

HB4698



104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

HB4698

by Rep. Janet Yang Rohr

SYNOPSIS AS INTRODUCED:

225 ILCS 60/22.2

Amends the Medical Practice Act of 1987. In provisions concerning an exception to the prohibition on fee splitting for billing, administrative preparation, or collection services, requires any charges for multiple in-network services during the same appointment, including, but not limited to, an office visit that was added to a physical exam, to be disclosed to the patient during the appointment.

LRB104 17664 AAS 31095 b

A BILL FOR

1 AN ACT concerning regulation.

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

4 Section 5. The Medical Practice Act of 1987 is amended by
5 changing Section 22.2 as follows:

6 (225 ILCS 60/22.2)

7 (Section scheduled to be repealed on January 1, 2027)

8 Sec. 22.2. Prohibition against fee splitting.

9 (a) A licensee under this Act may not directly or
10 indirectly divide, share or split any professional fee or
11 other form of compensation for professional services with
12 anyone in exchange for a referral or otherwise, other than as
13 provided in this Section 22.2.

14 (b) Nothing contained in this Section abrogates the right
15 of 2 or more licensed health care workers as defined in the
16 Health Care Worker Self-referral Act to each receive adequate
17 compensation for concurrently rendering services to a patient
18 and to divide the fee for such service, provided that the
19 patient has full knowledge of the division and the division is
20 made in proportion to the actual services personally performed
21 and responsibility assumed by each licensee consistent with
22 his or her license, except as prohibited by law.

23 (c) Nothing contained in this Section prohibits a licensee

1 under this Act from practicing medicine through or within any
2 form of legal entity authorized to conduct business in this
3 State or from pooling, sharing, dividing, or apportioning the
4 professional fees and other revenues in accordance with the
5 agreements and policies of the entity provided:

6 (1) each owner of the entity is licensed under this
7 Act;

8 (2) the entity is organized under the Medical
9 Corporation Act, the Professional Services Corporation
10 Act, the Professional Association Act, or the Limited
11 Liability Company Act;

12 (3) the entity is allowed by Illinois law to provide
13 physician services or employ physicians such as a licensed
14 hospital or hospital affiliate or licensed ambulatory
15 surgical treatment center owned in full or in part by
16 Illinois-licensed physicians;

17 (4) the entity is a combination or joint venture of
18 the entities authorized under this subsection (c); or

19 (5) the entity is an Illinois not for profit
20 corporation that is recognized as exempt from the payment
21 of federal income taxes as an organization described in
22 Section 501(c)(3) of the Internal Revenue Code and all of
23 its members are full-time faculty members of a medical
24 school that offers a M.D. degree program that is
25 accredited by the Liaison Committee on Medical Education
26 and a program of graduate medical education that is

1 accredited by the Accreditation Council for Graduate
2 Medical Education.

3 (d) Nothing contained in this Section prohibits a licensee
4 under this Act from paying a fair market value fee to any
5 person or entity whose purpose is to perform billing,
6 administrative preparation, or collection services based upon
7 a percentage of professional service fees billed or collected,
8 a flat fee, or any other arrangement that directly or
9 indirectly divides professional fees, for the administrative
10 preparation of the licensee's claims or the collection of the
11 licensee's charges for professional services, provided that:

12 (i) the licensee or the licensee's practice under
13 subsection (c) of this Section at all times controls the
14 amount of fees charged and collected; ~~and~~

15 (ii) all charges collected are paid directly to the
16 licensee or the licensee's practice or are deposited
17 directly into an account in the name of and under the sole
18 control of the licensee or the licensee's practice or
19 deposited into a "Trust Account" by a licensed collection
20 agency in accordance with the requirements of Section 8(c)
21 of the Illinois Collection Agency Act; and -

22 (iii) any charges for multiple in-network services
23 during the same appointment, including, but not limited
24 to, an office visit that was added to a physical exam, are
25 disclosed to the patient during the appointment.

26 (e) Nothing contained in this Section prohibits the

1 granting of a security interest in the accounts receivable or
2 fees of a licensee under this Act or the licensee's practice
3 for bona fide advances made to the licensee or licensee's
4 practice provided the licensee retains control and
5 responsibility for the collection of the accounts receivable
6 and fees.

7 (f) Excluding payments that may be made to the owners of or
8 licensees in the licensee's practice under subsection (c), a
9 licensee under this Act may not divide, share or split a
10 professional service fee with, or otherwise directly or
11 indirectly pay a percentage of the licensee's professional
12 service fees, revenues or profits to anyone for: (i) the
13 marketing or management of the licensee's practice, (ii)
14 including the licensee or the licensee's practice on any
15 preferred provider list, (iii) allowing the licensee to
16 participate in any network of health care providers, (iv)
17 negotiating fees, charges or terms of service or payment on
18 behalf of the licensee, or (v) including the licensee in a
19 program whereby patients or beneficiaries are provided an
20 incentive to use the services of the licensee.

21 (g) A violation of any of the provisions of this Section
22 constitutes an unlawful practice under the Consumer Fraud and
23 Deceptive Business Practices Act. All remedies, penalties, and
24 authority granted to the Attorney General by the Consumer
25 Fraud and Deceptive Business Practices Act shall be available
26 to him or her for the enforcement of this Section. This

1 subsection does not apply to hospitals and hospital affiliates

2 licensed in Illinois.

3 (Source: P.A. 100-1058, eff. 1-1-19.)