

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 Illinois Insurance Code is amended by
5 changing Section 368b as follows:

6 (215 ILCS 5/368b)

7 Sec. 368b. Contracting procedures.

8 (a) A health care professional or health care provider
9 offered a contract by an insurer, health maintenance
10 organization, independent practice association, or physician
11 hospital organization for signature after the effective date
12 of this amendatory Act of the 93rd General Assembly shall be
13 provided with a proposed health care professional or health
14 care provider services contract including, if any, exhibits
15 and attachments that the contract indicates are to be
16 attached. Within 35 days after a written request, the health
17 care professional or health care provider offered a contract
18 shall be given the opportunity to review and obtain a copy of
19 the following: a specialty-specific fee schedule sample based
20 on a minimum of the 50 highest volume fee schedule codes with
21 the rates applicable to the health care professional or health
22 care provider to whom the contract is offered, the network
23 provider administration manual, and a summary capitation

1 schedule, if payment is made on a capitation basis. If 50 codes
2 do not exist for a particular specialty, the health care
3 professional or health care provider offered a contract shall
4 be given the opportunity to review or obtain a copy of a fee
5 schedule sample with the codes applicable to that particular
6 specialty. This information may be provided electronically. An
7 insurer, health maintenance organization, independent practice
8 association, or physician hospital organization may substitute
9 the fee schedule sample with a document providing reference to
10 the information needed to calculate the fee schedule that is
11 available to the public at no charge and the percentage or
12 conversion factor at which the insurer, health maintenance
13 organization, preferred provider organization, independent
14 practice association, or physician hospital organization sets
15 its rates.

16 (b) The fee schedule, the capitation schedule, and the
17 network provider administration manual constitute
18 confidential, proprietary, and trade secret information and
19 are subject to the provisions of the Illinois Trade Secrets
20 Act. The health care professional or health care provider
21 receiving such protected information may disclose the
22 information on a need to know basis and only to individuals and
23 entities that provide services directly related to the health
24 care professional's or health care provider's decision to
25 enter into the contract or keep the contract in force. Any
26 person or entity receiving or reviewing such protected

1 information pursuant to this Section shall not disclose the
2 information to any other person, organization, or entity,
3 unless the disclosure is requested pursuant to a valid court
4 order or required by a state or federal government agency.
5 Individuals or entities receiving such information from a
6 health care professional or health care provider as delineated
7 in this subsection are subject to the provisions of the
8 Illinois Trade Secrets Act.

9 (c) The health care professional or health care provider
10 shall be allowed at least 30 days to review the health care
11 professional or health care provider services contract,
12 including exhibits and attachments, if any, before signing.
13 The 30-day review period begins upon receipt of the health
14 care professional or health care provider services contract,
15 unless the information available upon request in subsection
16 (a) is not included. If information is not included in the
17 professional services contract and is requested pursuant to
18 subsection (a), the 30-day review period begins on the date of
19 receipt of the information. Nothing in this subsection shall
20 prohibit a health care professional or health care provider
21 from signing a contract prior to the expiration of the 30-day
22 review period.

23 (d) As used in this subsection:

24 "Change" means an increase or decrease in the fee schedule
25 referred to in subsection (a).

26 "Nonroutine change" means any proposed change to the fee

1 schedule except a change that is otherwise required by law,
2 regulation, or an applicable regulatory authority or that is
3 required as a result of changes in fee schedules,
4 reimbursement methodology, or payment policies established by
5 a government agency or by the American Medical Association's
6 current procedural terminology codes, reporting guidelines,
7 and conventions, or a change that is expressly provided for
8 under the terms of the contract by the inclusion of or
9 reference to a specific fee or fee schedule, reimbursement
10 methodology, or payment policy indexing mechanism.

11 The insurer, health maintenance organization, independent
12 practice association, or physician hospital organization shall
13 provide all contracted health care professionals or health
14 care providers with any changes to the fee schedule provided
15 under subsection (a) not later than 35 days after the
16 effective date of the changes, unless such changes are
17 specified in the contract and the health care professional or
18 health care provider is able to calculate the changed rates
19 based on information in the contract and information available
20 to the public at no charge. Beginning January 1, 2023, with
21 respect to nonroutine changes to the fee schedule, the
22 insurer, health maintenance organization, independent practice
23 association, or physician hospital organization shall provide
24 all contracted health care professionals or health care
25 providers impacted by the nonroutine change with notice of the
26 change at least 60 days before the effective date of the

1 change. The right to advance notice of nonroutine changes to
2 the fee schedule may not be waived by the health care
3 professional or health care provider. For the purposes of this
4 subsection (d), health maintenance organizations that provide
5 or arrange for and pay or reimburse for the cost of any health
6 care services for persons who are enrolled in the medical
7 assistance programs under the Illinois Public Aid Code shall
8 comply with provider notification requirements established by
9 the Department of Healthcare and Family Services.

10 ~~For the purposes of this subsection, "changes" means an~~
11 ~~increase or decrease in the fee schedule referred to in~~
12 ~~subsection (a).~~ This information may be made available by
13 mail, e-mail, newsletter, website listing, or other reasonable
14 method. For nonroutine changes, the information directing the
15 health care professional or health care provider to the
16 information provided by newsletter, website listing, or other
17 reasonable method shall be provided by email or, if requested
18 by the health care professional or health care provider, by
19 mail. Upon request, a health care professional or health care
20 provider may request an updated copy of the fee schedule
21 referred to in subsection (a) every calendar quarter.

22 (e) Upon termination of a contract with an insurer, health
23 maintenance organization, independent practice association, or
24 physician hospital organization and at the request of the
25 patient, a health care professional or health care provider
26 shall transfer copies of the patient's medical records. Any

1 other provision of law notwithstanding, the costs for copying
2 and transferring copies of medical records shall be assigned
3 per the arrangements agreed upon, if any, in the health care
4 professional or health care provider services contract.

5 (Source: P.A. 93-261, eff. 1-1-04.)