



**Filed: 3/2/2005**

09400HB2343ham001

LRB094 05025 BDD 42605 a

1 AMENDMENT TO HOUSE BILL 2343

2 AMENDMENT NO. \_\_\_\_\_. Amend House Bill 2343 by replacing  
3 everything after the enacting clause with the following:

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

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

7 Sec. 4-2. Powers and duties.

8 (a) (Blank).

9 (b) (Blank).

10 (c) (Blank).

11 (d) Uniform Provider Utilization and Charge Information.

12 (1) The Department of Public Health shall require that  
13 all hospitals and ambulatory surgical treatment centers  
14 licensed to operate in the State of Illinois adopt a  
15 uniform system for submitting patient claims and encounter  
16 data ~~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

1 health plans, to accept the uniform billing form, without  
2 attachment as submitted by hospitals pursuant to paragraph  
3 (1) of subsection (d) above, effective January 1, 1985;  
4 provided, however, nothing shall prevent all such third  
5 party payors from requesting additional information  
6 necessary to determine eligibility for benefits or  
7 liability for reimbursement for services provided.

8 (4) By no later than 60 days after the end of each  
9 calendar quarter, each ~~Each~~ hospital licensed in the State  
10 shall electronically submit to the Department inpatient  
11 and outpatient claims and encounter ~~patient billing~~ data  
12 related to surgical and invasive procedures collected  
13 under paragraph (5) for each patient.

14 By no later than 60 days after the end of each calendar  
15 quarter, each ambulatory surgical treatment center  
16 licensed in the State shall electronically submit to the  
17 Department outpatient claims and encounter data collected  
18 under paragraph (5) for each patient. ~~conditions and~~  
19 ~~procedures required for public disclosure pursuant to~~  
20 ~~paragraph (6). For hospitals, the billing data to be~~  
21 ~~reported shall include all inpatient surgical cases.~~  
22 ~~Billing data submitted under this Act shall not include a~~  
23 ~~patient's name, address, or Social Security number.~~

24 (5) By no later than January 1, 2006 ~~January 1, 2005,~~  
25 the Department must collect and compile claims and  
26 encounter ~~billing~~ data related to surgical and invasive  
27 procedures ~~required under paragraph (6)~~ according to  
28 uniform electronic submission formats as required under  
29 the Health Insurance Portability and Accountability Act.  
30 By no later than January 1, 2006, the Department must  
31 collect and compile from ambulatory surgical treatment  
32 centers the claims and encounter data according to uniform  
33 electronic data element formats as required under the  
34 Health Insurance Portability and Accountability Act of

1           1996 (HIPAA).

2           (6) The Department shall make available on its website  
3 the "Consumer Guide to Health Care" by January 1, 2006. The  
4 "Consumer Guide to Health Care" shall include information  
5 on at least 30 inpatient conditions and procedures  
6 identified by the Department that demonstrate the highest  
7 degree of variation in patient charges and quality of care.  
8 By no later than January 1, 2007, the "Consumer Guide to  
9 Health Care" shall include information for both inpatient  
10 and outpatient conditions and procedures. As to each  
11 condition or procedure, the "Consumer Guide to Health Care"  
12 shall include up-to-date comparison information relating  
13 to volume of cases, average charges, risk-adjusted  
14 mortality rates, and nosocomial infection rates.  
15 Information disclosed pursuant to this paragraph on  
16 mortality and infection rates shall be based upon  
17 information hospitals and ambulatory surgical treatment  
18 centers have either (i) previously submitted to the  
19 Department pursuant to their obligations to report health  
20 care information under this Act or other public health  
21 reporting laws and regulations outside of this Act or (ii)  
22 submitted to the Department under the provisions of the  
23 Hospital Report Card Act.

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

27           (8) None of the information the Department discloses to  
28 the public under this subsection may be made available  
29 unless the information has been reviewed, adjusted, and  
30 validated according to the following process:

31           (i) Hospitals, ambulatory surgical treatment  
32 centers, and organizations representing hospitals,  
33 ambulatory surgical treatment centers, purchasers,  
34 consumer groups, and health plans are meaningfully

1 involved in the development of all aspects of the  
2 Department's methodology for collecting, analyzing,  
3 and disclosing the information collected under this  
4 Act, including collection methods, formatting, and  
5 methods and means for release and dissemination;

6 (ii) The entire methodology for collecting  
7 ~~collection~~ and analyzing the data is disclosed to all  
8 relevant organizations and to all providers that are  
9 the subject of any information to be made available to  
10 the public before any public disclosure of such  
11 information;

12 (iii) Data collection and analytical methodologies  
13 are used that meet accepted standards of validity and  
14 reliability before any information is made available  
15 to the public;

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

21 (v) To the greatest extent possible, comparative  
22 hospital and ambulatory surgical treatment center  
23 information initiatives use standard-based norms  
24 derived from widely accepted provider-developed  
25 practice guidelines;

26 (v-5) For ambulatory services, information is  
27 provided on surgical infections and mortality for  
28 selected procedures, as determined by the Department,  
29 based on review by the Department of its own, local, or  
30 national studies.

31 (vi) Comparative hospital and ambulatory surgical  
32 treatment center information and other information  
33 that the Department has compiled regarding hospitals  
34 and ambulatory surgical treatment centers is shared

1 with the hospitals and ambulatory surgical treatment  
2 centers under review prior to public dissemination of  
3 the information and these providers have an  
4 opportunity to make corrections and additions of  
5 helpful explanatory comments about the information  
6 before the publication;

7 (vii) Comparisons among hospitals and ambulatory  
8 surgical treatment centers adjust for patient case mix  
9 and other relevant risk factors and control for  
10 provider peer groups, if applicable;

11 (viii) Effective safeguards to protect against the  
12 unauthorized use or disclosure of hospital and  
13 ambulatory surgical treatment center information are  
14 developed and implemented;

15 (ix) Effective safeguards to protect against the  
16 dissemination of inconsistent, incomplete, invalid,  
17 inaccurate, or subjective provider data are developed  
18 and implemented;

19 (x) The quality and accuracy of hospital and  
20 ambulatory surgical treatment center information  
21 reported under this Act and its data collection,  
22 analysis, and dissemination methodologies are  
23 evaluated regularly; and

24 (xi) Only the most basic identifying information  
25 from mandatory reports is used, and patient  
26 identifiable information is not released. The input  
27 data collected by the Department shall not be a public  
28 record under the Illinois Freedom of Information Act.

29 None of the information the Department discloses to the  
30 public under this Act may be used to establish a standard  
31 of care in a private civil action.

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

1           (10) By January 1, 2006, ~~Within 12 months after the~~  
2 ~~effective date of this amendatory Act of the 93rd General~~  
3 ~~Assembly,~~ the Department must study the most effective  
4 methods for public disclosure of patient claims and  
5 encounter charge data and health care quality information  
6 that will be useful to consumers in making health care  
7 decisions and report its recommendations to the Governor  
8 and to the General Assembly.

9           (11) The Department must undertake all steps necessary  
10 under State and Federal law, including the  
11 Gramm-Leach-Bliley Act and the HIPAA privacy regulations,  
12 to protect patient confidentiality in order to prevent the  
13 identification of individual patient records.

14           (12) The Department must adopt rules for inpatient and  
15 outpatient data collection and reporting this no later than  
16 January 1, 2006.

17           (13) In addition to the data products indicated above,  
18 the Department shall respond to requests by government  
19 agencies, academic research organizations, and private  
20 sector organizations for purposes of clinical performance  
21 measurements and analyses of data collected pursuant to  
22 this Section.

23           (14) The Department must evaluate additional methods  
24 for comparing the performance of hospitals and ambulatory  
25 surgical treatment centers, including the value of  
26 disclosing additional measures that are adopted by the  
27 National Quality Forum, The Joint Commission on  
28 Accreditation of Healthcare Organizations, the Centers for  
29 Medicare and Medicaid Services, or a similar national  
30 entity that establishes standards to measure the  
31 performance of health care providers. The Department shall  
32 report its findings and recommendations on its Internet  
33 website and to the Governor and General Assembly no later  
34 than January 1, 2006.

1 (e) (Blank).

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

3 Section 99. Effective date. This Act takes effect upon  
4 becoming law.".