

1 AN ACT concerning health care.

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

4 Section 5. The Illinois Health Finance Reform Act is
5 amended by changing Section 4-2 as follows:

6 (20 ILCS 2215/4-2) (from Ch. 111 1/2, par. 6504-2)

7 Sec. 4-2. Powers and duties.

8 (a) (Blank).

9 (b) (Blank).

10 (c) (Blank).

11 (d) Uniform Provider Utilization and Charge Information.

12 (1) The Department of Public Health shall require that
13 all hospitals and ambulatory surgical treatment centers
14 licensed to operate in the State of Illinois adopt a
15 uniform system for submitting patient claims or encounter
16 data ~~charges~~ for payment from public and private payors.
17 This system shall be based upon adoption of the uniform
18 electronic hospital billing form pursuant to the Health
19 Insurance Portability and Accountability Act.

20 (2) (Blank).

21 (3) The Department of Insurance shall require all
22 third-party payors, including but not limited to, licensed
23 insurers, medical and hospital service corporations,
24 health maintenance organizations, and self-funded employee
25 health plans, to accept the uniform billing form, without
26 attachment as submitted by hospitals pursuant to paragraph
27 (1) of subsection (d) above, effective January 1, 1985;
28 provided, however, nothing shall prevent all such third
29 party payors from requesting additional information
30 necessary to determine eligibility for benefits or
31 liability for reimbursement for services provided.

32 (4) Pursuant to implementation dates, each hospital

1 and ambulatory surgical treatment center ~~Each hospital~~
2 licensed in the State shall electronically submit to the
3 Department patient claims or encounter ~~billing~~ data for
4 conditions and procedures required for public disclosure
5 pursuant to paragraph (6). Claims or encounter ~~For~~
6 ~~hospitals, the billing data to be reported shall include~~
7 ~~all inpatient surgical cases. Billing~~ data submitted under
8 this Act shall ~~not~~ include a patient's unique identifier,
9 race, ethnicity, and environmental coding under the
10 International Classification of Diseases, version 10, when
11 adopted and implemented by the United States Department of
12 Health and Human Services as Health Insurance Portability
13 and Accountability Act of 1996 (HIPAA) standards for
14 national implementation. Dissemination of this information
15 is subject to HIPAA and any other State and federal
16 confidentiality laws ~~name, address, or Social Security~~
17 ~~number.~~

18 (5) By no later than January 1, 2005, the Department
19 must collect and compile claims or encounter ~~billing~~ data
20 required under paragraph (6) according to uniform
21 electronic submission formats as required under the Health
22 Insurance Portability and Accountability Act. By no later
23 than January 1, 2006, the Department must collect and
24 compile from ambulatory surgical treatment centers the
25 claims or encounter data required under paragraph (6)
26 according to uniform electronic submission formats as
27 required under the Health Insurance Portability and
28 Accountability Act.

29 (6) The Department shall make available on its website
30 the "Consumer Guide to Health Care" by January 1, 2006. The
31 "Consumer Guide to Health Care" shall include information
32 on at least 30 inpatient conditions and procedures
33 identified by the Department that demonstrate the highest
34 degree of variation in patient charges and quality of care
35 and no more than 30 outpatient surgical procedures. By no
36 later than January 1, 2007, the "Consumer Guide to Health

1 Care" shall include information for both inpatient and
2 outpatient conditions and procedures. As to each condition
3 or procedure, the "Consumer Guide to Health Care" shall
4 include up-to-date comparison information relating to
5 volume of cases, average charges, risk-adjusted mortality
6 rates, and nosocomial infection rates. Information
7 disclosed pursuant to this paragraph on mortality and
8 infection rates shall be based upon information hospitals
9 and ambulatory surgical treatment centers have either (i)
10 previously submitted to the Department pursuant to their
11 obligations to report health care information under other
12 public health reporting laws and regulations outside of
13 this Act or (ii) submitted to the Department under the
14 provisions of the Hospital Report Card Act.

15 (7) Publicly disclosed information must be provided in
16 language that is easy to understand and accessible to
17 consumers using an interactive query system.

18 (8) None of the information the Department discloses to
19 the public under this subsection may be made available
20 unless the information has been reviewed, adjusted, and
21 validated according to the following process:

22 (i) Hospitals, ambulatory surgical treatment
23 centers, and other entities ~~and organizations~~
24 representing hospitals and ambulatory surgical
25 treatment centers are meaningfully involved in the
26 development of all aspects of the Department's
27 methodology for collecting, analyzing, and disclosing
28 the information collected under this Act, including
29 collection methods, formatting, and methods and means
30 for release and dissemination;

31 (ii) The entire methodology for collecting
32 ~~collection~~ and analyzing the data is disclosed to all
33 relevant organizations and to all providers that are
34 the subject of any information to be made available to
35 the public before any public disclosure of such
36 information;

1 (iii) Data collection and analytical methodologies
2 are used that meet accepted standards of validity and
3 reliability before any information is made available
4 to the public;

5 (iv) The limitations of the data sources and
6 analytic methodologies used to develop comparative
7 provider information are clearly identified and
8 acknowledged, including, but not limited to,
9 appropriate and inappropriate uses of the data;

10 (v) To the greatest extent possible, comparative
11 hospital and ambulatory surgical treatment center
12 information initiatives use standard-based norms
13 derived from widely accepted provider-developed
14 practice guidelines;

15 (v-5) For ambulatory services, information is
16 provided on surgical infections and mortality for
17 selected procedures, as determined by the Department,
18 based on review by the Department of its own, local, or
19 national studies.

20 (vi) Comparative hospital and ambulatory surgical
21 treatment center information and other information
22 that the Department has compiled regarding hospitals
23 and ambulatory surgical treatment centers is shared
24 with the hospitals and ambulatory surgical treatment
25 centers under review prior to public dissemination of
26 the information and these providers have an
27 opportunity to make corrections and additions of
28 helpful explanatory comments about the information
29 before the publication;

30 (vii) Comparisons among hospitals and ambulatory
31 surgical treatment centers adjust for patient case mix
32 and other relevant risk factors and control for
33 provider peer groups;

34 (viii) Effective safeguards to protect against the
35 unauthorized use or disclosure of hospital and
36 ambulatory surgical treatment center information are

1 developed and implemented;

2 (ix) Effective safeguards to protect against the
3 dissemination of inconsistent, incomplete, invalid,
4 inaccurate, or subjective provider data are developed
5 and implemented;

6 (x) The quality and accuracy of hospital and
7 ambulatory surgical treatment center information
8 reported under this Act and its data collection,
9 analysis, and dissemination methodologies are
10 evaluated regularly; and

11 (xi) Only the most basic identifying information
12 from mandatory reports is used, and patient
13 identifiable information is not released. The input
14 data collected by the Department shall not be a public
15 record under the Illinois Freedom of Information Act.

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

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

22 (10) By January 1, 2005, ~~Within 12 months after the~~
23 ~~effective date of this amendatory Act of the 93rd General~~
24 ~~Assembly,~~ the Department must study the most effective
25 methods for public disclosure of patient claims or
26 encounter charge data and health care quality information
27 that will be useful to consumers in making health care
28 decisions and report its recommendations to the Governor
29 and to the General Assembly and, by January 1, 2008, if the
30 Department has not used the data, collection of data
31 provided by ambulatory surgical treatment centers under
32 this Section shall be terminated.

33 (11) The Department must undertake all steps necessary
34 under State and Federal law to protect patient
35 confidentiality in order to prevent the identification of
36 individual patient records.

1 (12) The Department may establish rules for carrying
2 out, administering, and enforcing the provisions of this
3 Act.

4 (13) In addition to the data products indicated above,
5 the Department shall respond to requests by government
6 agencies, academic research organizations, and private
7 sector organizations for data products, special studies,
8 and analyses of data collected pursuant to this Section.
9 The Department shall determine the form in which the
10 information shall be made available and shall determine
11 reasonable fees to be charged to the agency or organization
12 requesting the data products. Use of the data must comply
13 with the Health Insurance Portability and Accountability
14 Act of 1996 (HIPAA).

15 (14) Fees collected for data products, as well as other
16 amounts that may be appropriated for the purposes of this
17 Act, shall be deposited into the Public Health Special
18 State Projects Fund, which may be used for the direct and
19 indirect costs of producing data products and for other
20 related purposes at the discretion of the Director.

21 (e) (Blank).

22 (Source: P.A. 92-597, eff. 7-1-02; 93-144, eff. 7-10-03.)

23 Section 10. The Hospital Report Card Act is amended by
24 changing Section 25 as follows:

25 (210 ILCS 86/25)

26 Sec. 25. Hospital reports.

27 (a) Individual hospitals shall prepare a quarterly report
28 including all of the following:

29 (1) Nursing hours per patient day, average daily
30 census, and average daily hours worked for each clinical
31 service area.

32 (2) Nosocomial infection rates for the facility for the
33 specific clinical procedures determined by the Department
34 by rule under the following categories:

1 (A) Surgical Class I surgical site infection, as
2 reviewed by the Advisory Committee.

3 (B) Ventilator-associated pneumonia.

4 (C) Central line-related bloodstream infections.

5 The Department shall only disclose Illinois hospital
6 infection rate data according to the current benchmarks of the
7 Centers for Disease Control's National Nosocomial Infection
8 Surveillance Program.

9 (b) Individual hospitals shall prepare annual reports
10 including vacancy and turnover rates for licensed nurses per
11 clinical service area.

12 (c) None of the information the Department discloses to the
13 public may be made available in any form or fashion unless the
14 information has been reviewed, adjusted, and validated
15 according to the following process:

16 (1) The Department shall organize an advisory
17 committee, including representatives from the Department,
18 public and private hospitals, direct care nursing staff,
19 physicians, academic researchers, consumers, health
20 insurance companies, organized labor, and organizations
21 representing hospitals and physicians. The advisory
22 committee must be meaningfully involved in the development
23 of all aspects of the Department's methodology for
24 collecting, analyzing, and disclosing the information
25 collected under this Act, including collection methods,
26 formatting, and methods and means for release and
27 dissemination.

28 (2) The entire methodology for collecting and
29 analyzing the data shall be disclosed to all relevant
30 organizations and to all hospitals that are the subject of
31 any information to be made available to the public before
32 any public disclosure of such information.

33 (3) Data collection and analytical methodologies shall
34 be used that meet accepted standards of validity and
35 reliability before any information is made available to the
36 public.

1 (4) The limitations of the data sources and analytic
2 methodologies used to develop comparative hospital
3 information shall be clearly identified and acknowledged,
4 including but not limited to the appropriate and
5 inappropriate uses of the data.

6 (5) To the greatest extent possible, comparative
7 hospital information initiatives shall use standard-based
8 norms derived from widely accepted provider-developed
9 practice guidelines.

10 (6) Comparative hospital information and other
11 information that the Department has compiled regarding
12 hospitals shall be shared with the hospitals under review
13 prior to public dissemination of such information and these
14 hospitals have 30 days to make corrections and to add
15 helpful explanatory comments about the information before
16 the publication.

17 (7) Comparisons among hospitals shall adjust for
18 patient case mix and other relevant risk factors and
19 control for provider peer groups, when appropriate.

20 (8) Effective safeguards to protect against the
21 unauthorized use or disclosure of hospital information
22 shall be developed and implemented.

23 (9) Effective safeguards to protect against the
24 dissemination of inconsistent, incomplete, invalid,
25 inaccurate, or subjective hospital data shall be developed
26 and implemented.

27 (10) The quality and accuracy of hospital information
28 reported under this Act and its data collection, analysis,
29 and dissemination methodologies shall be evaluated
30 regularly.

31 (11) Only the most basic identifying information from
32 mandatory reports shall be used, and information
33 identifying a patient, employee, or licensed professional
34 shall not be released. None of the information the
35 Department discloses to the public under this Act may be
36 used to establish a standard of care in a private civil

1 action.

2 (d) Quarterly reports shall be submitted, in a format set
3 forth in rules adopted by the Department, to the Department by
4 April 30, July 31, October 31, and January 31 each year for the
5 previous quarter. Data in quarterly reports must cover a period
6 ending not earlier than one month prior to submission of the
7 report. Annual reports shall be submitted by December 31 in a
8 format set forth in rules adopted by the Department to the
9 Department. All reports shall be made available to the public
10 on-site and through the Department.

11 (e) If the hospital is a division or subsidiary of another
12 entity that owns or operates other hospitals or related
13 organizations, the annual public disclosure report shall be for
14 the specific division or subsidiary and not for the other
15 entity.

16 (f) The Department shall disclose information under this
17 Section in accordance with provisions for inspection and
18 copying of public records required by the Freedom of
19 Information Act provided that such information satisfies the
20 provisions of subsection (c) of this Section.

21 (g) Notwithstanding any other provision of law, under no
22 circumstances shall the Department disclose information
23 obtained from a hospital that is confidential under Part 21 of
24 Article 8 of the Code of Civil Procedure.

25 (h) No hospital report or Department disclosure may contain
26 information identifying a patient, employee, or licensed
27 professional.

28 (Source: P.A. 93-563, eff. 1-1-04.)

29 Section 90. The State Finance Act is amended by adding
30 Section 5.625 as follows:

31 (30 ILCS 105/5.625 new)

32 Sec. 5.625. The Public Health Special State Projects Fund.

33 Section 99. Effective date. This Act takes effect January

1 1, 2005.