



104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

SB3163

Introduced 2/2/2026, by Sen. David Koehler

SYNOPSIS AS INTRODUCED:

215 ILCS 5/368d
305 ILCS 5/5-30.19 new

Amends the Medical Assistance Article of the Illinois Public Aid Code. Requires the Department of Healthcare and Family Services to adopt rules that require managed care organizations (MCOs) to utilize a universal provider application developed by a council for affordable quality healthcare, as defined, for the purpose of credentialing a health care professional or a health care provider who seeks to participate in an MCO's provider network. Provides that the rules may also require the use of a CAQH application for the renewal of credentials; and that the Department may revise the CAQH universal provider application or the application for renewal of credentials to conform to industry or national standards for credentialing health care professionals or health care providers. Provides that within 180 days after the adoption of rules, health and dental plan carriers must accept the universal provider application and the application for the renewal of credentials approved by the Department. Requires all MCOs to provide a provider network consultant to act as a liaison between a health care provider and the MCO. Require the Department to employ provider enrollment consultants to assist health care providers with enrollment in the Illinois Medicaid Program Advanced Cloud Technology system, help navigate the enrollment and provider credentialing process by serving as the liaison between health care providers and MCOs, and other matters. Amends the Illinois Insurance Code. In provisions concerning recoupments, requires a health care professional or health care provider to be provided a remittance advice that includes an explanation of a recoupment or offset taken by a managed care organization. Removes provisions permitting insurers contracted with the Department of Healthcare and Family Services to recoup or offset payments due to a federal Medicaid requirement. Provides that no contract between an MCO and health care professional or provider may provide for recoupments in violation of the Code. Effective January 1, 2027.

LRB104 16880 KTG 30290 b

1 AN ACT concerning public aid.

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

1 prominently displayed on the remittance advice or written
2 document containing the demand for recoupment or offset. Any
3 appeal of a recoupment or offset by a health care professional
4 or health care provider must be made within 60 days after
5 receipt of the 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) (blank) ~~an insurer is acting as a plan~~
21 ~~administrator for the Comprehensive Health Insurance Plan~~
22 ~~under the 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;

26 (4) (blank) ~~an insurer contracted with the Department~~

~~of Healthcare and Family Services is required by the
Department of Healthcare and Family Services to recoup or
offset payments due to a federal Medicaid requirement; or~~

(5) the insurer has requested the recoupment or offset within 12 months, but the insurer and the health care professional or health care provider mutually agree to a different time limit for the recoupment or offset to be withheld from future payments.

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

(Source: P.A. 104-334, eff. 8-15-25.)

Section 10. The Illinois Public Aid Code is amended by adding Section 5-30.19 as follows:

(305 ILCS 5/5-30.19 new)

Sec. 5-30.19. Managed care protections for all health care

1 providers.

2 (a) As used in this Section, "council for affordable
3 quality healthcare" or "CAQH" means a non-profit organization
4 that creates a process that enables the Department and managed
5 care organizations to use a single, uniform application that
6 is completed by health care professionals and health care
7 providers who seek credentialing required to participate in a
8 managed care organization's provider network.

9 (b) Provider universal credentialing. The Department shall
10 adopt rules that require managed care organizations (MCOs) to
11 utilize a universal provider application developed by CAQH for
12 the purpose of credentialing a health care professional or a
13 health care provider who seeks to participate in an MCO's
14 provider network. The rules shall also require the use of a
15 CAQH application for the renewal of credentials. The
16 Department may revise the CAQH universal provider application
17 or the application for renewal of credentials to conform to
18 industry or national standards for credentialing health care
19 professionals or health care providers. Within 180 days after
20 the adoption of rules as required by this Section, a carrier
21 that offers or administers health plans or dental plans in
22 this State must accept the universal provider application and
23 the application for the renewal of credentials approved by the
24 Department.

25 Nothing in this subsection may be construed to prevent a
26 carrier from requesting information from an applicant that is

1 not requested in the universal provider application or the
2 application for the renewal of credentials.

3 (c) MCO provider network consultant. All MCOs shall
4 provide a provider network consultant to act as a liaison
5 between a health care provider and the MCO. The contact
6 information of the provider network consultant, including
7 name, telephone number, and email address, shall be provided
8 in writing to each health care provider upon enrollment in the
9 MCO network and annually thereafter.

10 (d) Provider enrollment consultant. The Department shall
11 employ provider enrollment consultants to assist health care
12 providers. Provider enrollment consultants shall:

13 (1) Assist health care providers in enrolling in the
14 Illinois Medicaid Program Advanced Cloud Technology
15 system.

16 (2) Assist health care providers who are seeking
17 credentials with MCOs.

18 (3) Help navigate the enrollment and credentialing
19 process by serving as the liaison between health care
20 providers and MCOs.

21 (4) Promote enrollment in the medical assistance
22 program to health care providers, particularly in rural
23 areas.

24 Section 99. Effective date. This Act takes effect January
25 1, 2027.