



Rep. Tracy Katz Muhl

Filed: 4/13/2026

10400HB4701ham001

LRB104 17497 BAB 36565 a

1 AMENDMENT TO HOUSE BILL 4701

2 AMENDMENT NO. _____. Amend House Bill 4701 by replacing
3 everything after the enacting clause with the following:

4 "Section 1. Short title. This Act may be cited as the
5 Outpatient Facility Fee Transparency Act.

6 Section 5. Definitions. As used in this Act:

7 "Affiliated provider" means a provider that is:

8 (1) employed by a hospital or health system;

9 (2) under a professional services agreement with a
10 hospital or health system that permits such hospital or
11 health system to bill on behalf of such provider; or

12 (3) a clinical faculty member associated with a
13 medical school that is affiliated with a hospital or
14 health system in a manner that permits such hospital or
15 health system to bill on behalf of such clinical faculty
16 member.

1 "APC" means the Ambulatory Payment Classification system
2 used by the Centers for Medicare and Medicaid Services for the
3 Hospital Outpatient Prospective Payment System.

4 "Campus" means:

5 (1) the physical area immediately adjacent to a
6 hospital's main buildings and other areas and structures
7 that are not strictly contiguous to the main buildings but
8 are located within 250 yards of the main buildings; or

9 (2) any other area that has been determined on an
10 individual case basis by the Centers for Medicare and
11 Medicaid Services to be part of a hospital's campus.

12 "Facility fee" means any fee charged or billed by a
13 hospital or health system for outpatient services provided in
14 a hospital-based facility that is:

15 (1) intended to compensate the hospital or health
16 system for the operational expenses of the hospital or
17 health system; and

18 (2) separate and distinct from a professional fee.

19 "Freestanding Emergency Center" means a freestanding
20 facility that:

21 (1) is structurally separate and distinct from a
22 hospital;

23 (2) provides emergency care;

24 (3) is a department of a hospital licensed under the
25 Hospital Licensing Act; and

26 (4) has been issued a Freestanding Emergency Center

1 license under the Emergency Medical Services (EMS) Systems
2 Act.

3 "Health care provider" means an individual, entity,
4 corporation, person, or organization, whether for-profit or
5 nonprofit, that furnishes, bills, or is paid for health care
6 service delivery in the normal course of business, including,
7 but not limited to, a health system, a hospital, a
8 hospital-based facility, a Freestanding Emergency Center, and
9 an urgent care center.

10 "Health system" means:

11 (1) a parent corporation of one or more hospitals and
12 any entity affiliated with such parent corporation through
13 ownership, governance, membership, or other means; or

14 (2) a hospital and any entity affiliated with such
15 hospital through ownership, governance, membership, or
16 other means.

17 "Hospital-based facility" means a facility that is owned
18 or operated, in whole or in part, by a hospital or health
19 system where hospital or professional medical services are
20 provided.

21 "Observation" means services furnished by a hospital on
22 the hospital's campus, regardless of length of stay, including
23 use of a bed and periodic monitoring by the hospital's nursing
24 or other staff to evaluate an outpatient's condition or
25 determine the need for admission to the hospital as an
26 inpatient.

1 "Payer mix" means the proportion of different sources of
2 payment received by a hospital or health system, including,
3 but not limited to, Medicare, Medicaid, other
4 government-provided insurance, private insurance, and self-pay
5 patients.

6 "Preventive services" means services for which coverage
7 without patient cost sharing is required under 42 U.S.C.
8 300gg-13 and Section 356z.62 of the Illinois Insurance Code.

9 "Professional fee" means any fee charged or billed by a
10 provider for professional medical services provided in a
11 hospital-based facility.

12 "Provider" means an individual, entity, corporation, or
13 health care provider, whether for-profit or nonprofit, whose
14 primary purpose is to provide professional medical services.

15 Section 10. Written notice required by hospitals or health
16 systems for outpatient facility fees.

17 (a) If a hospital or health system charges a facility fee
18 for outpatient services provided at a hospital-based facility
19 in which a professional fee is also expected to be charged for:
20 (i) assessment and management of a patient in a hospital
21 outpatient department (HCPCS G0463) or CPT evaluation and
22 management (E/M) codes, or (ii) any service or classification
23 identified in subsections (b) or (c) of Section 30, then the
24 hospital or health system shall provide the patient with a
25 written notice that includes the following information:

1 (1) that the hospital-based facility is part of a
2 hospital or health system and that the hospital or health
3 system charges a facility fee that is in addition to and
4 separate from the professional fee charged by the
5 provider;

6 (2) the amount of the patient's potential financial
7 liability, including any facility fee likely to be
8 charged, and, where professional medical services are
9 provided by an affiliated provider, any professional fee
10 likely to be charged, or, if the exact type and extent of
11 the professional medical services needed are not known or
12 the terms of a patient's health insurance coverage are not
13 known with reasonable certainty, an estimate of the
14 patient's financial liability based on typical or average
15 charges for visits to the hospital-based facility,
16 including the facility fee;

17 (3) a statement that the patient's actual financial
18 liability will depend on the professional medical services
19 actually provided to the patient;

20 (4) an explanation that the patient may incur
21 financial liability that is greater than the patient would
22 incur if the professional medical services were not
23 provided by a hospital-based facility;

24 (5) a telephone number the patient may call for
25 additional information regarding such patient's potential
26 financial liability, including an estimate of the facility

1 fee likely to be charged based on the scheduled
2 professional medical services; and

3 (6) that a patient covered by a health insurance
4 policy should contact the health insurer for additional
5 information regarding the hospital's or health system's
6 charges and fees, including the patient's potential
7 financial liability, if any, for such charges and fees.

8 (b) If a hospital or health system charges a facility fee
9 without using a code or classification described in subsection
10 (a) for outpatient services provided at a hospital-based
11 facility, located outside the hospital campus, the hospital or
12 health system shall provide the patient with a written notice
13 that includes the following information:

14 (1) that the hospital-based facility is part of a
15 hospital or health system and that the hospital or health
16 system charges a facility fee that may be in addition to
17 and separate from the professional fee charged by a
18 provider;

19 (2) a statement that the patient's actual financial
20 liability will depend on the professional medical services
21 actually provided to the patient;

22 (3) an explanation that the patient may incur
23 financial liability that is greater than the patient would
24 incur if the hospital-based facility was not
25 hospital-based;

26 (4) a telephone number the patient may call for

1 additional information regarding such patient's potential
2 financial liability, including an estimate of the facility
3 fee likely to be charged based on the scheduled
4 professional medical services; and

5 (5) that a patient covered by a health insurance
6 policy should contact the health insurer for additional
7 information regarding the hospital's or health system's
8 charges and fees, including the patient's potential
9 financial liability, if any, for such charges and fees.

10 (c) A hospital-based facility shall prominently display
11 written notice in locations that are readily accessible to and
12 visible by patients, including patient waiting or appointment
13 check-in areas, stating:

14 (1) that the hospital-based facility is part of a
15 hospital or health system;

16 (2) the name of the hospital or health system; and

17 (3) that if the hospital-based facility charges a
18 facility fee, the patient may incur a financial liability
19 greater than the patient would incur if the hospital-based
20 facility was not hospital-based.

21 Such notices shall include tag lines in at least the top 15
22 languages spoken in the State indicating that the notice is
23 available in each of those top 15 languages. The 15 languages
24 shall be either the languages in the list published by the
25 United States Department of Health and Human Services pursuant
26 to Section 1557 of the Patient Protection and Affordable Care

1 Act, P.L. 111-148, or, as determined by the hospital or health
2 system, the top 15 languages in the geographic area of the
3 hospital-based facility.

4 (d)(1) For nonemergency care, if a patient's appointment
5 is scheduled to occur 10 or more days after the appointment is
6 made, such written notice shall be sent to the patient by first
7 class mail, encrypted electronic mail, or a secure patient
8 Internet portal not less than 3 days after the appointment is
9 made. If an appointment is scheduled to occur less than 10 days
10 after the appointment is made or if the patient arrives
11 without an appointment, such notice shall be hand-delivered to
12 the patient when the patient arrives at the hospital-based
13 facility.

14 (2) For emergency care, such written notice shall be
15 provided to the patient as soon as practicable after the
16 patient is stabilized in accordance with the federal Emergency
17 Medical Treatment and Active Labor Act, 42 U.S.C. 1395dd, as
18 amended from time to time, or is determined not to have an
19 emergency medical condition and before the patient leaves the
20 hospital-based facility. If the patient is unconscious, under
21 great duress, or for any other reason unable to read the notice
22 and understand and act on the patient's rights, the notice
23 shall be provided to the patient's representative as soon as
24 practicable.

25 (e) The written notice required under this Section shall
26 be in plain language and in a form that may be reasonably

1 understood by a patient who does not possess special knowledge
2 regarding hospital or health system facility fee charges. Such
3 notices shall include tag lines in at least the top 15
4 languages spoken in the State indicating that the notice is
5 available in each of those top 15 languages. The 15 languages
6 shall be either the languages in the list published by the
7 United States Department of Health and Human Services pursuant
8 to Section 1557 of the Patient Protection and Affordable Care
9 Act, P.L. 111-148, or, as determined by the hospital or health
10 system, the top 15 languages in the geographic area of the
11 hospital-based facility.

12 (f) This Section shall not apply if a patient is insured by
13 Medicare or Medicaid or is receiving services under a workers'
14 compensation plan established to provide medical services.

15 Section 15. Written notice required by hospital-based
16 facilities.

17 (a) A hospital-based facility shall clearly hold itself
18 out to the public and payers as being hospital-based,
19 including, at a minimum, by stating the name of the hospital or
20 health system in its signage, marketing materials, Internet
21 websites, and stationery.

22 (b) A hospital-based facility shall, when scheduling
23 services for which a facility fee may be charged, inform the
24 patient:

25 (1) that the hospital-based facility is part of a

1 hospital or health system;

2 (2) of the name of the hospital or health system;

3 (3) that the hospital or health system may charge a
4 facility fee in addition to and separate from the
5 professional fee charged by the provider; and

6 (4) of the telephone number the patient may call for
7 additional information regarding such patient's potential
8 financial liability.

9 Section 20. Billing statements containing facility fees.
10 Each initial billing statement that includes a facility fee
11 shall:

12 (1) clearly identify the fee as a facility fee that is
13 billed in addition to, or separately from, any
14 professional fee billed by the provider;

15 (2) provide the corresponding Medicare facility
16 payment rate for the same service as a comparison or, if
17 there is no corresponding Medicare facility payment for
18 such service:

19 (A) the approximate amount Medicare would have
20 paid the hospital for the facility fee on the billing
21 statement; or

22 (B) the percentage of the hospital's charges that
23 Medicare would have paid the hospital for the facility
24 fee;

25 (3) include a statement that the facility fee is

1 intended to cover the hospital's or health system's
2 operational expenses;

3 (4) inform the patient that the patient's financial
4 liability may have been less if the services had been
5 provided at a facility not owned or operated by the
6 hospital or health system; and

7 (5) include written notice of the patient's right to
8 request a reduction in the facility fee or any other
9 portion of the bill and a telephone number that the
10 patient may use to request such a reduction without regard
11 to whether such patient qualifies for, or is likely to be
12 granted, any reduction.

13 Section 25. Establishment of hospital-based facilities at
14 which facility fees may be billed.

15 (a) For purposes of this Section, a material change to the
16 business or corporate structure of a group practice includes:

17 (1) the merger, consolidation, or other affiliation of
18 a group practice with:

19 (A) another group practice that results in a group
20 practice comprised of 8 or more physicians; or

21 (B) a hospital, hospital system, captive
22 professional entity, medical foundation, or other
23 entity organized or controlled by such hospital or
24 hospital system;

25 (2) the acquisition of all or substantially all of:

1 (A) the properties and assets of a group practice;

2 or

3 (B) the capital stock, membership interests, or
4 other equity interests of a group practice by:

5 (i) another group practice that results in a
6 group practice comprised of 8 or more physicians;

7 or

8 (ii) a hospital, hospital system, captive
9 professional entity, medical foundation, or other
10 entity organized or controlled by such hospital or
11 hospital system;

12 (3) the employment of all or substantially all of the
13 physicians of a group practice by:

14 (A) another group practice that results in a group
15 practice comprised of 8 or more physicians; or

16 (B) a hospital, hospital system, captive
17 professional entity, medical foundation, or other
18 entity organized by, controlled by, or otherwise
19 affiliated with such hospital or hospital system; and

20 (4) the acquisition of one or more insolvent group
21 practices by:

22 (A) another group practice that results in a group
23 practice comprised of 8 or more physicians; or

24 (B) a hospital, hospital system, captive
25 professional entity, medical foundation, or other
26 entity organized by, controlled by, or otherwise

1 affiliated with such hospital or hospital system.

2 (b) If any transaction that results in a material change
3 to the business or corporate structure of a group practice
4 results in the establishment of a hospital-based facility at
5 which facility fees may be billed, the hospital or health
6 system that is the purchaser in such transaction shall, not
7 later than 30 days after such transaction, provide written
8 notice by first class mail of the transaction to each patient
9 served within the 3 years preceding the date of the
10 transaction by the health care facility that has been
11 purchased as part of such transaction.

12 (c) Such notice shall include the following information:

13 (1) a statement that the health care facility is now a
14 hospital-based facility and is part of a hospital or
15 health system, the health care facility's full legal and
16 business name, and the date of such facility's acquisition
17 by a hospital or health system;

18 (2) the name, business address, and phone number of
19 the hospital or health system that is the purchaser of the
20 health care facility;

21 (3) a statement that the hospital-based facility
22 bills, or is likely to bill, patients a facility fee that
23 may be in addition to, and separate from, any professional
24 fee billed by a health care provider at the hospital-based
25 facility;

26 (4) (A) a statement that the patient's actual financial

1 liability will depend on the professional medical services
2 actually provided to the patient; and

3 (B) an explanation that the patient may incur
4 financial liability that is greater than the patient would
5 incur if the hospital-based facility was not a
6 hospital-based facility;

7 (5) the estimated amount or range of amounts the
8 hospital-based facility may bill for a facility fee or an
9 example of the average facility fee billed at such
10 hospital-based facility for the most common services
11 provided at such hospital-based facility; and

12 (6) a statement that, prior to seeking services at
13 such hospital-based facility, a patient covered by a
14 health insurance policy should contact the patient's
15 health insurer for additional information regarding the
16 hospital-based facility fees, including the patient's
17 potential financial liability, if any, for such fees.

18 (d) A hospital, health system, or hospital-based facility
19 shall not collect a facility fee for services provided at a
20 hospital-based facility that is subject to the provisions of
21 this Section from the date of the transaction until at least 30
22 days after the written notice required pursuant to this
23 Section is mailed to the patient or a copy of the written
24 notice is filed with the Attorney General, whichever is later.

25 Section 30. Prohibited facility fees. On and after January

1 1, 2027:

2 (a) A hospital, health system, or hospital-based facility
3 shall not collect a facility fee for:

4 (1) any off-campus hospital outpatient clinic visit
5 for assessment and management of a patient (HCPCS G0463)
6 or CPT evaluation and management (E/M) codes 99202 through
7 99205 and 99211 through 99215; or

8 (2) any on-campus hospital outpatient clinic visit for
9 assessment and management of a patient (HCPCS G0463) or
10 CPT evaluation and management (E/M) codes 99202 through
11 99205 and 99211 through 99215, except when provided in:

12 (i) an emergency department, (ii) observation stays, or
13 (iii) wound care, orthopedics, anticoagulation, oncology,
14 obstetrics, or solid organ transplant programs.

15 (b) No facility fee may be collected for outpatient
16 services furnished off-campus that are classified under:

17 (1) imaging without contrast, level 1 through level 4
18 (APCs 5521 through 5524);

19 (2) level 1 pathology (APC 5671); and

20 (3) drug administration, level 1 through level 4 (APCs
21 5691 through 5694).

22 (c) No facility fee may be collected for preventive
23 services, whether on-campus or off-campus.

24 (d) For any remaining facility fees allowable under this
25 Section that are charged for an off-campus hospital outpatient
26 clinic visit, an uninsured patient shall not be charged more

1 than the Medicare rate.

2 (e) If an insurance contract in effect on January 1, 2027
3 expressly provides reimbursement for a facility fee prohibited
4 by this Section, the hospital or health system may continue to
5 collect reimbursement until the earliest of the contract's
6 expiration, renewal, or amendment.

7 (f) This Section does not apply to a Freestanding
8 Emergency Center.

9 Section 35. Reports.

10 (a) On or before July 1, 2028 and annually thereafter,
11 each hospital and health system shall submit to the Attorney
12 General, on a form prescribed by the Attorney General, a
13 report concerning facility fees charged or billed during the
14 preceding calendar year. The report shall include, but need
15 not be limited to:

16 (1) the name, address, and unique National Provider
17 Identifier (NPI) of each facility owned or operated by the
18 hospital or health system that provides services for which
19 a facility fee is charged or billed and an indication
20 whether each facility is located on or outside of the
21 hospital or health system campus;

22 (2) the number of patient visits at each such facility
23 for which a facility fee was charged or billed;

24 (3) the number, total amount, and range of allowable
25 facility fees paid at each facility, disaggregated by

1 payer mix;

2 (4) for each facility, the total amount of facility
3 fees charged and the total amount of revenue received by
4 the hospital or health system derived from facility fees;

5 (5) the total amount of facility fees charged and the
6 total amount of revenue received by the hospital or health
7 system from all facilities derived from facility fees;

8 (6) a description of the 10 procedures or services
9 that generated the greatest amount of facility fee gross
10 revenue, disaggregated by current procedural terminology
11 (CPT) code category for each procedure or service and, for
12 each such procedure or service, patient volume and the
13 total amount of gross and net revenue received by the
14 hospital or health system derived from facility fees,
15 disaggregated by on-campus and off-campus; and

16 (7) the top 10 procedures or services for which
17 facility fees are charged based on patient volume and the
18 gross and net revenue received by the hospital or health
19 system for each procedure or service, disaggregated by
20 on-campus and off-campus.

21 (b) The Attorney General shall publish the information
22 reported under subsection (a) on the Attorney General's
23 publicly accessible website.

24 Section 40. Enforcement. A violation of any provision of
25 this Act constitutes an unlawful practice under the Consumer

1 Fraud and Deceptive Business Practices Act. The Attorney
2 General may investigate and bring actions to obtain
3 appropriate relief, including injunctive relief, restitution,
4 civil penalties, and any other relief authorized by law.
5 Nothing in this Act limits any other remedy available to
6 patients or payers under State or federal law.

7 Section 45. Construction. The requirements of this Act are
8 in addition to, and do not supersede, the requirements of the
9 Fair Patient Billing Act. If a conflict exists between this
10 Act and the Fair Patient Billing Act, the provision requiring
11 a greater degree of disclosure and patient protections shall
12 control.

13 Section 50. The Illinois Insurance Code is amended by
14 adding Section 356z.88 as follows:

15 (215 ILCS 5/356z.88 new)

16 Sec. 356z.88. Separate cost sharing prohibited for
17 outpatient facility fees.

18 (a) As used in this Section, "health system" and "facility
19 fee" have the meanings given to those terms in the Outpatient
20 Facility Fee Transparency Act.

21 (b) Any group or individual policy of accident and health
22 insurance or managed care plan amended, delivered, issued, or
23 renewed on or after January 1, 2027 shall not impose a separate

1 copayment, coinsurance, or deductible for a facility fee that
2 is distinct from cost sharing that applies to the associated
3 professional service.

4 (c) If an insured has not satisfied the applicable
5 deductible at the time that the outpatient health care service
6 is provided, a hospital or health system shall not collect an
7 amount for a facility fee that exceeds the facility fee
8 reimbursement rate agreed to by the insurer in the applicable
9 provider contract.

10 Section 55. The Telehealth Act is amended by adding
11 Section 20 as follows:

12 (225 ILCS 150/20 new)

13 Sec. 20. Facility fees for telehealth services.

14 (a) As used in this Section, "facility fee" means any
15 charge, cost, or fee imposed by a health care provider or
16 health care facility in connection with the provision of
17 telehealth services, excluding fees for the actual delivery of
18 health care services.

19 (b) No health care provider, health care facility, or
20 associated entity shall impose or collect a facility fee in
21 connection with any telehealth services provided to patients
22 in the State of Illinois.

23 (c) The prohibition in subsection (b) does not apply to
24 any fees that are directly related to in-person services that

1 may be required to supplement telehealth care if such fees are
2 itemized and clearly communicated to the patient before the
3 in-person services are provided.

4 Section 60. The Consumer Fraud and Deceptive Business
5 Practices Act is amended by adding Section 2MMMM as follows:

6 (815 ILCS 505/2MMMM new)

7 Sec. 2MMMM. Violations of the Outpatient Facility Fee
8 Transparency Act. Any person or entity who violates the
9 Outpatient Facility Fee Transparency Act commits an unlawful
10 practice within the meaning of this Act.

11 Section 99. Effective date. This Act takes effect January
12 1, 2027.".