

# HB3445



## 104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

**HB3445**

Introduced 2/18/2025, by Rep. Tracy Katz Muhl

### SYNOPSIS AS INTRODUCED:

215 ILCS 5/368d

Amends the Illinois Insurance Code. Makes a conforming change in provisions concerning recoupments. Effective January 1, 2026.

LRB104 10593 BAB 20669 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 5. The Illinois Insurance Code is amended by  
5 changing Section 368d as follows:

6 (215 ILCS 5/368d)

7 Sec. 368d. Recoupments.

8 (a) A health care professional or health care provider  
9 shall be provided a remittance advice, which must include an  
10 explanation of a recoupment or offset taken by an insurer,  
11 health maintenance organization, independent practice  
12 association, or physician hospital organization, if any. The  
13 recoupment explanation shall, at a minimum, include the name  
14 of the patient; the date of service; the service code or if no  
15 service code is available a service description; the  
16 recoupment amount; and the reason for the recoupment or  
17 offset. In addition, an insurer, health maintenance  
18 organization, independent practice association, or physician  
19 hospital organization shall provide with the remittance  
20 advice, or with any demand for recoupment or offset, a  
21 telephone number or mailing address to initiate an appeal of  
22 the recoupment or offset together with the deadline for  
23 initiating an appeal. Such information shall be prominently

1 displayed on the remittance advice or written document  
2 containing the demand for recoupment or offset. Any appeal of  
3 a recoupment or offset by a health care professional or health  
4 care provider must be made within 60 days after receipt of the  
5 remittance advice.

6 (b) It is not a recoupment when a health care professional  
7 or health care provider is paid an amount prospectively or  
8 concurrently under a contract with an insurer, health  
9 maintenance organization, independent practice association, or  
10 physician hospital organization that requires a retrospective  
11 reconciliation based upon specific conditions outlined in the  
12 contract.

13 (c) No recoupment or offset may be requested or withheld  
14 from future payments 12 months or more after the original  
15 payment is made, except in cases in which:

16 (1) a court, government administrative agency, other  
17 tribunal, or independent third-party arbitrator makes or  
18 has made a formal finding of fraud or material  
19 misrepresentation;

20 (2) an insurer is acting as a plan administrator for  
21 the Comprehensive Health Insurance Plan under the  
22 Comprehensive Health Insurance Plan Act;

23 (3) the provider has already been paid in full by any  
24 other payer, third party, or workers' compensation  
25 insurer; or

26 (4) an insurer contracted with the Department of

1 Healthcare and Family Services is required by the  
2 Department of Healthcare and Family Services to recoup or  
3 offset payments due to a federal Medicaid requirement.

4 No contract between an insurer and a health care professional  
5 or health care provider may provide for recoupments in  
6 violation of this Section. Nothing in this Section shall be  
7 construed to preclude insurers, health maintenance  
8 organizations, independent practice associations, or physician  
9 hospital organizations from resolving coordination of benefits  
10 between or among each other, including, but not limited to,  
11 resolution of workers' compensation and third-party liability  
12 cases, without recouping payment from the provider beyond the  
13 12-month ~~18-month~~ time limit provided in this subsection (c).

14 (Source: P.A. 102-632, eff. 1-1-22.)

15 Section 99. Effective date. This Act takes effect January  
16 1, 2026.