



104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

HB3796

Introduced 2/18/2025, by Rep. Hoan Huynh

SYNOPSIS AS INTRODUCED:

215 ILCS 134/20
215 ILCS 134/62 new

Amends the Managed Care Reform and Patient Rights Act. Sets forth requirements for carriers that offer a provider panel. Requires notice of the development of a provider panel to be filed with Department of Public Health prior to establishment. Provides that a carrier that uses a provider panel shall establish procedure for notifying an enrollee of the termination of a health care provider. Sets forth provisions permitting, under certain circumstances, a health care provider to continue to render health care services following termination from the carrier's provider panel. Requires a carrier to provide a list of members in the carrier's provider panel. Establishes notice requirements for benefit reductions and termination of health care providers from the carrier's provider panel. Requires any carrier requiring preauthorization for medical treatment to have personnel available to provide preauthorization at all times when the preauthorization is required. Provides that no contract between a health care provider and a carrier shall include provisions that require a health care provider to deny covered services that the provider knows to be medically necessary and appropriate that are provided with respect to a specific enrollee or group of enrollees with similar medical conditions. Sets forth prohibited provisions in a contract between a carrier and a health care provider. Defines terms. Makes other and conforming changes.

LRB104 09757 BAB 19823 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 Managed Care Reform and Patient Rights Act
5 is amended by changing Section 20 and by adding Section 62 as
6 follows:

7 (215 ILCS 134/20)

8 Sec. 20. Notice of nonrenewal or termination. A health
9 care plan must give at least 60 days' ~~days~~ notice of nonrenewal
10 or termination of a health care provider from the health care
11 plan's provider panel or termination of any other contractual
12 relationship to the health care provider and to the enrollees
13 served by the health care provider. The notice shall include a
14 name and address to which an enrollee or health care provider
15 may direct comments and concerns regarding the nonrenewal or
16 termination. Immediate written notice may be provided without
17 60 days' ~~days~~ notice when a health care provider's license has
18 been disciplined by a State licensing board. The notice to the
19 enrollee shall provide the individual with an opportunity to
20 notify the health care plan of the individual's need for
21 transitional care.

22 (Source: P.A. 103-650, eff. 1-1-25.)

1 (215 ILCS 134/62 new)

2 Sec. 62. Provider panels.

3 (a) In this Section:

4 "Carrier" means:

5 (1) any insurer proposing to issue or that issues
6 individual or group policies of accident and health
7 insurance providing hospital, medical, surgical, or other
8 major medical coverage on an expense-incurred basis;

9 (2) any corporation providing individual or group
10 health or accident subscription contracts;

11 (3) any health maintenance organization providing
12 health care plans or health care services;

13 (4) any corporation offering or providing prepaid
14 dental or optometric services plans; or

15 (5) any other person or organization that provides
16 health benefit plans subject to State regulation.

17 "Carrier" includes an entity that arranges a provider
18 panel for compensation.

19 "Provider panel" means the health care providers with
20 which a carrier contracts to provide health care services to
21 the carrier's enrollees under the carrier's health care or
22 health benefit plan. "Provider panel" does not include an
23 arrangement between a carrier and providers in which any
24 provider may participate solely on the basis of the provider's
25 contracting with the carrier to provide services at a
26 discounted fee-for-service rate.

1 (b) Any carrier that offers a provider panel shall
2 establish and use the provider panel according to the
3 following requirements:

4 (1) Notice of the development of a provider panel
5 serving residents of the State must be filed with the
6 Department of Public Health prior to establishment.

7 (2) Carriers shall provide a provider application and
8 the relevant terms and conditions to a health care
9 provider upon request.

10 (c) A carrier that uses a provider panel shall establish
11 procedures for:

12 (1) notifying an enrollee of:

13 (A) the termination or nonrenewal from the
14 carrier's provider panel of a health care provider who
15 was furnishing health care services to the enrollee or
16 furnished health care services to the enrollee in the
17 6 months prior to the notice; and

18 (B) the right of an enrollee to continue to
19 receive health care services, as provided in
20 subsection (e), following the health care provider's
21 termination from a carrier's provider panel, except
22 when a health care provider is terminated for cause.

23 The notice required under this paragraph (1) shall be
24 provided at least 60 days prior to the date of
25 termination of the health care provider from a
26 carrier's provider panel in accordance with Section

1 20; and

2 (2) notifying a health care provider at least 60 days
3 prior to the termination of the health care provider from
4 a carrier's provider panel in accordance with Section 20.

5 (d) A carrier may not deny an application for
6 participation or terminate participation on its provider panel
7 on the basis of gender, race, age, sexual orientation, gender
8 identity, religion, or national origin.

9 (e)(1) A health care provider shall be permitted by the
10 carrier to render health care services to any of the carrier's
11 enrollees for a period of at least 90 days from the date of the
12 health care provider's termination from the carrier's provider
13 panel, except when a health care provider is terminated for
14 cause.

15 (2) Notwithstanding paragraph (1) of this subsection, any
16 health care provider shall be permitted by the carrier to
17 continue rendering health services to any enrollee who has
18 been medically confirmed to be pregnant at the time of a
19 provider's termination of participation, except when a health
20 care provider is terminated for cause. That treatment shall,
21 at the enrollee's option, continue through the provision of
22 postpartum care directly relating to the delivery.

23 (3) Notwithstanding paragraph (1) of this subsection, any
24 health care provider shall be permitted by the carrier to
25 continue rendering health services to any enrollee who is
26 determined to be terminally ill, as defined under Section

1 1861(dd)(3)(A) of the Social Security Act, at the time of a
2 health care provider's termination of participation, except
3 when a health care provider is terminated for cause. The
4 treatment shall, at the enrollee's option, continue for the
5 remainder of the enrollee's life for care directly related to
6 the treatment of the terminal illness.

7 (4) Notwithstanding paragraph (1) of this subsection, any
8 health care provider shall be permitted by the carrier to
9 continue rendering health services to any enrollee who has
10 been determined by a medical professional to have a
11 life-threatening condition at the time of a health care
12 provider's termination of participation. The treatment shall,
13 at the enrollee's option, continue for up to 180 days for care
14 directly related to the life-threatening condition.

15 (5) Notwithstanding paragraph (1) of this subsection, any
16 health care provider shall be permitted by the carrier to
17 continue rendering health services to any enrollee who is
18 admitted to and receiving treatment in any inpatient facility
19 at the time of a health care provider's termination of
20 participation. Such admission and treatment shall continue
21 until the enrollee is discharged from the inpatient facility.

22 (f) For any health care services received by an enrollee
23 from a provider after the date the provider has been
24 terminated from the carrier's provider panel:

25 (1) the carrier shall reimburse a health care provider
26 under this subsection in accordance with the carrier's

1 agreement with the health care provider existing
2 immediately before the health care provider's termination
3 of participation;

4 (2) the health care provider shall accept such
5 reimbursement from the carrier and any cost-sharing
6 payment from the enrollee for items and services as
7 payment in full; and

8 (3) the health care provider shall continue to adhere
9 to all policies and procedures and quality standards
10 imposed by the carrier for an enrollee that were required
11 of the provider immediately before the provider's
12 termination of participation.

13 (g) A carrier shall provide to a purchaser upon enrollment
14 and make available to existing enrollees at least once a year a
15 list of members in its provider panel, which list shall also
16 indicate those providers who are not currently accepting new
17 patients. This list shall also include all the information
18 specified in subsection (a) of Section 15. This list may be
19 made available in a form other than a printed document if the
20 purchaser or existing enrollee is given the means to request
21 and receive a printed copy of the list. If this information is
22 provided in paper form, it shall be updated at least once a
23 year. If this information is provided in electronic form, it
24 shall be updated monthly.

25 (h) No contract between a carrier and a health care
26 provider may require that the health care provider indemnify

1 the carrier for the carrier's negligence, willful misconduct,
2 or breach of contract, if any.

3 (i) No contract between a carrier and a health care
4 provider shall require a provider, as a condition of
5 participation on the panel, to waive any right to seek legal
6 redress against the carrier.

7 (j) No contract between a carrier and a health care
8 provider shall prohibit, impede, or interfere in the
9 discussion of medical treatment options between a patient and
10 a health care provider.

11 (k) Any carrier requiring preauthorization for medical
12 treatment shall have personnel available to provide
13 preauthorization at all times when the preauthorization is
14 required.

15 (l) Carriers shall provide to their group policyholders
16 written notice of any benefit reductions during the contract
17 period at least 60 days before the benefit reductions take
18 effect. Thereafter, group policyholders shall provide to their
19 enrollees written notice of any benefit reductions during the
20 contract period at least 30 days before the benefit reductions
21 take effect. The notice shall be provided to the group
22 policyholder as a separate distinct notification and may not
23 be combined with any other notification or marketing
24 materials.

25 (m) No contract between a health care provider and a
26 carrier shall include provisions that require a health care

1 provider to deny covered services that the provider knows to
2 be medically necessary and appropriate that are provided with
3 respect to a specific enrollee or group of enrollees with
4 similar medical conditions.

5 (n) If a provider panel contract between a health care
6 provider and a carrier, or other entity that provides
7 hospital, physician, or other health care services to a
8 carrier, includes provisions that require a provider, as a
9 condition of participating in one of the carrier's or other
10 entity's provider panels, to participate in any other provider
11 panel owned or operated by that carrier or other entity, the
12 contract shall contain a provision permitting the health care
13 provider to refuse participation in one or more such other
14 provider panels at the time the contract is executed. If a
15 health care provider contracts with a carrier or other entity
16 that subsequently contracts with one or more unaffiliated
17 carriers to include the health care provider in the provider
18 panels of the unaffiliated carriers, and the contract permits
19 an unaffiliated carrier to impose participation terms with
20 respect to the health care provider that differ materially in
21 reimbursement rates or in managed care procedures, such as
22 conducting economic profiling or requiring a patient to obtain
23 primary care physician referral to a specialist, from the
24 terms agreed to by the provider in the original contract, the
25 provider panel contract shall contain a provision permitting
26 the health care provider to refuse participation with any such

1 unaffiliated carrier.

2 (o) A carrier that rents or leases its provider panel to
3 unaffiliated carriers shall make available, upon request, to
4 its health care providers a list of unaffiliated carriers that
5 rent or lease its provider panel. If the list is provided in
6 electronic form, the list shall be updated monthly. The health
7 care provider shall be given the means to request and receive a
8 printed copy of the list.