



## 103RD GENERAL ASSEMBLY

### State of Illinois

2023 and 2024

HB4055

Introduced 4/27/2023, by Rep. William E Hauter

#### SYNOPSIS AS INTRODUCED:

215 ILCS 200/15  
215 ILCS 200/20.5 new

Amends the Prior Authorization Reform Act. Changes the definition of "emergency services" to provide that for the purposes of the provisions, emergency services are not required to be provided in the emergency department of a hospital. Provides that notwithstanding any other provision of law, a health insurance issuer or a contracted utilization review organization may not require prior authorization or approval by the health plan for emergency services.

LRB103 31972 BMS 60758 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 Prior Authorization Reform Act is amended  
5 by changing Section 15 and by adding Section 20.5 as follows:

6 (215 ILCS 200/15)

7 Sec. 15. Definitions. As used in this Act:

8 "Adverse determination" has the meaning given to that term  
9 in Section 10 of the Health Carrier External Review Act.

10 "Appeal" means a formal request, either orally or in  
11 writing, to reconsider an adverse determination.

12 "Approval" means a determination by a health insurance  
13 issuer or its contracted utilization review organization that  
14 a health care service has been reviewed and, based on the  
15 information provided, satisfies the health insurance issuer's  
16 or its contracted utilization review organization's  
17 requirements for medical necessity and appropriateness.

18 "Clinical review criteria" has the meaning given to that  
19 term in Section 10 of the Health Carrier External Review Act.

20 "Department" means the Department of Insurance.

21 "Emergency medical condition" has the meaning given to  
22 that term in Section 10 of the Managed Care Reform and Patient  
23 Rights Act.

1 "Emergency services" has the meaning given to that term in  
2 federal health insurance reform requirements for the group and  
3 individual health insurance markets, 45 CFR 147.138, except,  
4 for the purposes of this Act, emergency services are not  
5 required to be provided in the emergency department of a  
6 hospital.

7 "Enrollee" has the meaning given to that term in Section  
8 10 of the Managed Care Reform and Patient Rights Act.

9 "Health care professional" has the meaning given to that  
10 term in Section 10 of the Managed Care Reform and Patient  
11 Rights Act.

12 "Health care provider" has the meaning given to that term  
13 in Section 10 of the Managed Care Reform and Patient Rights  
14 Act, except that facilities licensed under the Nursing Home  
15 Care Act and long-term care facilities as defined in Section  
16 1-113 of the Nursing Home Care Act are excluded from this Act.

17 "Health care service" means any services or level of  
18 services included in the furnishing to an individual of  
19 medical care or the hospitalization incident to the furnishing  
20 of such care, as well as the furnishing to any person of any  
21 other services for the purpose of preventing, alleviating,  
22 curing, or healing human illness or injury, including  
23 behavioral health, mental health, home health, and  
24 pharmaceutical services and products.

25 "Health insurance issuer" has the meaning given to that  
26 term in Section 5 of the Illinois Health Insurance Portability

1 and Accountability Act.

2 "Medically necessary" means a health care professional  
3 exercising prudent clinical judgment would provide care to a  
4 patient for the purpose of preventing, diagnosing, or treating  
5 an illness, injury, disease, or its symptoms and that are: (i)  
6 in accordance with generally accepted standards of medical  
7 practice; (ii) clinically appropriate in terms of type,  
8 frequency, extent, site, and duration and are considered  
9 effective for the patient's illness, injury, or disease; and  
10 (iii) not primarily for the convenience of the patient,  
11 treating physician, other health care professional, caregiver,  
12 family member, or other interested party, but focused on what  
13 is best for the patient's health outcome.

14 "Physician" means a person licensed under the Medical  
15 Practice Act of 1987 or licensed under the laws of another  
16 state to practice medicine in all its branches.

17 "Prior authorization" means the process by which health  
18 insurance issuers or their contracted utilization review  
19 organizations determine the medical necessity and medical  
20 appropriateness of otherwise covered health care services  
21 before the rendering of such health care services. "Prior  
22 authorization" includes any health insurance issuer's or its  
23 contracted utilization review organization's requirement that  
24 an enrollee, health care professional, or health care provider  
25 notify the health insurance issuer or its contracted  
26 utilization review organization before, at the time of, or

1 concurrent to providing a health care service.

2 "Urgent health care service" means a health care service  
3 with respect to which the application of the time periods for  
4 making a non-expedited prior authorization that in the opinion  
5 of a health care professional with knowledge of the enrollee's  
6 medical condition:

7 (1) could seriously jeopardize the life or health of  
8 the enrollee or the ability of the enrollee to regain  
9 maximum function; or

10 (2) could subject the enrollee to severe pain that  
11 cannot be adequately managed without the care or treatment  
12 that is the subject of the utilization review.

13 "Urgent health care service" does not include emergency  
14 services.

15 "Utilization review organization" has the meaning given to  
16 that term in 50 Ill. Adm. Code 4520.30.

17 (Source: P.A. 102-409, eff. 1-1-22.)

18 (215 ILCS 200/20.5 new)

19 Sec. 20.5. Health insurance issuer's and contracted  
20 utilization review organization's obligations with respect to  
21 prior authorizations for emergency services. Notwithstanding  
22 any other provision of law, a health insurance issuer or a  
23 contracted utilization review organization may not require  
24 prior authorization or approval by the health plan for  
25 emergency services.