

SB0232



104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

SB0232

Introduced 1/22/2025, by Sen. Cristina Castro

SYNOPSIS AS INTRODUCED:

New Act

Creates the Hospital Price Transparency Act. Provides that a hospital shall publish specified information regarding standard charges on its publicly accessible Internet website and provide hard copies upon request. Requires a hospital to maintain a list of all standard charges for all hospital items or services in accordance with the Act and ensure that the list is always available to the public, including publishing the list electronically in the specified manner. Provides that the list shall include a description of each hospital item or service provided by the hospital; specified charges for each individual hospital item or service when provided in either an inpatient setting or an outpatient department setting, as applicable; and a code used by the hospital for the purpose of accounting or billing for the hospital item or service, including the Current Procedural Terminology (CPT) code, the Healthcare Common Procedure Coding System (HCPCS) code, the Diagnosis Related Group (DRG) code, the National Drug Code (NDC), or other common identifiers. Requires a hospital to maintain and make publicly available a list of the standard charges for each of at least 300 shoppable services provided by the hospital with charges specific to that individual hospital location, except as specified in the Act. Sets forth provisions concerning duties of hospitals and the Department of Public Health relating to lists of all standard and shoppable charges; reporting requirements for hospitals; submission of complaints for violations of the Act; plans of correction for violations of the Act; sanctions and penalties; disclosure of facility fees; reporting requirements for the Department; and restrictions on hospitals initiating or pursuing a collection action if they are in violation of the Act. Effective July 1, 2026.

LRB104 07358 BAB 17398 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 1. Short title. This Act may be cited as the
5 Hospital Price Transparency Act.

6 Section 5. Definitions. As used in this Act:

7 "Ancillary service" means a hospital item or service that
8 a hospital customarily provides as part of a shoppable
9 service.

10 "Chargemaster" means the list of all hospital items or
11 services maintained by a hospital for which the hospital has
12 established a charge.

13 "CMS" means the Centers for Medicare and Medicaid
14 Services.

15 "Collection action" means any of the following actions
16 taken with respect to a debt for an item or service that was
17 purchased from or provided to a patient by a hospital on a date
18 during which the hospital was not in material compliance with
19 this Act:

20 (1) attempting to collect a debt from a patient or
21 patient guarantor by referring the debt, directly or
22 indirectly, to a debt collector, a collection agency or
23 other third party retained by or on behalf of the

hospital;

(2) suing the patient or patient guarantor or enforcing an arbitration or mediation clause in a hospital document, including any contract, agreement, statement, or bill; or

(3) directly or indirectly causing a report to be made to a consumer reporting agency.

"Collection agency" means any of the following:

(1) a person that engages in a business for the principal purpose of collecting debts;

(2) a person that does any of the following:

(A) regularly collects or attempts to collect, directly or indirectly, debts owed or due or asserted to be owed or due to another;

(B) takes assignment of debts for collection purposes; or

(C) directly or indirectly solicits for collection debts owed or due or asserted to be owed or due to another.

"Consumer reporting agency" means a person that, for monetary fees or dues or on a cooperative nonprofit basis, regularly engages, in whole or in part, in the practice of assembling or evaluating consumer credit information or other information on consumers for the purpose of furnishing consumer reports to third parties. The term includes "consumer reporting agency" as defined in 15 U.S.C. 1681a(f) (relating

1 to definitions and rules of construction). "Consumer reporting
2 agency" does not include a business entity that only provides
3 check verification or check guarantee services.

4 "Debt" means an obligation or alleged obligation of a
5 consumer to pay money arising out of a transaction, whether or
6 not the obligation has been reduced to judgment. "Debt" does
7 not include a debt for business, investment, commercial, or
8 agricultural purposes or a debt incurred by a business.

9 "Debt collector" means a person employed or engaged by a
10 collection agency to perform the collection of debts owed or
11 due, or asserted to be owed or due, to another.

12 "De-identified maximum negotiated charge" means the
13 highest charge that a hospital has negotiated with all
14 third-party payors for a hospital item or service.

15 "De-identified minimum negotiated charge" means the lowest
16 charge that a hospital has negotiated with all third-party
17 payors for a hospital item or service.

18 "Department" means the Department of Public Health.

19 "Discounted cash price" means the charge that applies to
20 an individual who pays cash or a cash equivalent for a hospital
21 item or service.

22 "Facility fee" means the fee charged or billed by a
23 hospital for outpatient services provided in an off-campus
24 health care facility, regardless of the modality through which
25 the health care service is provided, that is:

26 (1) intended to compensate the health system or

1 hospital for health care expenses; and

2 (2) separate and distinct from a professional fee.

3 "Gross charge" means the charge for a hospital item or
4 service that is reflected on the hospital's chargemaster,
5 absent any discount.

6 "Health care facility" has the meaning given to that term
7 in Section 3 of the Illinois Health Facilities Planning Act.

8 "Hospital" has the meaning given to that term in Section 3
9 of the Hospital Licensing Act.

10 "Item or service" means an item or service, including an
11 individual items or services package, that could be provided
12 by a hospital to a patient in connection with an inpatient
13 admission or an outpatient department visit for which the
14 hospital has established a standard charge, including any of
15 the following:

16 (1) a supply or procedure;

17 (2) room and board;

18 (3) the use of the hospital or other item, which is
19 generally described as a facility fee;

20 (4) the service of a health care practitioner, which
21 is generally described as a professional fee; and

22 (5) any other item or service for which a hospital has
23 established a standard charge.

24 "Machine-readable format" means a digital representation
25 of information in a file that can be easily imported or read
26 into a computer system for further processing without any

1 additional preparation.

2 "Payor-specific negotiated charge" means the charge that a
3 hospital has negotiated with a third-party payor for a
4 hospital item or service.

5 "Professional fee" means a fee charged by a health care
6 practitioner for medical services.

7 "Shoppable service" means a service that may be scheduled
8 by an individual in advance.

9 "Standard charge" means the regular rate established by
10 the hospital for a hospital item or service provided to a
11 specific group of paying patients. "Standard charge" includes
12 any of the following:

- 13 (1) the gross charge;
- 14 (2) the payor-specific negotiated charge;
- 15 (3) the de-identified minimum negotiated charge;
- 16 (4) the de-identified maximum negotiated charge; and
- 17 (5) the discounted cash price.

18 "Third-party payor" means an entity that is legally
19 responsible for payment of a claim for a hospital item or
20 service.

21 Section 10. Public availability of price information
22 required. Notwithstanding any other provision of law, a
23 hospital shall publish all of the following on its publicly
24 accessible Internet website and provide hard copies upon
25 request:

(1) A digital file in a machine-readable format and printable format that contains a list of all standard charges for all hospital items or services specified in Section 15 of this Act.

(2) A consumer-friendly and printable list of standard charges for a limited set of shoppable services as specified in Section 20 of this Act.

Section 15. List of standard charges.

(a) A hospital shall have the following duties:

(1) to maintain a list of all standard charges for all hospital items or services in accordance with this Act; and

(2) to ensure that the list is always available to the public, including publishing the list electronically in the manner specified in subsection (c).

(b) The standard charges contained in the list required under subsection (a) shall reflect the standard charges applicable to the location of the hospital, regardless of whether the hospital operates in more than one location or operates under the same license as another hospital.

(c) A hospital shall include in the list required under subsection (a) all of the following information:

(1) A description of each hospital item or service provided by the hospital.

(2) The following charges for each individual hospital

1 item or service when provided in either an inpatient
2 setting or an outpatient department setting, as
3 applicable, including:

- 4 (i) the gross charge;
- 5 (ii) the de-identified minimum negotiated charge;
- 6 (iii) the de-identified maximum negotiated charge;
- 7 (iv) the discounted cash price; and
- 8 (v) the payor-specific negotiated charge,
9 delineated by the name of the third-party payor and
10 plan associated with the charge and displayed in a
11 manner that clearly associates the charge with the
12 third-party payor and plan. A hospital must include
13 all payors and all plans accepted by the hospital in a
14 manner clearly associated with the name of the
15 third-party payor and specific plan.

16 (3) A code used by the hospital for the purpose of
17 accounting or billing for the hospital item or service,
18 including the Current Procedural Terminology (CPT) code,
19 the Healthcare Common Procedure Coding System (HCPCS)
20 code, the Diagnosis Related Group (DRG) code, the National
21 Drug Code (NDC), or other common identifiers.

22 (d) A hospital shall publish the information contained in
23 the list required under subsection (a) in a single digital
24 file that is in a machine-readable format.

25 (e) A hospital shall display the list required under
26 subsection (a) by posting the list in a prominent location on

1 the home page of the hospital's publicly accessible Internet
2 website or making the list accessible by a dedicated link that
3 is prominently displayed on the home page of the hospital's
4 publicly accessible Internet website. If the hospital operates
5 multiple locations and maintains a single Internet website,
6 the hospital shall post the list for each location that the
7 hospital operates in a manner that clearly associates the list
8 with the applicable location of the hospital and includes
9 charges specific to each individual hospital location.

10 (f) (1) A hospital shall ensure that the list required
11 under subsection (a) complies with the following requirements:

12 (A) be available free of charge;

13 (B) be accessible to a common commercial operator of
14 an Internet search engine to the extent necessary for the
15 search engine to index the list and display the list in
16 response to a search query of a user of the search engine;

17 (C) be formatted in a manner specified under this Act
18 and by the Department;

19 (D) be digitally searchable and printable by service
20 description, billing code, and third-party payor; and

21 (E) use a format and a naming convention specified by
22 the Department on their website. The Department shall
23 consider a naming convention as may be specified by CMS.

24 (2) The Department shall ensure the list required under
25 subsection (a) does not require any of the following:

26 (A) the establishment of a user account or password or

1 other information of the user;

2 (B) the submission of personal identifying
3 information; or

4 (C) any other impediment, including entering a code to
5 access the list.

6 (g) In determining the format of the list required under
7 subsection (a) as required under subparagraph (B) of paragraph
8 (1) of subsection (f), the Department shall develop a template
9 that each hospital shall use in formatting the list and
10 publish the template via the Department website. In developing
11 the template as required under this subsection, the Department
12 shall have the following duties:

13 (1) to take into consideration applicable federal
14 guidelines for formatting similar lists required by
15 federal law and ensure that the design of the template
16 enables an individual to compare the charges contained in
17 the lists maintained by each hospital; and

18 (2) to design the template to be substantially like
19 the template used by CMS for the purposes specified in
20 this Section.

21 (h) A hospital shall update the list required under
22 subsection (a) no less than once each year. The hospital shall
23 clearly indicate the date when the list was most recently
24 updated, either on the list or in a manner that is clearly
25 associated with the list. The hospital shall make available no
26 less than the 3 most recent versions of the list required under

1 this Act.

2 Section 20. List of shoppable services.

3 (a) Except as provided under subsection (c), a hospital
4 shall maintain and make publicly available a list of the
5 standard charges for each of at least 300 shoppable services
6 provided by the hospital with charges specific to that
7 individual hospital location. The hospital may select the
8 shoppable services to be included in the list, except that the
9 list shall include the 70 services specified as shoppable
10 services by CMS. If the hospital does not provide all the
11 shoppable services specified by CMS, the hospital shall
12 include all the shoppable services provided by the hospital.

13 (b) In selecting a shoppable service for the purpose of
14 inclusion in the list required under subsection (a), a
15 hospital shall have following duties:

16 (1) to consider how frequently the hospital provides
17 the service and the hospital's billing rate for the
18 service; and

19 (2) to prioritize the selection of services that are
20 among the services most frequently provided by the
21 hospital.

22 (c) If a hospital does not provide 300 shoppable services
23 in the list under subsection (a), the hospital shall include
24 the total number of shoppable services that the hospital
25 provides in a manner that otherwise complies with the

1 requirements of subsection (a).

2 (d) A hospital shall include all of the following
3 information in the list required under subsection (a):

4 (1) a plain-language description of each shoppable
5 service included on the list;

6 (2) the payor-specific negotiated charge that applies
7 to each shoppable service included on the list and any
8 ancillary service, delineated by the name of the
9 third-party payor and plan associated with the charge and
10 displayed in a manner that clearly associates the charge
11 with the third-party payor and plan;

12 (3) the discounted cash price that applies to each
13 shoppable service included on the list and any ancillary
14 service or, if the hospital does not offer a discounted
15 cash price for a shoppable service or an ancillary service
16 on the list, the gross charge for the shoppable service or
17 ancillary service, as applicable;

18 (4) the de-identified minimum negotiated charge that
19 applies to each shoppable service included on the list and
20 any ancillary service;

21 (5) the de-identified maximum negotiated charge that
22 applies to each shoppable service included on the list and
23 any ancillary service;

24 (6) a code used by the hospital for purposes of
25 accounting or billing for each shoppable service included
26 on the list and any ancillary service, including the

1 Current Procedural Terminology (CPT) code, the Healthcare
2 Common Procedure Coding System (HCPCS) code, the Diagnosis
3 Related Group (DRG) code, the National Drug Code (NDC), or
4 other common identifier;

5 (7) if applicable, each location where the hospital
6 provides a shoppable service and whether the standard
7 charges included in the list apply at the location to the
8 provision of the shoppable service in an inpatient setting
9 or an outpatient department setting; and

10 (8) if applicable, an indication if a shoppable
11 service specified by CMS is not provided by the hospital.

12 (e) (1) A hospital shall ensure that the list required
13 under subsection (a) complies with the following requirements:

14 (A) be available free of charge;

15 (B) be accessible to a common commercial operator of
16 an Internet search engine to the extent necessary for the
17 search engine to index the list and display the list in
18 response to a search query of a user of the search engine;

19 (C) be formatted in a manner specified under this
20 Section and by the Department via their website;

21 (D) be digitally searchable and printable by service
22 description, billing code, and third-party payor; and

23 (E) use a format and a naming convention specified by
24 the Department via their website. The Department shall
25 consider a naming convention as may be specified by CMS.

26 Nothing in this Section shall preclude a hospital from

1 using a price estimator tool as provided for in 45 CFR 180.60
2 (relating to requirements for displaying shoppable services in
3 a consumer-friendly manner) in addition to the list of
4 shoppable services.

5 (2) The Department shall ensure that the list required
6 under subsection (a) does not require any of the following:

7 (A) the establishment of a user account or password or
8 other information of the user;

9 (B) the submission of personal identifying
10 information; or

11 (C) any other impediment, including entering a code to
12 access the list.

13 (f) In determining the format of the list required under
14 subsection (a), as required under subparagraph (C) of
15 paragraph (1) of subsection (e), the Department shall develop
16 a template that each hospital shall use in formatting the list
17 and publish the template via their website. In developing the
18 template as required in this subsection, the Department shall
19 have the following duties:

20 (1) to take into consideration applicable federal
21 guidelines for formatting similar lists required by
22 federal law and ensure that the design of the template
23 enables an individual to compare the charges contained in
24 the lists maintained by each hospital; and

25 (2) to design the template to be substantially like
26 the template used by CMS for the purposes specified in

1 this Act.

2 (g) A hospital shall update the list required under
3 subsection (a) no less than once each year. The hospital shall
4 clearly indicate the date when the list was most recently
5 updated, either on the list or in a manner that is clearly
6 associated with the list. The hospital shall make available no
7 less than the 3 most recent versions of the list required under
8 this Act.

9 Section 25. Reporting requirements.

10 (a) Each time a hospital creates or updates a list as
11 required under Sections 15 or 20 of this Act, the hospital
12 shall submit the list, along with a report on the list, to the
13 Department.

14 (b) To be considered in compliance, any list received by
15 the Department shall include a minimum of 95% of all values
16 required under Sections 15 or 20 of this Act.

17 (c) Starting on or before July 1, 2027 and each July 1
18 thereafter, a hospital shall report to the Department on
19 facility fees charged or billed during the preceding calendar
20 year. The report shall include, at a minimum:

21 (1) the name and location of each health care facility
22 owned or operated by the hospital that provides services
23 for which a facility fee is charged or billed;

24 (2) the number of patient visits at each health care
25 facility for which a facility fee was charged or billed;

(3) the number, total amount, and types of allowable facility fees paid at each health care facility by Medicare, the medical assistance program under Article V of the Illinois Public Aid Code, and private insurance;

(4) for each health care facility, the total number of facility fees charged and the total amount of revenue received by the hospital or health system derived from facility fees;

(5) the total amount of facility fees charged and the total amount of revenue received by the hospital or health system from all health care facilities derived from facility fees;

(6) the 10 most frequent procedures or services, identified by current procedural terminology Category I codes, provided by the hospital that generated the largest amount of facility fee gross revenue, including:

(A) the volume of each procedure or service;

(B) the gross and net revenue totals for each procedure or service; and

(C) the total net amount of revenue received by the hospital or health system derived from facility fees for each procedure or service;

(7) the 10 most frequent procedures or services, identified by current procedural terminology Category I codes, based on patient volume, provided by the hospital for which facility fees were billed or charged, including

1 the gross and net revenue totals received for each
2 procedure or service; and

3 (8) any other information related to facility fees the
4 Department may require.

5 (d) The Department shall make all reports and lists
6 available on its publicly accessible Internet website within
7 60 days after receipt of each report.

8 (e) A health system may make the report for each hospital
9 that it owns or operates, provided that each hospital has its
10 own separate report.

11 Section 30. Submission of complaints. The Department shall
12 establish an electronic form for individuals to submit
13 complaints for alleged violations of this Act. The Department
14 shall post the electronic form on its publicly accessible
15 Internet website. The Department shall also accept complaints
16 via a Department customer service telephone number.

17 Section 35. Plans of correction. Upon determining that a
18 hospital has violated the provisions of this Act, the
19 Department may issue a written notice to the hospital stating
20 that a violation has been committed by the hospital. The
21 following shall apply:

22 (1) The Department shall state in the written notice
23 that the hospital is required to take immediate action to
24 remedy the violation or, if the hospital is unable to

1 immediately remedy the violation, submit a plan of
2 correction to the Department.

3 (2) If the hospital is required to submit a plan of
4 correction to the Department under paragraph (1), the
5 Department may direct that the violation be remedied
6 within a specified period of time. The hospital must
7 submit the plan of correction within 30 days after the
8 Department's issuance of the written notice.

9 (3) If the Department determines that the hospital is
10 required to take immediate corrective action, the
11 Department shall state in the written notice that the
12 hospital is required to provide prompt confirmation to the
13 Department that the corrective action has been taken.

14 Section 40. Sanctions and penalties.

15 (a) The Department may sanction a hospital for any of the
16 following reasons:

- 17 (1) violating the provisions of this Act;
- 18 (2) failing to take immediate action to remedy a
19 violation of the provisions of this Act;
- 20 (3) failing to submit a plan of correction to the
21 Department or failing to comply with a plan of correction
22 in accordance with Section 35 of this Act;
- 23 (4) violating an order previously issued by the
24 Department in a disciplinary matter; and
- 25 (5) any other reason specified in this Act or the

1 rules adopted by the Department to implement this Act.

2 (b) The Department may impose a civil penalty for conduct
3 prohibited under subsection (a), with each day when a hospital
4 engages in the conduct constituting a separate and distinct
5 incident as follows:

6 (1) no more than \$2,500 for a first incident;

7 (2) no more than \$5,000 for a second incident;

8 (3) no more than \$10,000 for a third incident; and

9 (4) no more than \$15,000 for a fourth or subsequent
10 incident.

11 (c) The Department may audit the publicly accessible
12 Internet websites of hospitals to ensure compliance with this
13 Act.

14 (d) Moneys received from civil penalties imposed by the
15 Department on a hospital shall be deposited into the Hospital
16 Licensure Fund.

17 Section 45. Disclosure of facility fees.

18 (a) A health care facility affiliated with or owned by a
19 hospital that charges a facility fee shall disclose to a
20 patient at the time an appointment is scheduled and at the time
21 medical services are rendered that a facility fee may be
22 charged.

23 (b) Disclosure of facility fees shall occur on a
24 plain-language notice as determined by the Department. The
25 notice shall include, at a minimum:

(1) the dollar amount of the patient's potential financial liability for a facility fee if a diagnosis and extent of medical treatment is known;

(2) an estimated range in dollars of the patient's potential financial liability for a facility fee if the diagnosis and extent of medical treatment is unknown; and

(3) if applicable, a statement that the patient may incur a financial liability to the health care facility that the patient would not incur if the patient was receiving medical services and treatment on the campus of the hospital.

Section 50. Reports. The Department shall report annually on the progress in implementing and administering this Act and submit the report to the Governor and the General Assembly.

Section 55. Failure to comply with hospital price transparency.

(a) Except as provided under subsection (d), a hospital that is in violation of the requirements of this Act on the date when an item or service is purchased from or provided to a patient by the hospital may not initiate or pursue a collection action against the patient or patient guarantor for a debt owed for the item or service.

(b) If a patient believes that a hospital is in violation of the requirements of this Act on the date when an item or

1 service is purchased from or provided to the patient and the
2 hospital takes a collection action against the patient or
3 patient guarantor, the patient or patient guarantor may
4 initiate a civil action in a court of competent jurisdiction
5 to determine if the hospital is in violation of this Act and
6 the noncompliance is related to the item or service. The
7 hospital may not take a collection action against the patient
8 or patient guarantor or submit a report to a patient's or
9 patient guarantor's credit report while the civil action is
10 pending.

11 (c) A hospital that has been determined to be in violation
12 of the requirements of this Act shall:

13 (1) refund the payor an amount of the debt the payor
14 has paid and pay a penalty to the patient or patient
15 guarantor in an amount equal to the total amount of the
16 debt;

17 (2) dismiss or cause to be dismissed a civil action
18 under subsection (b) with prejudice and pay any attorney
19 fees and costs incurred by the patient or patient
20 guarantor relating to the action; and

21 (3) remove or cause to be removed from the patient's
22 or patient guarantor's credit report a report made to a
23 consumer reporting agency relating to the debt.

24 (d) Nothing in this Section shall be construed to:

25 (1) prohibit a hospital from billing a patient,
26 patient guarantor, or third-party payor, including a

1 health insurer, for an item or service provided to the
2 patient in a manner that is not in violation of this Act;
3 or

4 (2) require a hospital to refund a payment made to the
5 hospital for an item or service provided to the patient if
6 no collection action is taken in violation of this Act.

7 Section 99. Effective date. This Act takes effect on July
8 1, 2026.