



95TH GENERAL ASSEMBLY

State of Illinois

2007 and 2008

SB1518

Introduced 2/9/2007, by Sen. William R. Haine

SYNOPSIS AS INTRODUCED:

215 ILCS 5/5.5 new

Amends the Illinois Insurance Code. Provides that a company authorized to do business in the State or accredited by the State to issue policies of health insurance, self-insured plans, group health plans, service benefit plans, managed care organizations, pharmacy benefit managers, or other parties that are by statute, contract, or agreement legally responsible for payment of a claim for a health care item or service as a condition of doing business in the State must follow specified guidelines concerning (1) the reporting of information to the Department of Healthcare and Family services; (2) the State's right of recovery for payment made under the medical programs of the Department; (3) the response to any inquiry by the Department regarding certain claims; and (4) an agreement not to deny a claim submitted to the Department that meet specified criteria. Effective immediately.

LRB095 07672 MJR 27824 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 Illinois Insurance Code is amended by adding
5 Section 5.5 as follows:

6 (215 ILCS 5/5.5 new)

7 Sec. 5.5. Compliance with the Department of Healthcare and
8 Family Services. A company authorized to do business in this
9 State or accredited by the State to issue policies of health
10 insurance, including but not limited to, self-insured plans,
11 group health plans (as defined in Section 607(1) of the
12 Employee Retirement Income Security Act of 1974), service
13 benefit plans, managed care organizations, pharmacy benefit
14 managers, or other parties that are by statute, contract, or
15 agreement legally responsible for payment of a claim for a
16 health care item or service as a condition of doing business in
17 the State must:

18 (1) provide to the Department of Healthcare and Family
19 Services, or any successor agency, upon request
20 information to determine during what period any individual
21 may be, or may have been, covered by a health insurer and
22 the nature of the coverage that is or was provided by the
23 health insurer, including the name, address, and

1 identifying number of the plan;

2 (2) accept the State's right of recovery and the
3 assignment to the State of any right of an individual or
4 other entity to payment from the party for an item or
5 service for which payment has been made under the medical
6 programs of the Department of Healthcare and Family
7 Services, or any successor agency, under this Code or the
8 Illinois Public Aid Code;

9 (3) respond to any inquiry by the Department of
10 Healthcare and Family Services regarding a claim for
11 payment for any health care item or service that is
12 submitted not later than 3 years after the date of the
13 provision of such health care item or service; and

14 (4) agree not to deny a claim submitted by the
15 Department of Healthcare and Family Services solely on the
16 basis of the date of submission of the claim, the type or
17 format of the claim form, or a failure to present proper
18 documentation at the point-of-sale that is the basis of the
19 claim if (i) the claim is submitted by the Department of
20 Healthcare and Family Services within the 3-year period
21 beginning on the date on which the item or service was
22 furnished and (ii) any action by the Department of
23 Healthcare and Family Services to enforce its rights with
24 respect to such claim is commenced within 6 years of its
25 submission of such claim.

26 Section 99. Effective date. This Act takes effect upon

1 becoming law.