commence on the day after the 2 accident.

3 1. The compensation rate for temporary total incapacity under this paragraph (b) of this Section shall 4 5 be equal to 66 2/3% of the employee's average weekly wage computed in accordance with Section 10, provided that it 6 7 shall be not less than 66 2/3% of the sum of the Federal 8 minimum wage under the Fair Labor Standards Act, or the 9 Illinois minimum wage under the Minimum Wage Law, whichever 10 is more, multiplied by 40 hours. This percentage rate shall 11 be increased by 10% for each spouse and child, not to 12 exceed 100% of the total minimum wage calculation, nor 13 exceed the employee's average weekly wage computed in 14 accordance with the provisions of Section 10, whichever is 15 less.

16 2. The compensation rate in all cases other than for 17 temporary total disability under this paragraph (b), and other than for serious and permanent disfigurement under 18 19 paragraph (C) and other than for permanent partial 20 disability under subparagraph (2) of paragraph (d) or under 21 paragraph (e), of this Section shall be equal to 66 2/3% of 22 the employee's average weekly wage computed in accordance 23 with the provisions of Section 10, provided that it shall 24 be not less than 66 2/3% of the sum of the Federal minimum 25 wage under the Fair Labor Standards Act, or the Illinois 26 minimum wage under the Minimum Wage Law, whichever is more,

1 multiplied by 40 hours. This percentage rate shall be 2 increased by 10% for each spouse and child, not to exceed 3 100% of the total minimum wage calculation, nor exceed the 4 employee's average weekly wage computed in accordance with 5 the provisions of Section 10, whichever is less.

2.1. The compensation rate in all cases of serious and 6 7 permanent disfigurement under paragraph (c) and of 8 permanent partial disability under subparagraph (2) of 9 paragraph (d) or under paragraph (e) of this Section shall 10 be equal to 60% of the employee's average weekly wage 11 computed in accordance with the provisions of Section 10, 12 provided that it shall be not less than 66 2/3% of the sum 13 of the Federal minimum wage under the Fair Labor Standards 14 Act, or the Illinois minimum wage under the Minimum Wage 15 Law, whichever is more, multiplied by 40 hours. This 16 percentage rate shall be increased by 10% for each spouse 17 and child, not to exceed 100% of the total minimum wage calculation, nor exceed the employee's average weekly wage 18 19 computed in accordance with the provisions of Section 10, 20 whichever is less.

3. As used in this Section the term "child" means a child of the employee including any child legally adopted before the accident or whom at the time of the accident the employee was under legal obligation to support or to whom the employee stood in loco parentis, and who at the time of the accident was under 18 years of age and not emancipated.

1

2

3

4

HB5354

The term "children" means the plural of "child".

4. All weekly compensation rates provided under subparagraphs 1, 2 and 2.1 of this paragraph (b) of this Section shall be subject to the following limitations:

5 The maximum weekly compensation rate from July 1, 1975, 6 except as hereinafter provided, shall be 100% of the 7 State's average weekly wage in covered industries under the 8 Unemployment Insurance Act, that being the wage that most 9 closely approximates the State's average weekly wage.

10 The maximum weekly compensation rate, for the period 11 July 1, 1984, through June 30, 1987, except as hereinafter 12 provided, shall be \$293.61. Effective July 1, 1987 and on 13 July 1 of each year thereafter the maximum weekly 14 compensation rate, except as hereinafter provided, shall 15 be determined as follows: if during the preceding 12 month 16 period there shall have been an increase in the State's 17 average weekly wage in covered industries under the Unemployment Insurance Act, the weekly compensation rate 18 19 shall be proportionately increased by the same percentage 20 as the percentage of increase in the State's average weekly 21 wage in covered industries under the Unemployment 22 Insurance Act during such period.

The maximum weekly compensation rate, for the period January 1, 1981 through December 31, 1983, except as hereinafter provided, shall be 100% of the State's average weekly wage in covered industries under the Unemployment - 44 - LRB100 17830 JLS 33010 b

Insurance Act in effect on January 1, 1981. Effective 1 2 January 1, 1984 and on January 1, of each year thereafter compensation 3 the maximum weekly rate, except as hereinafter provided, shall be determined as follows: if 4 5 during the preceding 12 month period there shall have been 6 an increase in the State's average weekly wage in covered 7 industries under the Unemployment Insurance Act, the shall 8 weekly compensation rate be proportionately 9 increased by the same percentage as the percentage of 10 increase in the State's average weekly wage in covered 11 industries under the Unemployment Insurance Act during 12 such period.

13 From July 1, 1977 and thereafter such maximum weekly 14 compensation rate in death cases under Section 7, and 15 permanent total disability cases under paragraph (f) or 16 subparagraph 18 of paragraph (3) of this Section and for 17 temporary total disability under paragraph (b) of this Section and for amputation of a member or enucleation of an 18 19 eye under paragraph (e) of this Section shall be increased 20 to 133-1/3% of the State's average weekly wage in covered 21 industries under the Unemployment Insurance Act.

For injuries occurring on or after February 1, 2006, the maximum weekly benefit under paragraph (d)1 of this Section shall be 100% of the State's average weekly wage in covered industries under the Unemployment Insurance Act.

4.1. Any provision herein to the contrary

HB5354

26

1 notwithstanding, weekly compensation rate the for 2 compensation payments under subparagraph 18 of paragraph 3 (e) of this Section and under paragraph (f) of this Section and under paragraph (a) of Section 7 and for amputation of 4 a member or enucleation of an eye under paragraph (e) of 5 this Section, shall in no event be less than 50% of the 6 7 State's average weekly wage in covered industries under the 8 Unemployment Insurance Act.

9 4.2. Any provision to the contrary notwithstanding,
10 the total compensation payable under Section 7 shall not
11 exceed the greater of \$500,000 or 25 years.

5. For the purpose of this Section this State's average weekly wage in covered industries under the Unemployment Insurance Act on July 1, 1975 is hereby fixed at \$228.16 per week and the computation of compensation rates shall be based on the aforesaid average weekly wage until modified as hereinafter provided.

6. The Department of Employment Security of the State 18 19 shall on or before the first day of December, 1977, and on 20 or before the first day of June, 1978, and on the first day 21 of each December and June of each year thereafter, publish 22 the State's average weekly wage in covered industries under 23 the Unemployment Insurance Act and the Illinois Workers' 24 Compensation Commission shall on the 15th day of January, 25 1978 and on the 15th day of July, 1978 and on the 15th day 26 of each January and July of each year thereafter, post and

publish the State's average weekly wage in covered industries under the Unemployment Insurance Act as last determined and published by the Department of Employment Security. The amount when so posted and published shall be conclusive and shall be applicable as the basis of computation of compensation rates until the next posting and publication as aforesaid.

8 7. The payment of compensation by an employer or his 9 insurance carrier to an injured employee shall not 10 constitute an admission of the employer's liability to pay 11 compensation.

12 (c) For any serious and permanent disfigurement to the 13 hand, head, face, neck, arm, leg below the knee or the chest 14 above the axillary line, the employee is entitled to compensation for such disfigurement, the amount determined by 15 16 agreement at any time or by arbitration under this Act, at a 17 hearing not less than 6 months after the date of the accidental injury, which amount shall not exceed 150 weeks (if the 18 accidental injury occurs on or after the effective date of this 19 20 amendatory Act of the 94th General Assembly but before February 1, 2006) or 162 weeks (if the accidental injury occurs on or 21 22 after February 1, 2006) at the applicable rate provided in 23 subparagraph 2.1 of paragraph (b) of this Section.

No compensation is payable under this paragraph where compensation is payable under paragraphs (d), (e) or (f) of this Section.

A duly appointed member of a fire department in a city, the population of which exceeds 500,000 according to the last federal or State census, is eligible for compensation under this paragraph only where such serious and permanent disfigurement results from burns.

6 (d) 1. If, after the accidental injury has been sustained, 7 result thereof becomes the employee as а partially 8 incapacitated from pursuing his usual and customary line of 9 employment, he shall, except in cases compensated under the 10 specific schedule set forth in paragraph (e) of this Section, 11 receive compensation for the duration of his disability, 12 subject to the limitations as to maximum amounts fixed in 13 paragraph (b) of this Section, equal to 66-2/3% of the 14 difference between the average amount which he would be able to 15 earn in the full performance of his duties in the occupation in 16 which he was engaged at the time of the accident and the 17 average amount which he is earning or is able to earn in some suitable employment or business after the accident. For 18 19 accidental injuries that occur on or after September 1, 2011, 20 an award for wage differential under this subsection shall be effective only until the employee reaches the age of 67 or 5 21 22 years from the date the award becomes final, whichever is 23 later.

24 2. If, as a result of the accident, the employee sustains
25 serious and permanent injuries not covered by paragraphs (c)
26 and (e) of this Section or having sustained injuries covered by

the aforesaid paragraphs (c) and (e), he shall have sustained 1 2 in addition thereto other injuries which injuries do not incapacitate him from pursuing the duties of his employment but 3 which would disable him from pursuing other 4 suitable 5 occupations, or which have otherwise resulted in physical impairment; or if such injuries partially incapacitate him from 6 7 pursuing the duties of his usual and customary line of 8 employment but do not result in an impairment of earning 9 capacity, or having resulted in an impairment of earning 10 capacity, the employee elects to waive his right to recover 11 under the foregoing subparagraph 1 of paragraph (d) of this 12 Section then in any of the foregoing events, he shall receive 13 in addition to compensation for temporary total disability 14 under paragraph (b) of this Section, compensation at the rate 15 provided in subparagraph 2.1 of paragraph (b) of this Section 16 for that percentage of 500 weeks that the partial disability 17 resulting from the injuries covered by this paragraph bears to total disability. If the employee shall have sustained a 18 fracture of one or more vertebra or fracture of the skull, the 19 20 amount of compensation allowed under this Section shall be not less than 6 weeks for a fractured skull and 6 weeks for each 21 22 fractured vertebra, and in the event the employee shall have 23 sustained a fracture of any of the following facial bones: 24 nasal, lachrymal, vomer, zygoma, maxilla, palatine or 25 mandible, the amount of compensation allowed under this Section shall be not less than 2 weeks for each such fractured bone, 26

and for a fracture of each transverse process not less than 3 1 2 weeks. In the event such injuries shall result in the loss of a 3 kidney, spleen or lung, the amount of compensation allowed under this Section shall be not less than 10 weeks for each 4 5 such organ. Compensation awarded under this subparagraph 2 shall not take into consideration injuries covered under 6 7 paragraphs (c) and (e) of this Section and the compensation 8 provided in this paragraph shall not affect the employee's 9 right to compensation payable under paragraphs (b), (c) and (e) 10 of this Section for the disabilities therein covered.

11 (e) For accidental injuries in the following schedule, the 12 employee shall receive compensation for the period of temporary total incapacity for work resulting from such accidental 13 14 injury, under subparagraph 1 of paragraph (b) of this Section, 15 and shall receive in addition thereto compensation for a 16 further period for the specific loss herein mentioned, but 17 shall not receive any compensation under any other provisions of this Act. The following listed amounts apply to either the 18 loss of or the permanent and complete loss of use of the member 19 20 specified, such compensation for the length of time as follows:

21

1. Thumb-

70 weeks if the accidental injury occurs on or
after the effective date of this amendatory Act of the
94th General Assembly but before February 1, 2006.

25 76 weeks if the accidental injury occurs on or
26 after February 1, 2006.

- 50 - LRB100 17830 JLS 33010 b

1 2. First, or index finger-2 40 weeks if the accidental injury occurs on or after the effective date of this amendatory Act of the 3 94th General Assembly but before February 1, 2006. 4 5 43 weeks if the accidental injury occurs on or after February 1, 2006. 6 7 3. Second, or middle finger-8 35 weeks if the accidental injury occurs on or 9 after the effective date of this amendatory Act of the 10 94th General Assembly but before February 1, 2006. 11 38 weeks if the accidental injury occurs on or 12 after February 1, 2006. 13 4. Third, or ring finger-14 25 weeks if the accidental injury occurs on or 15 after the effective date of this amendatory Act of the 16 94th General Assembly but before February 1, 2006. 17 27 weeks if the accidental injury occurs on or after February 1, 2006. 18 5. Fourth, or little finger-19 20 20 weeks if the accidental injury occurs on or after the effective date of this amendatory Act of the 21 22 94th General Assembly but before February 1, 2006. 23 22 weeks if the accidental injury occurs on or after February 1, 2006. 24 25 6. Great toe-26 35 weeks if the accidental injury occurs on or

1

2

3

4

5

6

7

8

after the effective date of this amendatory Act of the 94th General Assembly but before February 1, 2006.

38 weeks if the accidental injury occurs on or after February 1, 2006.

7. Each toe other than great toe-

12 weeks if the accidental injury occurs on or after the effective date of this amendatory Act of the 94th General Assembly but before February 1, 2006.

9 13 weeks if the accidental injury occurs on or 10 after February 1, 2006.

11 8. The loss of the first or distal phalanx of the thumb 12 or of any finger or toe shall be considered to be equal to the loss of one-half of such thumb, finger or toe and the 13 14 compensation payable shall be one-half of the amount above 15 specified. The loss of more than one phalanx shall be 16 considered as the loss of the entire thumb, finger or toe. 17 In no case shall the amount received for more than one 18 finger exceed the amount provided in this schedule for the loss of a hand. 19

20

26

9. Hand-

190 weeks if the accidental injury occurs on or
after the effective date of this amendatory Act of the
94th General Assembly but before February 1, 2006.

24 205 weeks if the accidental injury occurs on or 25 after February 1, 2006.

190 weeks if the accidental injury occurs on or

after June 28, 2011 (the effective date of Public Act 1 2 97-18) and if the accidental injury involves carpal 3 tunnel syndrome due to repetitive or cumulative trauma, in which case the permanent partial disability 4 5 shall not exceed 15% loss of use of the hand, except 6 for cause shown by clear and convincing evidence and in 7 which case the award shall not exceed 30% loss of use of the hand. 8

9 The loss of 2 or more digits, or one or more phalanges 10 of 2 or more digits, of a hand may be compensated on the 11 basis of partial loss of use of a hand, provided, further, 12 that the loss of 4 digits, or the loss of use of 4 digits, 13 in the same hand shall constitute the complete loss of a 14 hand.

15 10. Arm-

235 weeks if the accidental injury occurs on or
after the effective date of this amendatory Act of the
94th General Assembly but before February 1, 2006.

19253 weeks if the accidental injury occurs on or20after February 1, 2006.

21 Where an accidental injury results in the amputation of 22 an arm below the elbow, such injury shall be compensated as 23 a loss of an arm. Where an accidental injury results in the 24 amputation of an arm above the elbow, compensation for an 25 additional 15 weeks (if the accidental injury occurs on or 26 after the effective date of this amendatory Act of the 94th - 53 - LRB100 17830 JLS 33010 b

General Assembly but before February 1, 2006) or 1 an 2 additional 17 weeks (if the accidental injury occurs on or 3 after February 1, 2006) shall be paid, except where the accidental injury results in the amputation of an arm at 4 5 the shoulder joint, or so close to shoulder joint that an artificial arm cannot be used, or results 6 in the 7 disarticulation of an arm at the shoulder joint, in which 8 case compensation for an additional 65 weeks (if the 9 accidental injury occurs on or after the effective date of 10 this amendatory Act of the 94th General Assembly but before 11 February 1, 2006) or an additional 70 weeks (if the 12 accidental injury occurs on or after February 1, 2006) shall be paid. 13

14For purposes of awards under this subdivision (e),15injuries to the shoulder shall be considered injuries to16part of the arm.

11. Foot-

18 155 weeks if the accidental injury occurs on or
19 after the effective date of this amendatory Act of the
20 94th General Assembly but before February 1, 2006.

21 167 weeks if the accidental injury occurs on or
22 after February 1, 2006.

23 12. Leg-

17

24 200 weeks if the accidental injury occurs on or 25 after the effective date of this amendatory Act of the 26 94th General Assembly but before February 1, 2006.

## - 54 - LRB100 17830 JLS 33010 b

215 weeks if the accidental injury occurs on or
 after February 1, 2006.

3 Where an accidental injury results in the amputation of a leq below the knee, such injury shall be compensated as 4 5 loss of a leq. Where an accidental injury results in the 6 amputation of a leg above the knee, compensation for an additional 25 weeks (if the accidental injury occurs on or 7 8 after the effective date of this amendatory Act of the 94th 9 General Assembly but before February 1, 2006) or an 10 additional 27 weeks (if the accidental injury occurs on or 11 after February 1, 2006) shall be paid, except where the 12 accidental injury results in the amputation of a leg at the 13 hip joint, or so close to the hip joint that an artificial 14 leg cannot be used, or results in the disarticulation of a 15 leg at the hip joint, in which case compensation for an 16 additional 75 weeks (if the accidental injury occurs on or 17 after the effective date of this amendatory Act of the 94th General Assembly but before February 1, 2006) or 18 an 19 additional 81 weeks (if the accidental injury occurs on or 20 after February 1, 2006) shall be paid.

21 For purposes of awards under this subdivision (e), 22 injuries to the hip shall be considered injuries to part of 23 the leg.

24 13. Eye-

25 150 weeks if the accidental injury occurs on or
 26 after the effective date of this amendatory Act of the

94th General Assembly but before February 1, 2006.

2 162 weeks if the accidental injury occurs on or
3 after February 1, 2006.

Where an accidental injury results in the enucleation of an eye, compensation for an additional 10 weeks (if the accidental injury occurs on or after the effective date of this amendatory Act of the 94th General Assembly but before February 1, 2006) or an additional 11 weeks (if the accidental injury occurs on or after February 1, 2006) shall be paid.

11

1

14. Loss of hearing of one ear-

12 50 weeks if the accidental injury occurs on or 13 after the effective date of this amendatory Act of the 14 94th General Assembly but before February 1, 2006.

15 54 weeks if the accidental injury occurs on or
16 after February 1, 2006.

17 Total and permanent loss of hearing of both ears-

200 weeks if the accidental injury occurs on or
after the effective date of this amendatory Act of the
94th General Assembly but before February 1, 2006.

21 215 weeks if the accidental injury occurs on or
22 after February 1, 2006.

23 15. Testicle-

2450 weeks if the accidental injury occurs on or25after the effective date of this amendatory Act of the2694th General Assembly but before February 1, 2006.

3

4

5

6

154 weeks if the accidental injury occurs on or2after February 1, 2006.

Both testicles-

150 weeks if the accidental injury occurs on or after the effective date of this amendatory Act of the 94th General Assembly but before February 1, 2006.

7 162 weeks if the accidental injury occurs on or
8 after February 1, 2006.

9 16. For the permanent partial loss of use of a member 10 or sight of an eye, or hearing of an ear, compensation 11 during that proportion of the number of weeks in the 12 foregoing schedule provided for the loss of such member or 13 sight of an eye, or hearing of an ear, which the partial 14 loss of use thereof bears to the total loss of use of such 15 member, or sight of eye, or hearing of an ear.

16 (a) Loss of hearing for compensation purposes
17 shall be confined to the frequencies of 1,000, 2,000
18 and 3,000 cycles per second. Loss of hearing ability
19 for frequency tones above 3,000 cycles per second are
20 not to be considered as constituting disability for
21 hearing.

(b) The percent of hearing loss, for purposes of the determination of compensation claims for occupational deafness, shall be calculated as the average in decibels for the thresholds of hearing for the frequencies of 1,000, 2,000 and 3,000 cycles per - 57 - LRB100 17830 JLS 33010 b

conduction audiometric 1 second. Pure tone air 2 instruments, approved by nationally recognized 3 authorities in this field, shall be used for measuring hearing loss. If the losses of hearing average 30 4 5 decibels or less in the 3 frequencies, such losses of 6 hearing shall not then constitute any compensable 7 hearing disability. If the losses of hearing average 85 decibels or more in the 3 frequencies, then the same 8 9 shall constitute and be total or 100% compensable 10 hearing loss.

(c) In measuring hearing impairment, the lowest measured losses in each of the 3 frequencies shall be added together and divided by 3 to determine the average decibel loss. For every decibel of loss exceeding 30 decibels an allowance of 1.82% shall be made up to the maximum of 100% which is reached at 85 decibels.

(d) If a hearing loss is established to have
existed on July 1, 1975 by audiometric testing the
employer shall not be liable for the previous loss so
established nor shall he be liable for any loss for
which compensation has been paid or awarded.

(e) No consideration shall be given to the question
of whether or not the ability of an employee to
understand speech is improved by the use of a hearing
aid.

1	(f) No claim for los	(f) No claim for loss of hearing due to industrial	
2	noise shall be brought a	noise shall be brought against an employer or allowed	
3	unless the employee has	unless the employee has been exposed for a period of	
4	time sufficient to cause	time sufficient to cause permanent impairment to noise	
5	levels in excess of the f	levels in excess of the following:	
6	Sound Level DBA		
7	Slow Response	Hours Per Day	
8	90	8	
9	92	6	
10	95	4	
11	97	3	
12	100	2	
13	102	1-1/2	
14	105	1	
15	110	1/2	
16	115	1/4	
17	This subparagraph (f) sh	all not be applied in cases of	
18	hearing loss resulting from trauma or explosion.		

19 17. In computing the compensation to be paid to any employee who, before the accident for which he claims 20 compensation, had before that time sustained an injury 21 22 resulting in the loss by amputation or partial loss by amputation of any member, including hand, arm, thumb, or 23 fingers, leg, foot, or any toes, or loss under Section 24 25 8(d)2 due to accidental injuries to the same part of the 26 spine, such loss or partial loss of any such member or loss

under Section 8(d)2 due to accidental injuries to the same 1 2 part of the spine shall be deducted from any award made for 3 the subsequent injury. For the permanent loss of use or the permanent partial loss of use of any such member or the 4 5 partial loss of sight of an eye or loss under Section 8(d)2 6 due to accidental injuries to the same part of the spine, for which compensation has been paid, then such loss shall 7 8 be taken into consideration and deducted from any award for the subsequent injury. 9

10For purposes of this subdivision (e)17 only, "same part11of the spine" means: (1) cervical spine and thoracic spine12from vertebra C1 through T12 and (2) lumbar and sacral13spine and coccyx from vertebra L1 through S5.

14 18. The specific case of loss of both hands, both arms, 15 or both feet, or both legs, or both eyes, or of any two 16 thereof, or the permanent and complete loss of the use 17 thereof, constitutes total and permanent disability, to be 18 compensated according to the compensation fixed by 19 paragraph (f) of this Section. These specific cases of 20 total and permanent disability do not exclude other cases.

21 Any employee who has previously suffered the loss or 22 permanent and complete loss of the use of any of such 23 members, and in a subsequent independent accident loses 24 another or suffers the permanent and complete loss of the 25 use of any one of such members the employer for whom the 26 injured employee is working at the time of the last

1 2

3

independent accident is liable to pay compensation only for the loss or permanent and complete loss of the use of the member occasioned by the last independent accident.

19. In a case of specific loss and the subsequent death 4 5 of such injured employee from other causes than such injury leaving a widow, widower, or dependents surviving before 6 7 payment or payment in full for such injury, then the amount 8 due for such injury is payable to the widow or widower and, 9 if there be no widow or widower, then to such dependents, 10 in the proportion which such dependency bears to total 11 dependency.

12 Beginning July 1, 1980, and every 6 months thereafter, the 13 Commission shall examine the Second Injury Fund and when, after 14 deducting all advances or loans made to such Fund, the amount 15 therein is \$500,000 then the amount required to be paid by 16 employers pursuant to paragraph (f) of Section 7 shall be 17 reduced by one-half. When the Second Injury Fund reaches the sum of \$600,000 then the payments shall cease entirely. 18 19 However, when the Second Injury Fund has been reduced to 20 \$400,000, payment of one-half of the amounts required by paragraph (f) of Section 7 shall be resumed, in the manner 21 22 herein provided, and when the Second Injury Fund has been 23 reduced to \$300,000, payment of the full amounts required by 24 paragraph (f) of Section 7 shall be resumed, in the manner 25 herein provided. The Commission shall make the changes in 26 payment effective by general order, and the changes in payment

become immediately effective for all cases coming before the
 Commission thereafter either by settlement agreement or final
 order, irrespective of the date of the accidental injury.

On August 1, 1996 and on February 1 and August 1 of each 4 5 subsequent year, the Commission shall examine the special fund designated as the "Rate Adjustment Fund" and when, after 6 deducting all advances or loans made to said fund, the amount 7 8 therein is \$4,000,000, the amount required to be paid by 9 employers pursuant to paragraph (f) of Section 7 shall be 10 reduced by one-half. When the Rate Adjustment Fund reaches the 11 sum of \$5,000,000 the payment therein shall cease entirely. 12 However, when said Rate Adjustment Fund has been reduced to 13 \$3,000,000 the amounts required by paragraph (f) of Section 7 14 shall be resumed in the manner herein provided.

15 (f) In case of complete disability, which renders the 16 employee wholly and permanently incapable of work, or in the 17 specific case of total and permanent disability as provided in 18 subparagraph 18 of paragraph (e) of this Section, compensation 19 shall be payable at the rate provided in subparagraph 2 of 20 paragraph (b) of this Section for life.

21 An employee entitled to benefits under paragraph (f) of 22 this Section shall also be entitled to receive from the Rate 23 Adjustment Fund provided in paragraph (f) of Section 7 of the 24 supplementary benefits provided in paragraph (g) of this 25 Section 8.

26

If any employee who receives an award under this paragraph

afterwards returns to work or is able to do so, and earns or is 1 2 able to earn as much as before the accident, payments under 3 such award shall cease. If such employee returns to work, or is able to do so, and earns or is able to earn part but not as much 4 5 as before the accident, such award shall be modified so as to conform to an award under paragraph (d) of this Section. If 6 7 such award is terminated or reduced under the provisions of 8 this paragraph, such employees have the right at any time 9 within 30 months after the date of such termination or 10 reduction to file petition with the Commission for the purpose 11 of determining whether any disability exists as a result of the 12 original accidental injury and the extent thereof.

Disability as enumerated in subdivision 18, paragraph (e) of this Section is considered complete disability.

15 If an employee who had previously incurred loss or the 16 permanent and complete loss of use of one member, through the 17 loss or the permanent and complete loss of the use of one hand, one arm, one foot, one leg, or one eye, incurs permanent and 18 19 complete disability through the loss or the permanent and 20 complete loss of the use of another member, he shall receive, 21 in addition to the compensation payable by the employer and 22 after such payments have ceased, an amount from the Second 23 Injury Fund provided for in paragraph (f) of Section 7, which, 24 together with the compensation payable from the employer in 25 whose employ he was when the last accidental injury was 26 incurred, will equal the amount payable for permanent and

complete disability as provided in this paragraph of this
 Section.

The custodian of the Second Injury Fund provided for in paragraph (f) of Section 7 shall be joined with the employer as a party respondent in the application for adjustment of claim. The application for adjustment of claim shall state briefly and in general terms the approximate time and place and manner of the loss of the first member.

9 In its award the Commission or the Arbitrator shall 10 specifically find the amount the injured employee shall be 11 weekly paid, the number of weeks compensation which shall be 12 paid by the employer, the date upon which payments begin out of 13 the Second Injury Fund provided for in paragraph (f) of Section 14 7 of this Act, the length of time the weekly payments continue, 15 the date upon which the pension payments commence and the 16 monthly amount of the payments. The Commission shall 30 days 17 after the date upon which payments out of the Second Injury Fund have begun as provided in the award, and every month 18 19 thereafter, prepare and submit to the State Comptroller a 20 voucher for payment for all compensation accrued to that date at the rate fixed by the Commission. The State Comptroller 21 22 shall draw a warrant to the injured employee along with a 23 receipt to be executed by the injured employee and returned to the Commission. The endorsed warrant and receipt is a full and 24 25 complete acquittance to the Commission for the payment out of 26 the Second Injury Fund. No other appropriation or warrant is

necessary for payment out of the Second Injury Fund. The Second
 Injury Fund is appropriated for the purpose of making payments
 according to the terms of the awards.

As of July 1, 1980 to July 1, 1982, all claims against and obligations of the Second Injury Fund shall become claims against and obligations of the Rate Adjustment Fund to the extent there is insufficient money in the Second Injury Fund to pay such claims and obligations. In that case, all references to "Second Injury Fund" in this Section shall also include the Rate Adjustment Fund.

(g) Every award for permanent total disability entered by 11 12 the Commission on and after July 1, 1965 under which compensation payments shall become due and payable after the 13 effective date of this amendatory Act, and every award for 14 15 death benefits or permanent total disability entered by the 16 Commission on and after the effective date of this amendatory 17 Act shall be subject to annual adjustments as to the amount of the compensation rate therein provided. Such adjustments shall 18 19 first be made on July 15, 1977, and all awards made and entered prior to July 1, 1975 and on July 15 of each year thereafter. 20 21 In all other cases such adjustment shall be made on July 15 of 22 the second year next following the date of the entry of the 23 award and shall further be made on July 15 annually thereafter. 24 If during the intervening period from the date of the entry of 25 the award, or the last periodic adjustment, there shall have 26 been an increase in the State's average weekly wage in covered

industries under the Unemployment Insurance Act, the weekly 1 2 compensation rate shall be proportionately increased by the same percentage as the percentage of increase in the State's 3 weekly waqe in covered industries under 4 average the 5 Unemployment Insurance Act. The increase in the compensation rate under this paragraph shall in no event bring the total 6 7 compensation rate to an amount greater than the prevailing 8 maximum rate at the time that the annual adjustment is made. 9 Such increase shall be paid in the same manner as herein 10 provided for payments under the Second Injury Fund to the 11 injured employee, or his dependents, as the case may be, out of 12 the Rate Adjustment Fund provided in paragraph (f) of Section 7 13 of this Act. Payments shall be made at the same intervals as 14 provided in the award or, at the option of the Commission, may 15 be made in quarterly payment on the 15th day of January, April, 16 July and October of each year. In the event of a decrease in 17 such average weekly wage there shall be no change in the then existing compensation rate. The within paragraph shall not 18 19 apply to cases where there is disputed liability and in which a 20 compromise lump sum settlement between the employer and the 21 injured employee, or his dependents, as the case may be, has 22 been duly approved by the Illinois Workers' Compensation 23 Commission.

Provided, that in cases of awards entered by the Commission for injuries occurring before July 1, 1975, the increases in the compensation rate adjusted under the foregoing provision of

this paragraph (g) shall be limited to increases in the State's
 average weekly wage in covered industries under the
 Unemployment Insurance Act occurring after July 1, 1975.

For every accident occurring on or after July 20, 2005 but 4 5 before the effective date of this amendatory Act of the 94th General Assembly (Senate Bill 1283 of the 94th General 6 7 Assembly), the annual adjustments to the compensation rate in 8 awards for death benefits or permanent total disability, as 9 provided in this Act, shall be paid by the employer. The 10 adjustment shall be made by the employer on July 15 of the 11 second year next following the date of the entry of the award 12 and shall further be made on July 15 annually thereafter. If 13 during the intervening period from the date of the entry of the 14 award, or the last periodic adjustment, there shall have been 15 an increase in the State's average weekly wage in covered 16 industries under the Unemployment Insurance Act, the employer 17 shall increase the weekly compensation rate proportionately by the same percentage as the percentage of increase in the 18 19 State's average weekly wage in covered industries under the 20 Unemployment Insurance Act. The increase in the compensation 21 rate under this paragraph shall in no event bring the total 22 compensation rate to an amount greater than the prevailing 23 maximum rate at the time that the annual adjustment is made. In 24 the event of a decrease in such average weekly wage there shall 25 be no change in the then existing compensation rate. Such 26 increase shall be paid by the employer in the same manner and

1 at the same intervals as the payment of compensation in the 2 award. This paragraph shall not apply to cases where there is 3 disputed liability and in which a compromise lump sum 4 settlement between the employer and the injured employee, or 5 his or her dependents, as the case may be, has been duly 6 approved by the Illinois Workers' Compensation Commission.

7 The annual adjustments for every award of death benefits or 8 permanent total disability involving accidents occurring 9 before July 20, 2005 and accidents occurring on or after the 10 effective date of this amendatory Act of the 94th General 11 Assembly (Senate Bill 1283 of the 94th General Assembly) shall 12 continue to be paid from the Rate Adjustment Fund pursuant to 13 this paragraph and Section 7(f) of this Act.

(h) In case death occurs from any cause before the total 14 15 compensation to which the employee would have been entitled has 16 been paid, then in case the employee leaves any widow, widower, 17 child, parent (or any grandchild, grandparent or other lineal heir or any collateral heir dependent at the time of the 18 19 accident upon the earnings of the employee to the extent of 50% 20 or more of total dependency) such compensation shall be paid to 21 the beneficiaries of the deceased employee and distributed as 22 provided in paragraph (g) of Section 7.

(h-1) In case an injured employee is under legal disability at the time when any right or privilege accrues to him or her under this Act, a guardian may be appointed pursuant to law, and may, on behalf of such person under legal disability, claim

and exercise any such right or privilege with the same effect as if the employee himself or herself had claimed or exercised the right or privilege. No limitations of time provided by this Act run so long as the employee who is under legal disability is without a conservator or guardian.

(i) In case the injured employee is under 16 years of age
at the time of the accident and is illegally employed, the
amount of compensation payable under paragraphs (b), (c), (d),
(e) and (f) of this Section is increased 50%.

However, where an employer has on file an employment certificate issued pursuant to the Child Labor Law or work permit issued pursuant to the Federal Fair Labor Standards Act, as amended, or a birth certificate properly and duly issued, such certificate, permit or birth certificate is conclusive evidence as to the age of the injured minor employee for the purposes of this Section.

Nothing herein contained repeals or amends the provisions of the Child Labor Law relating to the employment of minors under the age of 16 years.

(j) 1. In the event the injured employee receives benefits, including medical, surgical or hospital benefits under any group plan covering non-occupational disabilities contributed to wholly or partially by the employer, which benefits should not have been payable if any rights of recovery existed under this Act, then such amounts so paid to the employee from any such group plan as shall be consistent with, and limited to,

1 the provisions of paragraph 2 hereof, shall be credited to or 2 against any compensation payment for temporary total 3 incapacity for work or any medical, surgical or hospital benefits made or to be made under this Act. In such event, the 4 5 period of time for giving notice of accidental injury and 6 filing application for adjustment of claim does not commence to run until the termination of such payments. This paragraph does 7 8 not apply to payments made under any group plan which would 9 have been payable irrespective of an accidental injury under 10 this Act. Any employer receiving such credit shall keep such 11 employee safe and harmless from any and all claims or 12 liabilities that may be made against him by reason of having 13 received such payments only to the extent of such credit.

Any excess benefits paid to or on behalf of a State 14 15 employee by the State Employees' Retirement System under 16 Article 14 of the Illinois Pension Code on a death claim or 17 disputed disability claim shall be credited against any payments made or to be made by the State of Illinois to or on 18 behalf of such employee under this Act, except for payments for 19 20 medical expenses which have already been incurred at the time of the award. The State of Illinois shall directly reimburse 21 22 the State Employees' Retirement System to the extent of such 23 credit.

24 2. Nothing contained in this Act shall be construed to give 25 the employer or the insurance carrier the right to credit for 26 any benefits or payments received by the employee other than

1 compensation payments provided by this Act, and where the 2 employee receives payments other than compensation payments, 3 whether as full or partial salary, group insurance benefits, 4 bonuses, annuities or any other payments, the employer or 5 insurance carrier shall receive credit for each such payment 6 only to the extent of the compensation that would have been 7 payable during the period covered by such payment.

8 3. The extension of time for the filing of an Application 9 for Adjustment of Claim as provided in paragraph 1 above shall 10 not apply to those cases where the time for such filing had 11 expired prior to the date on which payments or benefits 12 enumerated herein have been initiated or resumed. Provided 13 however that this paragraph 3 shall apply only to cases wherein the payments or benefits hereinabove enumerated shall be 14 15 received after July 1, 1969.

16 (Source: P.A. 97-18, eff. 6-28-11; 97-268, eff. 8-8-11; 97-813, 17 eff. 7-13-12.)

18 (820 ILCS 305/8.2)

19 Sec. 8.2. Fee schedule.

(a) Except as provided for in subsection (c), for procedures, treatments, or services covered under this Act and rendered or to be rendered on and after February 1, 2006, the maximum allowable payment shall be 90% of the 80th percentile of charges and fees as determined by the Commission utilizing information provided by employers' and insurers' national

databases, with a minimum of 12,000,000 Illinois line item 1 2 charges and fees comprised of health care provider and hospital charges and fees as of August 1, 2004 but not earlier than 3 August 1, 2002. These charges and fees are provider billed 4 5 amounts and shall not include discounted charges. The 80th 6 percentile is the point on an ordered data set from low to high 7 such that 80% of the cases are below or equal to that point and 8 at most 20% are above or equal to that point. The Commission 9 shall adjust these historical charges and fees as of August 1, 10 2004 by the Consumer Price Index-U for the period August 1, 11 2004 through September 30, 2005. The Commission shall establish 12 fee schedules for procedures, treatments, or services for hospital inpatient, hospital outpatient, emergency room and 13 14 trauma, ambulatory surgical treatment centers, and 15 professional services. These charges and fees shall be 16 designated by geozip or any smaller geographic unit. The data 17 shall in no way identify or tend to identify any patient, employer, or health care provider. As used in this Section, 18 19 "geozip" means a three-digit zip code based on data 20 similarities, geographical similarities, and frequencies. A geozip does not cross state boundaries. As used in this 21 22 Section, "three-digit zip code" means a geographic area in 23 which all zip codes have the same first 3 digits. If a geozip 24 does not have the necessary number of charges and fees to 25 calculate a valid percentile for a specific procedure, 26 treatment, or service, the Commission may combine data from the

geozip with up to 4 other geozips that are demographically and 1 2 economically similar and exhibit similarities in data and 3 frequencies until the Commission reaches 9 charges or fees for that specific procedure, treatment, or service. In cases where 4 5 the compiled data contains less than 9 charges or fees for a procedure, treatment, or service, reimbursement shall occur at 6 7 76% of charges and fees as determined by the Commission in a 8 manner consistent with the provisions of this paragraph. 9 Providers of out-of-state procedures, treatments, services, 10 products, or supplies shall be reimbursed at the lesser of that 11 state's fee schedule amount or the fee schedule amount for the 12 region in which the employee resides. If no fee schedule exists in that state, the provider shall be reimbursed at the lesser 13 14 of the actual charge or the fee schedule amount for the region 15 in which the employee resides. Not later than September 30 in 16 2006 and each year thereafter, the Commission shall 17 automatically increase or decrease the maximum allowable payment for a procedure, treatment, or service established and 18 19 in effect on January 1 of that year by the percentage change in 20 the Consumer Price Index-U for the 12 month period ending August 31 of that year. The increase or decrease shall become 21 22 effective on January 1 of the following year. As used in this 23 Section, "Consumer Price Index-U" means the index published by 24 the Bureau of Labor Statistics of the U.S. Department of Labor, 25 that measures the average change in prices of all goods and 26 services purchased by all urban consumers, U.S. city average,

1 all items, 1982-84=100.

2 (a-1) Notwithstanding the provisions of subsection (a) and 3 unless otherwise indicated, the following provisions shall 4 apply to the medical fee schedule starting on September 1, 5 2011:

(1) The Commission shall establish and maintain fee 6 schedules for procedures, treatments, products, services, 7 8 or supplies for hospital inpatient, hospital outpatient, 9 emergency room, ambulatory surgical treatment centers, 10 accredited ambulatory surgical treatment facilities, 11 prescriptions filled and dispensed outside of a licensed 12 pharmacy, dental services, and professional services. This fee schedule shall be based on the fee schedule amounts 13 14 already established by the Commission pursuant to 15 subsection (a) of this Section. However, starting on 16 January 1, 2012, these fee schedule amounts shall be 17 grouped into geographic regions in the following manner:

18 (A) Four regions for non-hospital fee schedule19 amounts shall be utilized:

(i) Cook County;

20

21

(ii) DuPage, Kane, Lake, and Will Counties;

(iii) Bond, Calhoun, Clinton, Jersey,
Macoupin, Madison, Monroe, Montgomery, Randolph,
St. Clair, and Washington Counties; and

25 (iv) All other counties of the State.
26 (B) Fourteen regions for hospital fee schedule

НВ5354	- 74 - LRB100 17830 JLS 33010 b
	amounts shall be utilized:
	(i) Cook, DuPage, Will, Kane, McHenry, DeKalb,
	Kendall, and Grundy Counties;
	(ii) Kankakee County;
	(iii) Madison, St. Clair, Macoupin, Clinton,
	Monroe, Jersey, Bond, and Calhoun Counties;
	(iv) Winnebago and Boone Counties;
	(v) Peoria, Tazewell, Woodford, Marshall, and
	Stark Counties;
	(vi) Champaign, Piatt, and Ford Counties;
	(vii) Rock Island, Henry, and Mercer Counties;
	(viii) Sangamon and Menard Counties;
	(ix) McLean County;
	(x) Lake County;
	(xi) Macon County;
	(xii) Vermilion County;
	(xiii) Alexander County; and
	(xiv) All other counties of the State.

(2) If a geozip, as defined in subsection (a) of this Section, overlaps into one or more of the regions set forth in this Section, then the Commission shall average or repeat the charges and fees in a geozip in order to designate charges and fees for each region.

(3) In cases where the compiled data contains less than 9 charges or fees for a procedure, treatment, product, supply, or service or where the fee schedule amount cannot 1 determined by the non-discounted charge be data, 2 non-Medicare relative values and conversion factors 3 derived from established fee schedule amounts, coding crosswalks, or other data as determined by the Commission, 4 5 reimbursement shall occur at 76% of charges and fees until 6 September 1, 2011 and 53.2% of charges and fees thereafter 7 as determined by the Commission in a manner consistent with 8 the provisions of this paragraph.

9 (4) To establish additional fee schedule amounts, the 10 Commission shall utilize provider non-discounted charge 11 data, non-Medicare relative values and conversion factors 12 derived from established fee schedule amounts, and coding 13 crosswalks. The Commission may establish additional fee 14 schedule amounts based on either the charge or cost of the 15 procedure, treatment, product, supply, or service.

16 (5) Implants shall be reimbursed at 25% above the net 17 manufacturer's invoice price less rebates, plus actual reasonable and customary shipping charges whether or not 18 19 implant charge is submitted by a provider the in conjunction with a bill for all other services associated 20 21 with the implant, submitted by a provider on a separate 22 claim form, submitted by a distributor, or submitted by the manufacturer of the 23 implant. "Implants" include the 24 following codes or any substantially similar updated code 25 determined by the Commission: 0274 as 26 (prosthetics/orthotics); 0275 (pacemaker); 0276 (lens

implant); 0278 (implants); 0540 and 0545 (ambulance); 0624 1 2 (investigational devices); and 0636 (drugs requiring 3 detailed coding). Non-implantable devices or supplies within these codes shall be reimbursed at 65% of actual 4 5 charge, which is the provider's normal rates under its standard chargemaster. A standard chargemaster is 6 the 7 provider's list of charges for procedures, treatments, 8 products, supplies, or services used to bill payers in a 9 consistent manner.

10 (6) The Commission shall automatically update all
 11 codes and associated rules with the version of the codes
 12 and rules valid on January 1 of that year.

13 (a-2) For procedures, treatments, services, or supplies 14 covered under this Act and rendered or to be rendered on or 15 after September 1, 2011, the maximum allowable payment shall be 16 70% of the fee schedule amounts, which shall be adjusted yearly 17 by the Consumer Price Index-U, as described in subsection (a) 18 of this Section.

19 (a-3) Prescriptions, other than custom compound 20 <u>medications</u>, filled and dispensed outside of a licensed 21 pharmacy shall be subject to a fee schedule that shall not 22 exceed the Average Wholesale Price (AWP) plus a dispensing fee 23 of \$4.18. AWP or its equivalent as registered by the National 24 Drug Code shall be set forth for that drug on that date as 25 published in <u>Medi-Span Medispan</u>.

26 (a-4) The Commission shall, by July 1, 2019, adopt by rule

the most recent version of the Workers' Compensation Formulary of the Official Disability Guidelines Appendix A; Treatment in Workers' Compensation, published by Work Loss Data Institute. The closed pharmacy formulary shall only include the applicable portions of the particular Official Disability Guidelines; Treatment in Workers' Compensation guideline provisions that are specific to the drugs in the formulary in Appendix A.

8 Prescriptions prescribed for workers' compensation cases 9 shall be limited to those prescription drugs and doses on the 10 closed formulary. A request for: (i) a prescription not on the 11 closed formulary; (ii) a dosage prescribed not included in the 12 closed formulary; (iii) any compound drug; and, (iv) any investigational or experimental drug for which there is early, 13 14 developing scientific or clinical evidence demonstrating the potential efficacy of the treatment, but which is not yet 15 16 broadly accepted as the prevailing standard of care, shall 17 require prior authorization by the employer and be reviewed pursuant to Section 8.7 of this Act. 18

19 <u>Nothing in this Act prohibits an employer or insurer from</u> 20 <u>contracting with a health care provider or group of health care</u> 21 <u>providers for reimbursement levels for benefits under this Act</u> 22 <u>different from those provided in this Section.</u>

## 23 (a-5) As used in this Section: 24 "Custom compound medication" means a customized 25 medication prescribed or ordered by a duly licensed 26 prescriber for the specific patient that is prepared in a

HB	5	3	5	4

1	pharmacy by a licensed pharmacist in response to a licensed
2	prescriber's prescription or order by combining, mixing,
3	or altering of ingredients, but not reconstituting, to meet
4	the unique needs of an individual patient. A custom
5	compound medication does not include a drug reconstituted
6	pursuant to a manufacturer's direction nor does it include
7	the sole act of tablet splitting or crushing, capsule
8	opening, or the addition of a flavoring agent to enhance
9	palatability.
10	(a-6) A custom compound medication shall be approved for
11	payment only if the custom compound medication meets all of the
12	following standards:
13	(1) there is no readily available commercially
14	manufactured therapeutically equivalent product;
15	(2) no other Food and Drug Administration approved
16	alternative drug or combination of readily available drugs
17	is appropriate for the patient;
18	(3) the active ingredients of the custom compound
19	medication each have a National Drug Code (NDC) number, are
20	components of drugs approved by the Food and Drug
21	Administration, and the active ingredients in the custom
22	compound medication are being used to treat conditions for
23	which the component drugs have been approved for use by the
24	Food and Drug Administration;
25	(4) no component of the custom compound medication has
26	been withdrawn or removed from the market for safety

1	reasons; and
2	(5) the prescriber is able to demonstrate to the payer
3	that the custom compound medication is reasonable and
4	necessary.
5	(a-7) The Average Wholesale Price (AWP) for the specific
6	amount of each component, as identified by its National Drug
7	Code (NDC) from the original labeler, shall be used to
8	determine the maximum reimbursement of a custom compound
9	medication meeting the standards of subsection (a-5). A single
10	dispensing fee for a custom compound medication shall be based
11	on the actual costs of preparing and dispensing the custom
12	compound medication as determined by the Commission. The
13	dispensing fee for a custom compound medication shall be billed
14	with code WC 700-C.
15	<u>(a-8) This Section is subject to the other provisions of</u>
16	this Act including, but not limited to, Section 8.7.
17	(a-9) The changes to this Section made by this amendatory
18	Act of the 100th General Assembly apply to compounding
19	medications provided on or after the effective date of this
20	amendatory Act of the 100th General Assembly.
21	(b) Notwithstanding the provisions of subsection (a), if
22	the Commission finds that there is a significant limitation on
23	access to quality health care in either a specific field of
24	health care services or a specific geographic limitation on
25	access to health care, it may change the Consumer Price Index-U
26	increase or decrease for that specific field or specific

1 geographic limitation on access to health care to address that 2 limitation.

3 (c) The Commission shall establish by rule a process to 4 review those medical cases or outliers that involve 5 extra-ordinary treatment to determine whether to make an 6 additional adjustment to the maximum payment within a fee 7 schedule for a procedure, treatment, or service.

8 (d) When a patient notifies a provider that the treatment, 9 procedure, or service being sought is for a work-related 10 illness or injury and furnishes the provider the name and 11 address of the responsible employer, the provider shall bill 12 the employer directly. The employer shall make payment and 13 providers shall submit bills and records in accordance with the 14 provisions of this Section.

(1) All payments to providers for treatment provided pursuant to this Act shall be made within 30 days of receipt of the bills as long as the claim contains substantially all the required data elements necessary to adjudicate the bills.

20 (2) If the claim does not contain substantially all the 21 required data elements necessary to adjudicate the bill, or 22 the claim is denied for any other reason, in whole or in 23 part, the employer or insurer shall provide written 24 notification, explaining the basis for the denial and 25 describing any additional necessary data elements, to the 26 provider within 30 days of receipt of the bill.

1	(3) <u>An employer or its insurer shall provide to an</u>
2	injured worker or an injured worker's medical provider,
3	upon written request, a mailing and an electronic address
4	to which medical bills should be sent. An employer or its
5	insurer shall within 30 days after receiving a bill
6	containing all the required data elements necessary to
7	determine whether to pay or not pay all or a portion of the
8	bill provide to the medical provider payment of all or a
9	portion of the bill determined to be compensable at the
10	lesser of the bill charge, fee schedule rate, or negotiated
11	rate. Any amounts unpaid and determined to be compensable
12	by the Commission shall incur interest at a rate of 1% per
13	month from the date of the Commission's final decision
14	exclusive of Section 19 (n) or Section 2-1303 of the Code
15	of Civil Procedure. The medical provider has the burden of
16	proof that the bill was received at the address provided by
17	the employer or its insurer In the case of nonpayment to a
18	provider within 30 days of receipt of the bill which
19	contained substantially all of the required data elements
20	necessary to adjudicate the bill or nonpayment to a
21	provider of a portion of such a bill up to the lesser of
22	the actual charge or the payment level set by the
23	Commission in the fee schedule established in this Section,
24	the bill, or portion of the bill, shall incur interest at a
25	rate of 1% per month payable to the provider. Any required
26	interest payments shall be made within 30 days after

1 payment.

2 (e) Except as provided in subsections (e-5), (e-10), and (e-15), a provider shall not hold an employee liable for costs 3 related to a non-disputed procedure, treatment, or service 4 5 rendered in connection with a compensable injury. The provisions of subsections (e-5), (e-10), (e-15), and (e-20)6 shall not apply if an employee provides information to the 7 8 provider regarding participation in a group health plan. If the 9 employee participates in a group health plan, the provider may 10 submit a claim for services to the group health plan. If the 11 claim for service is covered by the group health plan, the 12 employee's responsibility shall be limited to applicable 13 deductibles, co-payments, or co-insurance. Except as provided under subsections (e-5), (e-10), (e-15), and (e-20), a provider 14 shall not bill or otherwise attempt to recover from the 15 16 employee the difference between the provider's charge and the 17 amount paid by the employer or the insurer on a compensable 18 injury, or for medical services or treatment determined by the Commission to be excessive or unnecessary. 19

(e-5) If an employer notifies a provider that the employer does not consider the illness or injury to be compensable under this Act, the provider may seek payment of the provider's actual charges from the employee for any procedure, treatment, or service rendered. Once an employee informs the provider that there is an application filed with the Commission to resolve a dispute over payment of such charges, the provider shall cease any and all efforts to collect payment for the services that are the subject of the dispute. Any statute of limitations or statute of repose applicable to the provider's efforts to collect payment from the employee shall be tolled from the date that the employee files the application with the Commission until the date that the provider is permitted to resume collection efforts under the provisions of this Section.

(e-10) If an employer notifies a provider that the employer 8 9 will pay only a portion of a bill for any procedure, treatment, 10 or service rendered in connection with a compensable illness or 11 disease, the provider may seek payment from the employee for 12 the remainder of the amount of the bill up to the lesser of the actual charge, negotiated rate, if applicable, or the payment 13 level set by the Commission in the fee schedule established in 14 15 this Section. Once an employee informs the provider that there 16 is an application filed with the Commission to resolve a 17 dispute over payment of such charges, the provider shall cease any and all efforts to collect payment for the services that 18 19 are the subject of the dispute. Any statute of limitations or statute of repose applicable to the provider's efforts to 20 21 collect payment from the employee shall be tolled from the date 22 that the employee files the application with the Commission 23 until the date that the provider is permitted to resume collection efforts under the provisions of this Section. 24

25 (e-15) When there is a dispute over the compensability of 26 or amount of payment for a procedure, treatment, or service,

and a case is pending or proceeding before an Arbitrator or the 1 2 Commission, the provider may mail the employee reminders that 3 the employee will be responsible for payment of any procedure, treatment or service rendered by the provider. The reminders 4 5 must state that they are not bills, to the extent practicable include itemized information, and state that the employee need 6 7 not pay until such time as the provider is permitted to resume collection efforts under this Section. The reminders shall not 8 9 be provided to any credit rating agency. The reminders may 10 request that the employee furnish the provider with information 11 about the proceeding under this Act, such as the file number, 12 names of parties, and status of the case. If an employee fails to respond to such request for information or fails to furnish 13 the information requested within 90 days of the date of the 14 15 reminder, the provider is entitled to resume any and all 16 efforts to collect payment from the employee for the services 17 rendered to the employee and the employee shall be responsible for payment of any outstanding bills for a procedure, 18 treatment, or service rendered by a provider. 19

(e-20) Upon a final award or judgment by an Arbitrator or the Commission, or a settlement agreed to by the employer and the employee, a provider may resume any and all efforts to collect payment from the employee for the services rendered to the employee and the employee shall be responsible for payment of any outstanding bills for a procedure, treatment, or service rendered by a provider as well as the interest awarded under

subsection (d) of this Section. In the case of a procedure, 1 2 treatment, or service deemed compensable, the provider shall 3 not require a payment rate, excluding the interest provisions under subsection (d), greater than the lesser of the actual 4 5 charge or the payment level set by the Commission in the fee schedule established in this Section. Payment for services 6 7 deemed not covered or not compensable under this Act is the 8 responsibility of the employee unless a provider and employee 9 have agreed otherwise in writing. Services not covered or not 10 compensable under this Act are not subject to the fee schedule 11 in this Section.

(f) Nothing in this Act shall prohibit an employer or insurer from contracting with a health care provider or group of health care providers for reimbursement levels for benefits under this Act different from those provided in this Section.

16 (g) On or before January 1, 2010 the Commission shall 17 provide to the Governor and General Assembly a report regarding 18 the implementation of the medical fee schedule and the index 19 used for annual adjustment to that schedule as described in 20 this Section.

21 (Source: P.A. 97-18, eff. 6-28-11.)

22 (820 ILCS 305/8.2a)

23 Sec. 8.2a. Electronic claims.

24 (a) The Director of Insurance shall adopt rules to do all25 of the following:

1 (1)Ensure that all health care providers and 2 facilities submit medical bills for payment on standardized forms. 3 (2) Require acceptance by employers and insurers of 4 5 electronic claims for payment of medical services. Ensure confidentiality of medical information 6 (3) 7 submitted on electronic claims for payment of medical 8 services. 9 (4) Ensure that health care providers have at least 15 10 business days to comply with records requested by employers 11 and insurers. 12 (5) Provide that an electronically submitted bill containing substantially all of the required data elements 13 14 necessary to adjudicate the bill, but not paid or objected to within 30 days, shall be subject to interest at 1% per 15 16 month as provided in Section 8.2(d)(3) of this Act. 17 (6) Provide that the Department of Insurance may impose an administrative fine if it determines that an employer or 18 19 insurer has intentionally failed to comply or demonstrates 20 a repeated pattern of failing to comply with the electronic 21 claims acceptance and response process. The amount of the 22 administrative fine shall be no greater than \$1,000 per 23 each violation, but shall not exceed \$10,000 for all 24 violations during a calendar year. 25 (b) To the extent feasible, standards adopted pursuant to 26 subdivision (a) shall be consistent with existing standards

under the federal Health Insurance Portability and
 Accountability Act of 1996 and standards adopted under the
 Illinois Health Information Exchange and Technology Act.

4 (c) The rules requiring employers and insurers to accept 5 electronic claims for payment of medical services shall be 6 proposed on or before January 1, 2012, and shall require all 7 employers and insurers to accept electronic claims for payment 8 of medical services on or before June 30, 2012.

9 The Director of Insurance shall adopt rules by June 30, 10 2019 to implement the changes to this Section made by this 11 amendatory Act of the 100th General Assembly. The Commission, with assistance from the Department and the Commission's 12 13 Medical Fee Advisory Board, shall publish on its Internet 14 website a companion guide to assist with compliance with electronic claims rules. The Medical Fee Advisory Board shall 15 16 periodically review the companion guide.

17 (d) The Director of Insurance shall by rule establish 18 criteria for granting exceptions to employers, insurance 19 carriers, and health care providers who are unable to submit or 20 accept medical bills electronically.

21 (Source: P.A. 97-18, eff. 6-28-11.)

22 (820 ILCS 305/19) (from Ch. 48, par. 138.19)

23 Sec. 19. Any disputed questions of law or fact shall be 24 determined as herein provided.

25 (a) It shall be the duty of the Commission upon

- 1 notification that the parties have failed to reach an 2 agreement, to designate an Arbitrator.

3 1. Whenever any claimant misconceives his remedy and files an application for adjustment of claim under this Act 4 5 and it is subsequently discovered, at any time before final 6 disposition of such cause, that the claim for disability or 7 death which was the basis for such application should 8 properly have been made under the Workers' Occupational 9 Diseases Act, then the provisions of Section 19, paragraph (a-1) of the Workers' Occupational Diseases Act having 10 11 reference to such application shall apply.

12 2. Whenever any claimant misconceives his remedy and files an application for adjustment of claim under the 13 14 Workers' Occupational Diseases Act and it is subsequently 15 discovered, at any time before final disposition of such 16 cause that the claim for injury or death which was the 17 basis for such application should properly have been made under this Act, then the application so filed under the 18 19 Workers' Occupational Diseases Act may be amended in form, 20 substance or both to assert claim for such disability or death under this Act and it shall be deemed to have been so 21 22 filed as amended on the date of the original filing 23 thereof, and such compensation may be awarded as is 24 warranted by the whole evidence pursuant to this Act. When 25 amendment is submitted, further or additional such 26 evidence may be heard by the Arbitrator or Commission when

deemed necessary. Nothing in this Section contained shall be construed to be or permit a waiver of any provisions of this Act with reference to notice but notice if given shall be deemed to be a notice under the provisions of this Act if given within the time required herein.

6 (b) The Arbitrator shall make such inquiries and 7 investigations as he or they shall deem necessary and may 8 examine and inspect all books, papers, records, places, or 9 premises relating to the questions in dispute and hear such 10 proper evidence as the parties may submit.

11 The hearings before the Arbitrator shall be held in the 12 vicinity where the injury occurred after 10 days' notice of the 13 time and place of such hearing shall have been given to each of 14 the parties or their attorneys of record.

15 The Arbitrator may find that the disabling condition is 16 temporary and has not yet reached a permanent condition and may 17 order the payment of compensation up to the date of the hearing, which award shall be reviewable and enforceable in the 18 19 same manner as other awards, and in no instance be a bar to a 20 further hearing and determination of a further amount of temporary total compensation or of compensation for permanent 21 22 disability, but shall be conclusive as to all other questions 23 except the nature and extent of said disability.

The decision of the Arbitrator shall be filed with the Commission which Commission shall immediately send to each party or his attorney a copy of such decision, together with a

notification of the time when it was filed. As of the effective 1 2 date of this amendatory Act of the 94th General Assembly, all decisions of the Arbitrator shall set forth in writing findings 3 of fact and conclusions of law, separately stated, if requested 4 5 by either party. Unless a petition for review is filed by either party within 30 days after the receipt by such party of 6 7 the copy of the decision and notification of time when filed, 8 and unless such party petitioning for a review shall within 35 9 days after the receipt by him of the copy of the decision, file 10 with the Commission either an agreed statement of the facts 11 appearing upon the hearing before the Arbitrator, or if such 12 party shall so elect a correct transcript of evidence of the 13 proceedings at such hearings, then the decision shall become the decision of the Commission and in the absence of fraud 14 shall be conclusive. The Petition for Review shall contain a 15 statement of the petitioning party's specific exceptions to the 16 17 decision of the arbitrator. The jurisdiction of the Commission to review the decision of the arbitrator shall not be limited 18 19 to the exceptions stated in the Petition for Review. The 20 Commission, or any member thereof, may grant further time not exceeding 30 days, in which to file such agreed statement or 21 22 transcript of evidence. Such agreed statement of facts or 23 correct transcript of evidence, as the case may be, shall be authenticated by the signatures of the parties or their 24 25 attorneys, and in the event they do not agree as to the correctness of the transcript of evidence it shall 26 be

authenticated by the signature of the Arbitrator designated by
 the Commission.

Whether the employee is working or not, if the employee is 3 not receiving or has not received medical, surgical, or 4 5 hospital services or other services or compensation as provided in paragraph (a) of Section 8, or compensation as provided in 6 paragraph (b) of Section 8, the employee may at any time 7 8 petition for an expedited hearing by an Arbitrator on the issue 9 of whether or not he or she is entitled to receive payment of 10 the services or compensation. Provided the employer continues 11 to pay compensation pursuant to paragraph (b) of Section 8, the 12 employer may at any time petition for an expedited hearing on 13 the issue of whether or not the employee is entitled to receive medical, surgical, or hospital services or other services or 14 15 compensation as provided in paragraph (a) of Section 8, or 16 compensation as provided in paragraph (b) of Section 8. When an 17 employer has petitioned for an expedited hearing, the employer shall continue to pay compensation as provided in paragraph (b) 18 of Section 8 unless the arbitrator renders a decision that the 19 20 employee is not entitled to the benefits that are the subject of the expedited hearing or unless the employee's treating 21 22 physician has released the employee to return to work at his or 23 her regular job with the employer or the employee actually returns to work at any other job. If the arbitrator renders a 24 25 decision that the employee is not entitled to the benefits that 26 are the subject of the expedited hearing, a petition for review

filed by the employee shall receive the same priority as if the employee had filed a petition for an expedited hearing by an Arbitrator. Neither party shall be entitled to an expedited hearing when the employee has returned to work and the sole issue in dispute amounts to less than 12 weeks of unpaid compensation pursuant to paragraph (b) of Section 8.

Expedited hearings shall have priority over all other 7 8 petitions and shall be heard by the Arbitrator and Commission 9 with all convenient speed. Any party requesting an expedited 10 hearing shall give notice of a request for an expedited hearing 11 under this paragraph. A copy of the Application for Adjustment 12 of Claim shall be attached to the notice. The Commission shall 13 adopt rules and procedures under which the final decision of the Commission under this paragraph is filed not later than 180 14 15 days from the date that the Petition for Review is filed with 16 the Commission.

17 Where 2 or more insurance carriers, private self-insureds, or a group workers' compensation pool under Article V 3/4 of 18 the Illinois Insurance Code dispute coverage for the same 19 20 injury, any such insurance carrier, private self-insured, or 21 group workers' compensation pool may request an expedited 22 hearing pursuant to this paragraph to determine the issue of 23 coverage, provided coverage is the only issue in dispute and all other issues are stipulated and agreed to and further 24 25 provided that all compensation benefits including medical benefits pursuant to Section 8(a) continue to be paid to or on 26

behalf of petitioner. Any insurance carrier, private self-insured, or group workers' compensation pool that is determined to be liable for coverage for the injury in issue shall reimburse any insurance carrier, private self-insured, or group workers' compensation pool that has paid benefits to or on behalf of petitioner for the injury.

(b-1) If the employee is not receiving medical, surgical or 7 8 hospital services as provided in paragraph (a) of Section 8 or 9 compensation as provided in paragraph (b) of Section 8, the 10 employee, in accordance with Commission Rules, may file a 11 petition for an emergency hearing by an Arbitrator on the issue 12 of whether or not he is entitled to receive payment of such 13 compensation or services as provided therein. Such petition shall have priority over all other petitions and shall be heard 14 15 by the Arbitrator and Commission with all convenient speed.

16 Such petition shall contain the following information and 17 shall be served on the employer at least 15 days before it is 18 filed:

(i) the date and approximate time of accident;
(ii) the approximate location of the accident;
(iii) a description of the accident;
(iv) the nature of the injury incurred by the employee;
(v) the identity of the person, if known, to whom the
accident was reported and the date on which it was
reported;

26

(vi) the name and title of the person, if known,

representing the employer with whom the employee conferred in any effort to obtain compensation pursuant to paragraph (b) of Section 8 of this Act or medical, surgical or hospital services pursuant to paragraph (a) of Section 8 of this Act and the date of such conference;

6 (vii) a statement that the employer has refused to pay 7 compensation pursuant to paragraph (b) of Section 8 of this 8 Act or for medical, surgical or hospital services pursuant 9 to paragraph (a) of Section 8 of this Act;

10 (viii) the name and address, if known, of each witness 11 to the accident and of each other person upon whom the 12 employee will rely to support his allegations;

13 (ix) the dates of treatment related to the accident by 14 medical practitioners, and the names and addresses of such 15 practitioners, including the dates of treatment related to 16 the accident at any hospitals and the names and addresses 17 of such hospitals, and a signed authorization permitting employer to examine all medical records of all 18 the 19 practitioners and hospitals named pursuant to this 20 paragraph;

21 (X) а copy of a signed report by a medical 22 practitioner, relating to the employee's current inability 23 to return to work because of the injuries incurred as a result of the accident or such other documents or 24 25 affidavits which show that the employee is entitled to 26 receive compensation pursuant to paragraph (b) of Section 8

of this Act or medical, surgical or hospital services 1 2 pursuant to paragraph (a) of Section 8 of this Act. Such 3 reports, documents or affidavits shall state, if possible, the history of the accident given by the employee, and 4 5 describe the injury and medical diagnosis, the medical services for such injury which the employee has received 6 7 and is receiving, the physical activities which the 8 employee cannot currently perform as a result of any 9 impairment or disability due to such injury, and the 10 prognosis for recovery;

(xi) complete copies of any reports, records, documents and affidavits in the possession of the employee on which the employee will rely to support his allegations, provided that the employer shall pay the reasonable cost of reproduction thereof;

16 (xii) a list of any reports, records, documents and
17 affidavits which the employee has demanded by subpoena and
18 on which he intends to rely to support his allegations;

19 (xiii) a certification signed by the employee or his
20 representative that the employer has received the petition
21 with the required information 15 days before filing.

Fifteen days after receipt by the employer of the petition with the required information the employee may file said petition and required information and shall serve notice of the filing upon the employer. The employer may file a motion addressed to the sufficiency of the petition. If an objection has been filed to the sufficiency of the petition, the arbitrator shall rule on the objection within 2 working days. If such an objection is filed, the time for filing the final decision of the Commission as provided in this paragraph shall be tolled until the arbitrator has determined that the petition is sufficient.

The employer shall, within 15 days after receipt of the 7 8 notice that such petition is filed, file with the Commission 9 and serve on the employee or his representative a written 10 response to each claim set forth in the petition, including the legal and factual basis for each disputed allegation and the 11 12 following information: (i) complete copies of any reports, 13 records, documents and affidavits in the possession of the employer on which the employer intends to rely in support of 14 15 his response, (ii) a list of any reports, records, documents 16 and affidavits which the employer has demanded by subpoena and 17 on which the employer intends to rely in support of his response, (iii) the name and address of each witness on whom 18 19 the employer will rely to support his response, and (iv) the 20 names and addresses of any medical practitioners selected by the employer pursuant to Section 12 of this Act and the time 21 22 and place of any examination scheduled to be made pursuant to 23 such Section.

Any employer who does not timely file and serve a written response without good cause may not introduce any evidence to dispute any claim of the employee but may cross examine the

1 employee or any witness brought by the employee and otherwise
2 be heard.

No document or other evidence not previously identified by 3 either party with the petition or written response, or by any 4 5 other means before the hearing, may be introduced into evidence without good cause. If, at the hearing, material information is 6 discovered which was not previously disclosed, the Arbitrator 7 8 may extend the time for closing proof on the motion of a party 9 for a reasonable period of time which may be more than 30 days. 10 No evidence may be introduced pursuant to this paragraph as to 11 permanent disability. No award may be entered for permanent 12 disability pursuant to this paragraph. Either party may 13 introduce into evidence the testimony taken by deposition of 14 any medical practitioner.

15 The Commission shall adopt rules, regulations and procedures whereby the final decision of the Commission is 16 17 filed not later than 90 days from the date the petition for review is filed but in no event later than 180 days from the 18 19 date the petition for an emergency hearing is filed with the 20 Illinois Workers' Compensation Commission.

All service required pursuant to this paragraph (b-1) must be by personal service or by certified mail and with evidence of receipt. In addition for the purposes of this paragraph, all service on the employer must be at the premises where the accident occurred if the premises are owned or operated by the employer. Otherwise service must be at the employee's principal place of employment by the employer. If service on the employer is not possible at either of the above, then service shall be at the employer's principal place of business. After initial service in each case, service shall be made on the employer's attorney or designated representative.

(c) (1) At a reasonable time in advance of and in connection 6 7 with the hearing under Section 19(e) or 19(h), the Commission 8 may on its own motion order an impartial physical or mental 9 examination of a petitioner whose mental or physical condition 10 is in issue, when in the Commission's discretion it appears 11 that such an examination will materially aid in the just 12 determination of the case. The examination shall be made by a member or members of a panel of physicians chosen for their 13 14 special qualifications by the Illinois State Medical Society. 15 The Commission shall establish procedures by which a physician 16 shall be selected from such list.

17 (2) Should the Commission at any time during the hearing 18 find that compelling considerations make it advisable to have 19 an examination and report at that time, the commission may in 20 its discretion so order.

(3) A copy of the report of examination shall be given tothe Commission and to the attorneys for the parties.

(4) Either party or the Commission may call the examining
physician or physicians to testify. Any physician so called
shall be subject to cross-examination.

26

(5) The examination shall be made, and the physician or

1 physicians, if called, shall testify, without cost to the 2 parties. The Commission shall determine the compensation and 3 the pay of the physician or physicians. The compensation for 4 this service shall not exceed the usual and customary amount 5 for such service.

6 (6) The fees and payment thereof of all attorneys and 7 physicians for services authorized by the Commission under this 8 Act shall, upon request of either the employer or the employee 9 or the beneficiary affected, be subject to the review and 10 decision of the Commission.

11 (d) If any employee shall persist in insanitary or 12 injurious practices which tend to either imperil or retard his 13 recovery or shall refuse to submit to such medical, surgical, or hospital treatment as is reasonably essential to promote his 14 15 recovery, the Commission may, in its discretion, reduce or 16 suspend the compensation of any such injured employee. However, 17 when an employer and employee so agree in writing, the foregoing provision shall not be construed to authorize the 18 19 reduction or suspension of compensation of an employee who is relying in good faith, on treatment by prayer or spiritual 20 means alone, in accordance with the tenets and practice of a 21 22 recognized church or religious denomination, by a dulv 23 accredited practitioner thereof.

(e) This paragraph shall apply to all hearings before the
 Commission. Such hearings may be held in its office or
 elsewhere as the Commission may deem advisable. The taking of

testimony on such hearings may be had before any member of the Commission. If a petition for review and agreed statement of facts or transcript of evidence is filed, as provided herein, the Commission shall promptly review the decision of the Arbitrator and all questions of law or fact which appear from the statement of facts or transcript of evidence.

In all cases in which the hearing before the arbitrator is 7 held after December 18, 1989, no additional evidence shall be 8 9 introduced by the parties before the Commission on review of 10 the decision of the Arbitrator. In reviewing decisions of an 11 arbitrator the Commission shall award such temporary 12 compensation, permanent compensation and other payments as are 13 due under this Act. The Commission shall file in its office its 14 decision thereon, and shall immediately send to each party or 15 his attorney a copy of such decision and a notification of the 16 time when it was filed. Decisions shall be filed within 60 days 17 after the Statement of Exceptions and Supporting Brief and Response thereto are required to be filed or oral argument 18 whichever is later. 19

In the event either party requests oral argument, such argument shall be had before a panel of 3 members of the Commission (or before all available members pursuant to the determination of 7 members of the Commission that such argument be held before all available members of the Commission) pursuant to the rules and regulations of the Commission. A panel of 3 members, which shall be comprised of not more than

one representative citizen of the employing class and not more 1 2 than one representative citizen of the employee class, shall hear the argument; provided that if all the issues in dispute 3 are solely the nature and extent of the permanent partial 4 5 disability, if any, a majority of the panel may deny the 6 request for such argument and such argument shall not be held; 7 and provided further that 7 members of the Commission may 8 determine that the argument be held before all available 9 members of the Commission. A decision of the Commission shall 10 be approved by a majority of Commissioners present at such hearing if any; provided, if no such hearing is held, a 11 12 decision of the Commission shall be approved by a majority of a panel of 3 members of the Commission as described in this 13 Section. The Commission shall give 10 days' notice to the 14 15 parties or their attorneys of the time and place of such taking 16 of testimony and of such argument.

17 In any case the Commission in its decision may find specially upon any question or questions of law or fact which 18 shall be submitted in writing by either party whether ultimate 19 20 or otherwise; provided that on issues other than nature and extent of the disability, if any, the Commission in its 21 22 decision shall find specially upon any question or questions of 23 law or fact, whether ultimate or otherwise, which are submitted in writing by either party; provided further that not more than 24 25 5 such questions may be submitted by either party. Any party 26 may, within 20 days after receipt of notice of the Commission's

decision, or within such further time, not exceeding 30 days, 1 2 as the Commission may grant, file with the Commission either an 3 agreed statement of the facts appearing upon the hearing, or, if such party shall so elect, a correct transcript of evidence 4 5 of the additional proceedings presented before the Commission, in which report the party may embody a correct statement of 6 7 such other proceedings in the case as such party may desire to 8 have reviewed, such statement of facts or transcript of 9 evidence to be authenticated by the signature of the parties or 10 their attorneys, and in the event that they do not agree, then 11 the authentication of such transcript of evidence shall be by 12 the signature of any member of the Commission.

13 If a reporter does not for any reason furnish a transcript 14 of the proceedings before the Arbitrator in any case for use on 15 a hearing for review before the Commission, within the 16 limitations of time as fixed in this Section, the Commission 17 may, in its discretion, order a trial de novo before the Commission in such case upon application of either party. The 18 applications for adjustment of claim and other documents in the 19 20 nature of pleadings filed by either party, together with the decisions of the Arbitrator and of the Commission and the 21 22 statement of facts or transcript of evidence hereinbefore 23 provided for in paragraphs (b) and (c) shall be the record of the proceedings of the Commission, and shall be subject to 24 25 review as hereinafter provided.

26

At the request of either party or on its own motion, the

Commission shall set forth in writing the reasons for the 1 2 decision, including findings of fact and conclusions of law 3 separately stated. The Commission shall by rule adopt a format for written decisions for the Commission and arbitrators. The 4 5 written decisions shall be concise and shall succinctly state the facts and reasons for the decision. The Commission may 6 adopt in whole or in part, the decision of the arbitrator as 7 the decision of the Commission. When the Commission does so 8 9 adopt the decision of the arbitrator, it shall do so by order. 10 Whenever the Commission adopts part of the arbitrator's 11 decision, but not all, it shall include in the order the 12 reasons for not adopting all of the arbitrator's decision. When a majority of a panel, after deliberation, has arrived at its 13 decision, the decision shall be filed as provided in this 14 Section without unnecessary delay, and without regard to the 15 16 fact that a member of the panel has expressed an intention to 17 dissent. Any member of the panel may file a dissent. Any dissent shall be filed no later than 10 days after the decision 18 19 of the majority has been filed.

Decisions rendered by the Commission and dissents, if any, shall be published together by the Commission. The conclusions of law set out in such decisions shall be regarded as precedents by arbitrators for the purpose of achieving a more uniform administration of this Act.

25 (f) The decision of the Commission acting within its 26 powers, according to the provisions of paragraph (e) of this

Section shall, in the absence of fraud, be conclusive unless 1 2 reviewed as in this paragraph hereinafter provided. However, 3 the Arbitrator or the Commission may on his or its own motion, or on the motion of either party, correct any clerical error or 4 5 errors in computation within 15 days after the date of receipt 6 of any award by such Arbitrator or any decision on review of 7 the Commission and shall have the power to recall the original 8 award on arbitration or decision on review, and issue in lieu 9 thereof such corrected award or decision. Where such correction 10 is made the time for review herein specified shall begin to run 11 from the date of the receipt of the corrected award or 12 decision.

(1) Except in cases of claims against the State of 13 14 Illinois other than those claims under Section 18.1, in 15 which case the decision of the Commission shall not be 16 subject to judicial review, the Circuit Court of the county 17 where any of the parties defendant may be found, or if none of the parties defendant can be found in this State then 18 19 the Circuit Court of the county where the accident 20 occurred, shall by summons to the Commission have power to 21 review all questions of law and fact presented by such 22 record.

A proceeding for review shall be commenced within 20 days of the receipt of notice of the decision of the Commission. The summons shall be issued by the clerk of such court upon written request returnable on a designated

return day, not less than 10 or more than 60 days from the 1 date of issuance thereof, and the written request shall 2 3 contain the last known address of other parties in interest and their attorneys of record who are to be served by 4 5 summons. Service upon any member of the Commission or the 6 Secretary or the Assistant Secretary thereof shall be 7 service upon the Commission, and service upon other parties in interest and their attorneys of record shall be by 8 9 summons, and such service shall be made upon the Commission 10 and other parties in interest by mailing notices of the 11 commencement of the proceedings and the return day of the 12 summons to the office of the Commission and to the last known place of residence of other parties in interest or 13 14 their attorney or attorneys of record. The clerk of the court issuing the summons shall on the day of issue mail 15 16 notice of the commencement of the proceedings which shall be done by mailing a copy of the summons to the office of 17 the Commission, and a copy of the summons to the other 18 19 parties in interest or their attorney or attorneys of record and the clerk of the court shall make certificate 20 21 that he has so sent said notices in pursuance of this 22 Section, which shall be evidence of service on the 23 Commission and other parties in interest.

The Commission shall not be required to certify the record of their proceedings to the Circuit Court, unless the party commencing the proceedings for review in the

Circuit Court as above provided, shall file with the 1 Commission notice of intent to file for review in Circuit 2 3 Court. It shall be the duty of the Commission upon such filing of notice of intent to file for review in the 4 5 Circuit Court to prepare a true and correct copy of such 6 testimony and a true and correct copy of all other matters 7 contained in such record and certified to by the Secretary 8 or Assistant Secretary thereof. The changes made to this 9 subdivision (f)(1) by this amendatory Act of the 98th 10 General Assembly apply to any Commission decision entered 11 after the effective date of this amendatory Act of the 98th 12 General Assembly.

No request for a summons may be filed and no summons 13 14 shall issue unless the party seeking to review the decision 15 of the Commission shall exhibit to the clerk of the Circuit 16 Court proof of filing with the Commission of the notice of 17 the intent to file for review in the Circuit Court or an affidavit of the attorney setting forth that notice of 18 intent to file for review in the Circuit Court has been 19 20 given in writing to the Secretary or Assistant Secretary of the Commission. 21

(2) If the party seeking judicial review is the party
 against whom the Commission rendered an award for payment
 of money, then within the timeframe for the commencement of
 proceedings, the party shall provide to the Circuit Court
 collateral or guarantee of payment of the award if the

1	review is not successfully prosecuted.
2	(A) Collateral or guarantee may be provided in the
3	following ways:
4	(i) filing an insurance policy pursuant to
5	Section 392.1 of the Illinois Insurance Code;
6	(ii) filing a certificate of self-insurance;
7	(iii) placing sufficient funds in an escrow
8	account; or
9	(iv) filing a bond signed by the employer or
10	any duly designated representative of the employer,
11	and in the event the employer is insured, any
12	representative of the insurer.
13	(B) The amount of the bond, if necessary, shall be
14	fixed by any member of the Commission and the surety or
15	sureties of the bond shall be approved by the clerk of
16	the court.
17	(C) The acceptance by the clerk of the Circuit
18	Court of the collateral or guarantee shall constitute
19	evidence of the Circuit Court's approval of the
20	collateral or guarantee.
21	(D) If an insurance policy or certificate of
22	self-insurance is filed as collateral or guarantee,
23	the party respondent has 20 days in which to object,
24	and if the objection is sustained, the party so filing
25	the insurance policy or certificate of self-insurance
26	has 10 days to cure the defect or otherwise file

another appropriate form of collateral or guarantee. 1 If no objection is filed within the 20 days, all 2 3 objections are waived. (E) On motion supported by good cause made within 4 5 the timeframe for the commencement of proceedings or within any extension granted pursuant to this 6 subsection, the time for filing and approval of the 7 collateral or guarantee may be extended by the Circuit 8 Court, but the total extensions of time granted by the 9 Circuit Court may not aggregate more than 45 days from 10 11 the original due date unless the parties otherwise stipulate in writing. The motion must be presented to 12 the Circuit Court at the time of filing the judicial 13 14 review and called for hearing and ruled upon by the 15 court within 10 days thereafter. (F) No county, city, town, township, incorporated 16 village, school district, body politic, or municipal 17 corporation against whom the Commission has rendered 18 19 an award for the payment of money shall be required to provide to the Circuit Court collateral or guarantee of 20 21 payment of an award for commencement of judicial 22 review. 23 (G) The Treasurer's Office shall not be required to 24 post a bond when appealing on behalf of the Injured 25 Workers' Benefit Fund. No such summons shall issue 26 unless the one against whom the Commission shall have

1	rendered an award for the payment of money shall upon
2	the filing of his written request for such summons file
3	with the clerk of the court a bond conditioned that if
4	he shall not successfully prosecute the review, he will
5	pay the award and the costs of the proceedings in the
6	courts. The amount of the bond shall be fixed by any
7	member of the Commission and the surety or sureties of
8	the bond shall be approved by the clerk of the court.
9	The acceptance of the bond by the clerk of the court
10	shall constitute evidence of his approval of the bond.
11	Every county, city, town, township, incorporated
12	village, school district, body politic or municipal
13	corporation against whom the Commission shall have
14	rendered an award for the payment of money shall not be
15	required to file a bond to secure the payment of the award
16	and the costs of the proceedings in the court to authorize
17	the court to issue such summons.
18	The court may confirm or set aside the decision of the
19	Commission. If the decision is set aside and the facts
20	found in the proceedings before the Commission are
21	sufficient, the court may enter such decision as is
22	justified by law, or may remand the cause to the Commission
23	for further proceedings and may state the questions
24	requiring further hearing, and give such other

26 the Appellate Court in accordance with Supreme Court Rules

25 instructions as may be proper. Appeals shall be taken to

22(g) and 303. Appeals shall be taken from the Appellate
 Court to the Supreme Court in accordance with Supreme Court
 Rule 315.

4 It shall be the duty of the clerk of any court 5 rendering a decision affecting or affirming an award of the 6 Commission to promptly furnish the Commission with a copy 7 of such decision, without charge.

8 The decision of a majority of the members of the panel 9 of the Commission, shall be considered the decision of the 10 Commission.

(g) Except in the case of a claim against the State of 11 12 Illinois, either party may present a certified copy of the award of the Arbitrator, or a certified copy of the decision of 13 14 the Commission when the same has become final, when no proceedings for review are pending, providing for the payment 15 of compensation according to this Act, to the Circuit Court of 16 17 the county in which such accident occurred or either of the parties are residents, whereupon the court shall enter a 18 19 judgment in accordance therewith. In a case where the employer 20 refuses to pay compensation according to such final award or 21 such final decision upon which such judgment is entered the 22 court shall in entering judgment thereon, tax as costs against 23 him the reasonable costs and attorney fees in the arbitration 24 proceedings and in the court entering the judgment for the 25 person in whose favor the judgment is entered, which judgment 26 and costs taxed as therein provided shall, until and unless set

1 aside, have the same effect as though duly entered in an action 2 duly tried and determined by the court, and shall with like 3 effect, be entered and docketed. The Circuit Court shall have 4 power at any time upon application to make any such judgment 5 conform to any modification required by any subsequent decision 6 of the Supreme Court upon appeal, or as the result of any 7 subsequent proceedings for review, as provided in this Act.

Judgment shall not be entered until 15 days' notice of the time and place of the application for the entry of judgment shall be served upon the employer by filing such notice with the Commission, which Commission shall, in case it has on file the address of the employer or the name and address of its agent upon whom notices may be served, immediately send a copy of the notice to the employer or such designated agent.

(h) An agreement or award under this Act providing for compensation in installments, may at any time within 18 months after such agreement or award be reviewed by the Commission at the request of either the employer or the employee, on the ground that the disability of the employee has subsequently recurred, increased, diminished or ended.

However, as to accidents occurring subsequent to July 1, 1955, which are covered by any agreement or award under this Act providing for compensation in installments made as a result of such accident, such agreement or award may at any time within 30 months, or 60 months in the case of an award under Section 8(d)1, after such agreement or award be reviewed by the

1 Commission at the request of either the employer or the 2 employee on the ground that the disability of the employee has 3 subsequently recurred, increased, diminished or ended.

review, compensation payments 4 On such mav be 5 re-established, increased, diminished or ended. The Commission shall give 15 days' notice to the parties of the hearing for 6 review. Any employee, upon any petition for such review being 7 8 filed by the employer, shall be entitled to one day's notice 9 for each 100 miles necessary to be traveled by him in attending 10 the hearing of the Commission upon the petition, and 3 days in 11 addition thereto. Such employee shall, at the discretion of the 12 Commission, also be entitled to 5 cents per mile necessarily 13 traveled by him within the State of Illinois in attending such hearing, not to exceed a distance of 300 miles, to be taxed by 14 15 the Commission as costs and deposited with the petition of the 16 employer.

When compensation which is payable in accordance with an award or settlement contract approved by the Commission, is ordered paid in a lump sum by the Commission, no review shall be had as in this paragraph mentioned.

(i) Each party, upon taking any proceedings or steps whatsoever before any Arbitrator, Commission or court, shall file with the Commission his address, or the name and address of any agent upon whom all notices to be given to such party shall be served, either personally or by registered mail, addressed to such party or agent at the last address so filed

with the Commission. In the event such party has not filed his address, or the name and address of an agent as above provided, service of any notice may be had by filing such notice with the Commission.

5 (j) Whenever in any proceeding testimony has been taken or a final decision has been rendered and after the taking of such 6 7 testimony or after such decision has become final, the injured 8 employee dies, then in any subsequent proceedings brought by 9 the personal representative or beneficiaries of the deceased 10 employee, such testimony in the former proceeding may be 11 introduced with the same force and effect as though the witness 12 having so testified were present in person in such subsequent 13 proceedings and such final decision, if any, shall be taken as final adjudication of any of the issues which are the same in 14 15 both proceedings.

16 (k) In case where there has been any unreasonable or 17 vexatious delay of payment or intentional underpayment of compensation, or proceedings have been instituted or carried on 18 19 by the one liable to pay the compensation, which do not present 20 a real controversy, but are merely frivolous or for delay, then the Commission may award compensation additional to that 21 22 otherwise payable under this Act equal to 50% of the amount 23 payable at the time of such award. Failure to pay compensation in accordance with the provisions of Section 8, paragraph (b) 24 25 of this Act, shall be considered unreasonable delay.

26 (k-1) In a case where there has been unreasonable or

vexatious delay of authorization of medical treatment, the Commission may award compensation additional to that otherwise payable under this Act in the sum of \$30 per day for each day that the benefits under Section 8(a) have been so withheld or refused, not to exceed \$10,000 or the total amount due under Section 8.2 for treatment to be rendered, whichever is less.

7 Unless utilization review under Section 8.7 or Section 12 8 examination is requested, a delay in authorization of 14 days 9 or more after the employer's receipt of all appropriate records 10 and data elements needed to allow the employer to make a 11 determination whether to authorize the care shall create a 12 rebuttable presumption of unreasonable delay.

13 <u>This subsection (k-1) is the only penalty provision within</u> 14 <u>this Act applicable to delay of authorization of medical</u> 15 <u>treatment and applies only to health care services provided or</u> 16 <u>proposed to be provided on or after the effective date of this</u> 17 <u>amendatory Act of the 100th General Assembly.</u>

When determining whether this subsection (k) shall apply, the Commission shall consider whether an Arbitrator has determined that the claim is not compensable or whether the employer has made payments under Section 8(j).

(1) If the employee has made written demand for payment of benefits under Section 8(a) or Section 8(b), the employer shall have 14 days after receipt of the demand to set forth in writing the reason for the delay. In the case of demand for payment of medical benefits under Section 8(a), the time for

the employer to respond shall not commence until the expiration 1 of the allotted 30 days specified under Section 8.2(d). In case 2 3 the employer or his or her insurance carrier shall without good and just cause fail, neglect, refuse, or unreasonably delay the 4 5 payment of benefits under Section 8(a) or Section 8(b), the 6 Arbitrator or the Commission shall allow to the employee additional compensation in the sum of \$30 per day for each day 7 that the benefits under Section 8(a) or Section 8(b) have been 8 9 so withheld or refused, not to exceed \$10,000. A delay in 14 days or more shall create a rebuttable 10 payment of 11 presumption of unreasonable delay.

12 (m) If the commission finds that an accidental injury was 13 directly and proximately caused by the employer's wilful 14 violation of a health and safety standard under the Health and 15 Safety Act or the Occupational Safety and Health Act in force 16 at the time of the accident, the arbitrator or the Commission 17 shall allow to the injured employee or his dependents, as the case may be, additional compensation equal to 25% of the amount 18 19 which otherwise would be payable under the provisions of this 20 Act exclusive of this paragraph. The additional compensation 21 herein provided shall be allowed by an appropriate increase in 22 the applicable weekly compensation rate.

(n) After June 30, 1984, decisions of the Illinois Workers'
Compensation Commission reviewing an award of an arbitrator of
the Commission shall draw interest at a rate equal to the yield
on indebtedness issued by the United States Government with a

26-week maturity next previously auctioned on the day on which 1 2 the decision is filed. Said rate of interest shall be set forth in the Arbitrator's Decision. Interest shall be drawn from the 3 date of the arbitrator's award on all accrued compensation due 4 5 the employee through the day prior to the date of payments. 6 However, when an employee appeals an award of an Arbitrator or 7 the Commission, and the appeal results in no change or a 8 decrease in the award, interest shall not further accrue from 9 the date of such appeal.

10 The employer or his insurance carrier may tender the 11 payments due under the award to stop the further accrual of 12 interest on such award notwithstanding the prosecution by 13 either party of review, certiorari, appeal to the Supreme Court 14 or other steps to reverse, vacate or modify the award.

15 (o) By the 15th day of each month each insurer providing 16 coverage for losses under this Act shall notify each insured 17 employer of any compensable claim incurred during the preceding month and the amounts paid or reserved on the claim including a 18 summary of the claim and a brief statement of the reasons for 19 20 compensability. A cumulative report of all claims incurred 21 during a calendar year or continued from the previous year 22 shall be furnished to the insured employer by the insurer 23 within 30 days after the end of that calendar year.

The insured employer may challenge, in proceeding before the Commission, payments made by the insurer without arbitration and payments made after a case is determined to be

noncompensable. If the Commission finds that the case was not 1 2 compensable, the insurer shall purge its records as to that 3 employer of any loss or expense associated with the claim, reimburse the employer for attorneys' fees arising from the 4 5 challenge and for any payment required of the employer to the 6 Rate Adjustment Fund or the Second Injury Fund, and may not 7 reflect the loss or expense for rate making purposes. The 8 employee shall not be required to refund the challenged 9 payment. The decision of the Commission may be reviewed in the 10 same manner as in arbitrated cases. No challenge may be 11 initiated under this paragraph more than 3 years after the 12 payment is made. An employer may waive the right of challenge 13 under this paragraph on a case by case basis.

(p) After filing an application for adjustment of claim but 14 15 prior to the hearing on arbitration the parties may voluntarily 16 agree to submit such application for adjustment of claim for 17 decision by an arbitrator under this subsection (p) where such application for adjustment of claim raises only a dispute over 18 temporary total disability, permanent partial disability or 19 20 medical expenses. Such agreement shall be in writing in such 21 form as provided by the Commission. Applications for adjustment 22 of claim submitted for decision by an arbitrator under this 23 subsection (p) shall proceed according to rule as established by the Commission. The Commission shall promulgate rules 24 25 including, but not limited to, rules to ensure that the parties 26 are adequately informed of their rights under this subsection

(p) and of the voluntary nature of proceedings under this 1 2 subsection (p). The findings of fact made by an arbitrator 3 acting within his or her powers under this subsection (p) in the absence of fraud shall be conclusive. However, the 4 5 arbitrator may on his own motion, or the motion of either 6 party, correct any clerical errors or errors in computation 7 within 15 days after the date of receipt of such award of the 8 arbitrator and shall have the power to recall the original 9 award on arbitration, and issue in lieu thereof such corrected 10 award. The decision of the arbitrator under this subsection (p) 11 shall be considered the decision of the Commission and 12 proceedings for review of questions of law arising from the 13 decision may be commenced by either party pursuant to 14 subsection (f) of Section 19. The Advisory Board established 15 under Section 13.1 shall compile a list of certified Commission 16 arbitrators, each of whom shall be approved by at least 7 17 members of the Advisory Board. The chairman shall select 5 persons from such list to serve as arbitrators under this 18 19 subsection (p). By agreement, the parties shall select one 20 arbitrator from among the 5 persons selected by the chairman 21 except that if the parties do not agree on an arbitrator from 22 among the 5 persons, the parties may, by agreement, select an 23 arbitrator of the American Arbitration Association, whose fee 24 shall be paid by the State in accordance with rules promulgated 25 by the Commission. Arbitration under this subsection (p) shall be voluntary. 26

(Source: P.A. 97-18, eff. 6-28-11; 98-40, eff. 6-28-13; 98-874,
 eff. 1-1-15.)

3 (820 ILCS 305/25.5)

Sec. 25.5. Unlawful acts; penalties.

5 (a) It is unlawful for any person, company, corporation,
6 insurance carrier, healthcare provider, or other entity to:

\_

4

7 (1) Intentionally present or cause to be presented any
8 false or fraudulent claim for the payment of any workers'
9 compensation benefit.

10 (2) Intentionally make or cause to be made any false or
11 fraudulent material statement or material representation
12 for the purpose of obtaining or denying any workers'
13 compensation benefit.

14 (3) Intentionally make or cause to be made any false or 15 fraudulent statements with regard to entitlement to 16 workers' compensation benefits with the intent to prevent 17 an injured worker from making a legitimate claim for any 18 workers' compensation benefits.

19 (4) Intentionally prepare or provide an invalid,
 20 false, or counterfeit certificate of insurance as proof of
 21 workers' compensation insurance.

(5) Intentionally make or cause to be made any false or
fraudulent material statement or material representation
for the purpose of obtaining workers' compensation
insurance at less than the proper <u>amount</u> rate for that

1

insurance.

(6) Intentionally make or cause to be made any false or
fraudulent material statement or material representation
on an initial or renewal self-insurance application or
accompanying financial statement for the purpose of
obtaining self-insurance status or reducing the amount of
security that may be required to be furnished pursuant to
Section 4 of this Act.

9 (7) Intentionally make or cause to be made any false or 10 fraudulent material statement to the Department of 11 Insurance's fraud and insurance non-compliance unit in the 12 course of investigation of fraud or an insurance 13 non-compliance.

14 (8) Intentionally assist, abet, solicit, or conspire
15 with any person, company, or other entity to commit any of
16 the acts in paragraph (1), (2), (3), (4), (5), (6), or (7)
17 of this subsection (a).

18 (9) Intentionally present a bill or statement for the19 payment for medical services that were not provided.

For the purposes of paragraphs (2), (3), (5), (6), (7), and (9), the term "statement" includes any writing, notice, proof of injury, bill for services, hospital or doctor records and reports, or X-ray and test results.

24 (b) Sentences for violations of subsection (a) are as 25 follows:

26

(1) <u>A violation of paragraph (a) (3) is a Class 4 felony</u>

1

2

3

A violation in which the value of the property obtained or attempted to be obtained is \$300 or less is a Class A misdemeanor.

(2) A violation of paragraph (a) (4) or (a) (7) is a 4 5 Class 3 felony A violation in which the value of the 6 property obtained or attempted to be obtained is more than 7 \$300 but not more than \$10,000 is a Class 3 felony.

8 (3) A violation of paragraph (a) (1), (a) (2), (a) (5), 9 (a) (6), or (a) (9) in which the value of the property 10 obtained or attempted to be obtained is \$500 or less is a 11 Class A misdemeanor A violation in which the value of the 12 property obtained or attempted to be obtained is more than 13 \$10,000 but not more than \$100,000 is a Class 2 felonv.

14 (4) A violation of paragraph (a) (1), (a) (2), (a) (5), (a) (6), or (a) (9) in which the value of the property 15 16 obtained or attempted to be obtained is more than \$500, but not more than \$10,000, is a Class 3 felony A violation in 17 18 which the value of the property obtained or attempted to be 19 obtained is more than \$100,000 is a Class 1 felony.

20 (5) A violation of paragraph (a) (1), (a) (2), (a) (5), 21 (a)(6), or (a)(9) in which the value of the property 22 obtained or attempted to be obtained is more than \$10,000, 23 but not more than \$100,000, is a Class 2 felony.

24 (6) A violation of paragraph (a) (1), (a) (2), (a) (5), 25 (a)(6), or (a)(9) in which the value of the property 26 obtained or attempted to be obtained is more than \$100,000

1

is a Class 1 felony.

2	(7) A violation of paragraph (8) of subsection (a)
3	shall be punishable as the class of offense for which the
4	person convicted assisted, abetted, solicited, or
5	conspired to commit, as set forth in paragraphs (1) through
6	(6) of this subsection.

7 (8) (5) A person convicted under this Section shall be 8 ordered to pay monetary restitution to the insurance 9 company or self-insured entity or any other person for any financial loss sustained as a result of a violation of this 10 11 Section, including any court costs and attorney fees. An 12 order of restitution also includes expenses incurred and 13 paid by the State of Illinois or an insurance company or self-insured entity in connection with any medical 14 15 evaluation or treatment services.

16 For a violation of paragraph (a) (1) or (a) (2), the value of 17 the property obtained or attempted to be obtained includes payments pursuant to the provisions of this Act as well as the 18 19 amount paid for medical expenses. For a violation of paragraph 20 (a) (5), the value of the property obtained or attempted to be 21 obtained is the difference between the proper amount for the 22 coverage sought or provided and the actual amount billed for 23 workers' compensation insurance. For a violation of paragraph 24 (a) (6), the value of the property obtained or attempted to be 25 obtained is the difference between the proper amount of security required pursuant to Section 4 of this Act and the 26

1 amount furnished pursuant to the false or fraudulent statements 2 or representations. For the purposes of this Section, where the 3 exact value of property obtained or attempted to be obtained is either not alleged or is not specifically set by the terms of a 4 5 policy of insurance, the value of the property shall be the 6 fair market replacement value of the property claimed to be 7 lost, the reasonable costs of reimbursing a vendor or other 8 claimant for services to be rendered, or both. Notwithstanding 9 the foregoing, an insurance company, self-insured entity, or 10 any other person suffering financial loss sustained as a result 11 of violation of this Section may seek restitution, including 12 court costs and attorney's fees in a civil action in a court of 13 competent jurisdiction.

(c) The Department of Insurance shall establish a fraud and 14 15 insurance non-compliance unit responsible for investigating 16 incidences of fraud and insurance non-compliance pursuant to 17 this Section. The size of the staff of the unit shall be subject to appropriation by the General Assembly. It shall be 18 the duty of the fraud and insurance non-compliance unit to 19 20 determine the identity of insurance carriers, employers, employees, or other persons or entities who have violated the 21 22 fraud and insurance non-compliance provisions of this Section. 23 The fraud and insurance non-compliance unit shall report 24 violations of the fraud and insurance non-compliance 25 provisions of this Section to the Special Prosecutions Bureau 26 of the Criminal Division of the Office of the Attorney General

or to the State's Attorney of the county in which the offense
 allegedly occurred, either of whom has the authority to
 prosecute violations under this Section.

With respect to the subject of any investigation being conducted, the fraud and insurance non-compliance unit shall have the general power of subpoena of the Department of Insurance, including the authority to issue a subpoena to a medical provider, pursuant to Section 8-802 of the Code of Civil Procedure.

10 (d) Any person may report allegations of insurance non-compliance and fraud pursuant to this Section to the 11 12 Department of Insurance's fraud and insurance non-compliance 13 unit whose duty it shall be to investigate the report. The unit 14 shall notify the Commission of reports of insurance 15 non-compliance. Any person reporting an allegation of 16 insurance non-compliance or fraud against either an employee or 17 employer under this Section must identify himself. Except as provided in this subsection and in subsection (e), all reports 18 shall remain confidential except to refer an investigation to 19 20 the Attorney General or State's Attorney for prosecution or if 21 the fraud and insurance non-compliance unit's investigation 22 reveals that the conduct reported may be in violation of other 23 laws or regulations of the State of Illinois, the unit may 24 report such conduct to the appropriate governmental agency charged with administering such laws and regulations. Any 25 26 person who intentionally makes a false report under this

Section to the fraud and insurance non-compliance unit is
 guilty of a Class A misdemeanor.

(e) In order for the fraud and insurance non-compliance 3 unit to investigate a report of fraud related to an employee's 4 5 claim, (i) the employee must have filed with the Commission an Application for Adjustment of Claim and the employee must have 6 7 either received or attempted to receive benefits under this Act 8 that are related to the reported fraud or (ii) the employee 9 must have made a written demand for the payment of benefits 10 that are related to the reported fraud. There shall be no 11 immunity, under this Act or otherwise, for any person who files 12 a false report or who files a report without good and just 13 cause. Confidentiality of medical information shall be strictly maintained. Investigations that are not referred for 14 15 prosecution shall be destroyed upon the expiration of the 16 statute of limitations for the acts under investigation and 17 shall not be disclosed except that the person making the report shall be notified that the investigation is being closed. It is 18 19 unlawful for any employer, insurance carrier, service 20 adjustment company, third party administrator, self-insured, 21 or similar entity to file or threaten to file a report of fraud 22 against an employee because of the exercise by the employee of 23 the rights and remedies granted to the employee by this Act.

24 <u>The Department of Insurance's papers, documents, reports,</u> 25 <u>or evidence relevant to the subject of an investigation under</u> 26 <u>this Section are confidential and not subject to subpoena,</u>

public inspection, or to disclosure under the Freedom of 1 2 Information Act for so long as the Director of Insurance deems 3 reasonably necessary to complete the investigation, to protect the person investigated from unwarranted injury, or to be in 4 the public interest. No officer, agent, or employee of the 5 Department of Insurance is subject to subpoena in any civil or 6 7 administrative action to testify concerning a matter of which they have knowledge under a pending fraud or insurance 8 9 non-compliance investigation by the Department of Insurance.

10 No cause of action exists and no liability may be imposed, 11 either civil or criminal, against the State, the Director of 12 Insurance, any officer, agent, or employee of the Department of Insurance, or individuals employed or retained by the Director 13 14 of Insurance, for an act or omission by them in the performance 15 of a power or duty authorized by this Section, unless the act 16 or omission was performed in bad faith and with intent to 17 injure a particular person.

(e-5) The fraud and insurance non-compliance unit shall 18 procure and implement a system utilizing advanced analytics 19 20 inclusive of predictive modeling, data mining, social network 21 analysis, and scoring algorithms for the detection and 22 prevention of fraud, waste, and abuse on or before January 1, 23 2012. The fraud and insurance non-compliance unit shall procure this system using a request for proposals process governed by 24 25 the Illinois Procurement Code and rules adopted under that 26 Code. The fraud and insurance non-compliance unit shall provide

a report to the President of the Senate, Speaker of the House 1 2 Representatives, Minority Leader of of the House of 3 Representatives, Minority Leader of the Senate, Governor, Chairman of the Commission, and Director of Insurance on or 4 5 before July 1, 2012 and annually thereafter detailing its 6 activities and providing recommendations regarding 7 opportunities for additional fraud waste and abuse detection 8 and prevention.

9 (f) Any person convicted of fraud related to workers' 10 compensation pursuant to this Section shall be subject to the 11 penalties prescribed in the Criminal Code of 2012 and shall be 12 ineligible to receive or retain any compensation, disability, 13 or medical benefits as defined in this Act if the compensation, disability, or medical benefits were owed or received as a 14 15 result of fraud for which the recipient of the compensation, 16 disability, or medical benefit was convicted. This subsection 17 applies to accidental injuries or diseases that occur on or after the effective date of this amendatory Act of the 94th 18 19 General Assembly.

(g) Civil liability. Any person convicted of fraud who knowingly obtains, attempts to obtain, or causes to be obtained any benefits under this Act by the making of a false claim or who knowingly misrepresents any material fact shall be civilly liable to the payor of benefits or the insurer or the payor's or insurer's subrogee or assignee in an amount equal to 3 times the value of the benefits or insurance coverage wrongfully

- 128 - LRB100 17830 JLS 33010 b

obtained or twice the value of the benefits or insurance coverage attempted to be obtained, plus reasonable attorney's fees and expenses incurred by the payor or the payor's subrogee or assignee who successfully brings a claim under this subsection. This subsection applies to accidental injuries or diseases that occur on or after the effective date of this amendatory Act of the 94th General Assembly.

8 (h) The fraud and insurance non-compliance unit shall 9 submit a written report on an annual basis to the Chairman of 10 the Commission, the Workers' Compensation Advisory Board, the 11 General Assembly, the Governor, and the Attorney General by 12 January 1 and July 1 of each year. This report shall include, 13 at the minimum, the following information:

14 (1) The number of allegations of insurance
 15 non-compliance and fraud reported to the fraud and
 16 insurance non-compliance unit.

17 (2) The source of the reported allegations18 (individual, employer, or other).

19 (3) The number of allegations investigated by the fraud20 and insurance non-compliance unit.

(4) The number of criminal referrals made in accordance
with this Section and the entity to which the referral was
made.

24 (5) All proceedings under this Section.

25 (Source: P.A. 97-18, eff. 6-28-11; 97-1150, eff. 1-25-13.)

1 (820 ILCS 305/29.2)

2

Sec. 29.2. Insurance and self-insurance oversight.

3 (a) The Department of Insurance shall annually submit to the Governor, the Chairman of the Commission, the President of 4 5 the Senate, the Speaker of the House of Representatives, the Minority Leader of the Senate, and the Minority Leader of the 6 7 House of Representatives a written report that details the 8 state of the workers' compensation insurance market in 9 Illinois. The report shall be completed by April 1 of each 10 year, beginning in 2012, or later if necessary data or analyses 11 are only available to the Department at a later date. The 12 report shall be posted on the Department of Insurance's Internet website. Information to be included in the report 13 14 shall be for the preceding calendar year. The report shall 15 include, at a minimum, the following:

16 (1) Gross premiums collected by workers' compensation
 17 carriers in Illinois and the national rank of Illinois
 18 based on premium volume.

19 (2) The number of insurance companies actively engaged
 20 in Illinois in the workers' compensation insurance market
 21 <u>for the previous 10 years</u>, including both holding companies
 22 and subsidiaries or affiliates, and the national rank of
 23 Illinois based on number of competing insurers.

(3) The total number of insured participants in the
Illinois workers' compensation assigned risk insurance
pool, and the size of the assigned risk pool as a

1 proportion of the total Illinois workers' compensation 2 insurance market.

3 (4) The advisory organization premium rate for
4 workers' compensation insurance in Illinois for the
5 previous <u>10 years, including a summary of the rates</u>
6 <u>utilized compared to the workers' compensation loss cost or</u>
7 rate filing of a licensed rating organization year.

8 (5) The advisory organization prescribed assigned risk
9 pool premium rate.

10 (6) The total amount of indemnity payments made by
 11 workers' compensation insurers in Illinois.

12 (7) The total amount of medical payments made by 13 workers' compensation insurers in Illinois, and the 14 national rank of Illinois based on average cost of medical 15 claims per injured worker.

16 (8) The gross profitability of workers' compensation
17 insurers in Illinois, and the national rank of Illinois
18 based on profitability of workers' compensation insurers.

(9) The loss ratio of workers' compensation insurers in 19 20 Illinois and the national rank of Illinois based on the loss ratio of workers' compensation insurers. For purposes 21 22 of this loss ratio calculation, the denominator shall 23 include all premiums and other fees collected by workers' compensation insurers and the numerator shall include the 24 25 total amount paid by the insurer for care or compensation 26 to injured workers.

(10) The growth of total paid indemnity benefits by 1 2 temporary total disability, scheduled and non-scheduled 3 permanent partial disability, and total disability. (11) The number of injured workers receiving wage loss 4 5 differential awards and the average wage loss differential 6 award payout. (12) Illinois' rank, relative to other states, for: 7 (i) maximum and minimum temporary total 8 the 9 disability benefit level; 10 (ii) the maximum and minimum scheduled and 11 non-scheduled permanent partial disability benefit 12 level; 13 (iii) the maximum and minimum total disability benefit level: and 14 (iv) the maximum and minimum death benefit level. 15 16 (13) The aggregate growth of medical benefit payout by 17 non-hospital providers and hospitals. (14) The aggregate growth of medical utilization for 18 19 the top 10 most common injuries to specific body parts by 20 non-hospital providers and hospitals. (15) The percentage of injured workers filing claims at 21 22 the Commission that are represented by an attorney. 23 (16) The total amount paid by injured workers for 24 attorney representation. 25 (a-5) The Commission shall annually submit to the Governor 26 and the General Assembly a written report that details the

HB	5	3	5	4

1	state of self-insurance for workers' compensation in Illinois.
2	The report shall be based on information currently collected by
3	the Commission or the Department of Insurance from
4	self-insurers as of the effective date of this amendatory Act
5	of the 100th General Assembly. The report shall be completed by
6	April 1 of each year, beginning in 2019. The report shall be
7	posted on the Commission's Internet website. Information to be
8	included in the report shall be for the preceding calendar
9	year. The report shall include, at a minimum, the following in
10	the aggregate:
11	(1) The number of employers that self-insure for
12	workers' compensation.
13	(2) The total number of employees covered by
14	self-insurance.
15	(3) The total amount of indemnity payments made by
16	self-insureds.
17	(4) The total amount of medical payments made by
18	self-insureds.
19	(5) The growth of total paid indemnity benefits by
20	temporary total disability, scheduled and non-scheduled
21	permanent partial disability, and total disability.
22	(6) Illinois' rank, relative to other states, for:
23	(i) the maximum and minimum temporary total
24	disability benefit levels;
25	(ii) the maximum and minimum scheduled and
26	non-scheduled permanent partial disability benefit

2	(iii) the maximum and minimum total disability
3	benefit levels; and
4	(iv) the maximum and minimum death benefit levels.
5	(7) The aggregate growth of medical benefit payouts by
6	non-hospital providers and hospitals. Any information
7	collected by the Commission from self-insureds is exempt
8	from public inspection and disclosure under the Freedom of
9	Information Act.
10	(b) The Director of Insurance shall promulgate rules
11	requiring each insurer licensed to write workers' compensation
12	coverage in the State to record and report the following
13	information on an aggregate basis to the Department of
14	Insurance before March 1 of each year, relating to claims in
15	the State opened within the prior calendar year:
16	(1) The number of claims opened.
17	(2) The number of reported medical only claims.
18	(3) The number of contested claims.
19	(4) The number of claims for which the employee has
20	attorney representation.
21	(5) The number of claims with lost time and the number
22	of claims for which temporary total disability was paid.
23	(6) The number of claim adjusters employed to adjust
24	workers' compensation claims.
25	(7) The number of claims for which temporary total
26	disability was not paid within 14 days from the first full

1 day off, regardless of reason.

(8) The number of medical bills paid 60 days or later
from date of service and the average days paid on those
paid after 60 days for the previous calendar year.

5 (9) The number of claims in which in-house defense 6 counsel participated, and the total amount spent on 7 in-house legal services.

8 (10) The number of claims in which outside defense 9 counsel participated, and the total amount paid to outside 10 defense counsel.

11 (11) The total amount billed to employers for bill 12 review.

13 (12) The total amount billed to employers for fee14 schedule savings.

15 (13) The total amount charged to employers for any and16 all managed care fees.

17 (14) The number of claims involving in-house medical
18 nurse case management, and the total amount spent on
19 in-house medical nurse case management.

(15) The number of claims involving outside medical
 nurse case management, and the total amount paid for
 outside medical nurse case management.

(16) The total amount paid for Independent Medicalexams.

(17) The total amount spent on in-house Utilization
 Review for the previous calendar year.

- 135 - LRB100 17830 JLS 33010 b

(18) The total amount paid for outside Utilization
 Review for the previous calendar year.

The Department shall make the submitted information publicly available on the Department's Internet website or such other media as appropriate in a form useful for consumers.

6 (Source: P.A. 97-18, eff. 6-28-11.)

HB5354

Section 95. No acceleration or delay. Where this Act makes changes in a statute that is represented in this Act by text that is not yet or no longer in effect (for example, a Section represented by multiple versions), the use of that text does not accelerate or delay the taking effect of (i) the changes made by this Act or (ii) provisions derived from any other Public Act.