



102ND GENERAL ASSEMBLY

State of Illinois

2021 and 2022

SB0146

Introduced 2/9/2021, by Sen. Laura M. Murphy

SYNOPSIS AS INTRODUCED:

210 ILCS 88/30
210 ILCS 88/33 new

Amends the Fair Patient Billing Act. Provides that before pursuing a collection action against an insured patient for the unpaid amount of services rendered, a health care provider must review a patient's file to ensure that the patient does not have a Medicare supplement policy or any other secondary payer health insurance plan. Provides that if, after reviewing a patient's file, the health care provider finds no supplemental policy in the patient's record, the provider must then provide notice to the patient, and give that patient an opportunity to address the issue. Provides that if a health care provider has neither found information indicating the existence of a supplemental policy, nor received payment for services rendered to the patient, the health care provider may proceed with a collection action against the patient in accordance with specified provisions. Defines "supplemental policy". Makes a conforming change.

LRB102 11138 CPF 16470 b

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 Fair Patient Billing Act is amended by
5 changing Section 30 and by adding Section 33 as follows:

6 (210 ILCS 88/30)

7 Sec. 30. Pursuing collection action.

8 (a) Hospitals and their agents may pursue collection
9 action against an uninsured patient only if the following
10 conditions are met:

11 (1) The hospital has given the uninsured patient the
12 opportunity to:

13 (A) assess the accuracy of the bill;

14 (B) apply for financial assistance under the
15 hospital's financial assistance policy; and

16 (C) avail themselves of a reasonable payment plan.

17 (2) If the uninsured patient has indicated an
18 inability to pay the full amount of the debt in one
19 payment, the hospital has offered the patient a reasonable
20 payment plan. The hospital may require the uninsured
21 patient to provide reasonable verification of his or her
22 inability to pay the full amount of the debt in one
23 payment.

1 (3) To the extent the hospital provides financial
2 assistance and the circumstances of the uninsured patient
3 suggest the potential for eligibility for charity care,
4 the uninsured patient has been given at least 60 days
5 following the date of discharge or receipt of outpatient
6 care to submit an application for financial assistance.

7 (4) If the uninsured patient has agreed to a
8 reasonable payment plan with the hospital, and the patient
9 has failed to make payments in accordance with that
10 reasonable payment plan.

11 (5) If the uninsured patient informs the hospital that
12 he or she has applied for health care coverage under
13 Medicaid, Kidcare, or other government-sponsored health
14 care program (and there is a reasonable basis to believe
15 that the patient will qualify for such program) but the
16 patient's application is denied.

17 (b) A hospital may not refer a bill, or portion thereof, to
18 a collection agency or attorney for collection action against
19 the insured patient, without first offering the patient the
20 opportunity to request a reasonable payment plan for the
21 amount personally owed by the patient. Such an opportunity
22 shall be made available for the 30 days following the date of
23 the initial bill, or after exhaustion of the process outlined
24 in subsections (a) and (b) of Section 33. If the insured
25 patient requests a reasonable payment plan, but fails to agree
26 to a plan within 30 days of the request, the hospital may

1 proceed with collection action against the patient.

2 (c) No collection agency, law firm, or individual may
3 initiate legal action for non-payment of a hospital bill
4 against a patient without the written approval of an
5 authorized hospital employee who reasonably believes that the
6 conditions for pursuing collection action under this Section
7 have been met.

8 (d) Nothing in this Section prohibits a hospital from
9 engaging an outside third party agency, firm, or individual to
10 manage the process of implementing the hospital's financial
11 assistance and reasonable payment plan programs and policies
12 so long as such agency, firm, or individual is contractually
13 bound to comply with the terms of this Act.

14 (Source: P.A. 94-885, eff. 1-1-07.)

15 (210 ILCS 88/33 new)

16 Sec. 33. Supplemental policy collection action.

17 (a) Before pursuing a collection action against an insured
18 patient for the unpaid amount of services rendered, a health
19 care provider must review a patient's file to ensure that the
20 patient does not have a supplemental policy.

21 (b) If, after reviewing a patient's file, the health care
22 provider finds no supplemental policy in the patient's record,
23 the provider must then provide notice to the patient, and give
24 that patient an opportunity to (1) assess the accuracy of the
25 bill; (2) indicate or clarify whether he or she is covered by a

1 supplemental policy; and (3) address the payment of the unpaid
2 sum.

3 (c) If, after exhausting the requirements of subsections
4 (a) and (b) of this Section, a health care provider has neither
5 found information indicating the existence of a supplemental
6 policy, nor received payment for services rendered to the
7 patient, the health care provider may proceed with a
8 collection action against the patient, as provided under
9 subsection (b) of Section 30 of this Act.

10 (d) For purposes of this Section, "supplemental policy"
11 means a Medicare supplement policy, as defined in subsection
12 (c) of Section 363 of the Illinois Insurance Code, or any other
13 secondary payer health insurance plan.