



102ND GENERAL ASSEMBLY

State of Illinois

2021 and 2022

HB5327

Introduced 1/31/2022, by Rep. Denyse Wang Stoneback

SYNOPSIS AS INTRODUCED:

See Index

Creates the All Payer Claims Database Act. Provides that the Department of Insurance shall establish an All Payer Claims database for sharing limited use health care data. Provides that the All Payer Claims database shall not include or disclose any data that contains direct, primary, or obvious personal identifiers, and that the Department shall develop criteria and procedures to ensure that limited use health care data complies with the requirements of Health Insurance Portability and Accountability Act of 1996. Provides that the Department shall make available to the public on its website a public limited use health care data set for purposes of facilitating transparency in health care costs; that the public limited use health care data set shall be publicly accessible, publicly searchable, contain current information, and have easy to use online tools; and that the Department shall publish the data set in a standardized, consumer-friendly format. Provides that in presenting limited use health care data for public access, the Department shall make comparative considerations regarding geography, demographics, general economic factors, and institutional size. Provides that all health care payers shall annually submit health insurance claims information as claims data without personally identifying information to the Department. Provides that the Department shall adopt rules as may be necessary to provide for the release of health care data from the database. Defines terms. Amends the Hospital Licensing Act. Provides that before providing any nonemergency medical services, each licensed hospital shall provide in writing or by electronic means a good faith estimate of reasonably anticipated charges by the hospital for the treatment of the patient's specific condition. Provides that the hospital shall provide the estimate to the patient within 7 business days after recommending a specific course of treatment or set of services. Provides that a hospital may not charge the patient more than 110% of the estimate. Provides that a hospital that fails to provide the estimate within the timeframe required shall be liable for a daily fine of \$1,000 until the estimate is provided to the patient and that the total fine may not exceed \$10,000. Amends the University of Illinois Hospital Act to make similar changes.

LRB102 23513 BMS 32693 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 1. Short title. This Act may be cited as the All
5 Payer Claims Database Act.

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

7 "Department" means the Department of Insurance.

8 "Health care payer" means any organization or program that
9 provides accident and health insurance coverage in this State,
10 including insurers; self-insured employer plans; the program
11 of health benefits under the State Employees Group Insurance
12 Act of 1971; providers of health insurance coverage under the
13 Counties Code; providers of health insurance coverage under
14 under the Illinois Municipal Code; providers of health
15 insurance coverage under the School Code; any provider of any
16 health plan subject to the Health Maintenance Organization
17 Act, the Limited Health Service Organization Act, or the
18 Voluntary Health Services Plans Act; the medical assistance
19 program under the Medical Assistance Article of the Illinois
20 Public Aid Code; the Children's Health Insurance Program; and
21 the Covering ALL KIDS Health Insurance Program.

22 "Insurer" means any person, firm, association, or
23 corporation licensed in this State under the applicable

1 provisions of the Illinois Insurance Code as an insurer.

2 "Limited use health care data" means health care price
3 data that does not contain any personal identifiers, including
4 price data for procedures and services provided by physicians
5 and hospitals, inpatient and outpatient procedures and
6 services, average amounts charged and average amounts paid for
7 procedures and services, and health care price information
8 from any health care payer in this State.

9 Section 10. All Payer Claims database.

10 (a) The Department shall establish an All Payer Claims
11 database for sharing limited use health care data.

12 (b) The All Payer Claims database shall not include or
13 disclose any data that contains direct, primary, or obvious
14 personal identifiers. The Department shall develop criteria
15 and procedures to ensure that limited use health care data
16 complies with the requirements of Health Insurance Portability
17 and Accountability Act of 1996. To the extent allowed by the
18 Health Insurance Portability and Accountability Act of 1996,
19 the All Payer Claims database shall be available as a resource
20 for insurers, employers, providers, consumers, and State
21 agencies to continuously review health care utilization,
22 expenditures, and performance in this State and to enhance the
23 ability of consumers and employers to make informed and
24 cost-effective health care choices.

25 (c) The Department shall make available to the public on

1 its website a public limited use health care data set for
2 purposes of facilitating transparency in health care costs.
3 The public limited use health care data set shall be publicly
4 accessible, publicly searchable, contain current information,
5 and have easy to use online tools. The Department shall
6 publish the public limited use health care data set in a
7 standardized, consumer-friendly format.

8 (d) In presenting limited use health care data for public
9 access, the Department shall make comparative considerations
10 regarding geography, demographics, general economic factors,
11 and institutional size.

12 (e) All health care payers shall annually submit health
13 insurance price information as claims data without personally
14 identifying information to the Department.

15 (f) The Department shall adopt rules as may be necessary
16 to provide for the release of health care data from the All
17 Payer Claims database.

18 Section 100. The University of Illinois Hospital Act is
19 amended by adding Section 8g as follows:

20 (110 ILCS 330/8g new)

21 Sec. 8g. Price transparency.

22 (a) The University of Illinois Hospital shall provide
23 timely and accurate financial information and quality of
24 service measures to patients and prospective patients of the

1 University of Illinois Hospital, or to patients' survivors or
2 legal guardians, as appropriate.

3 (b) Before providing any nonemergency medical services,
4 the University of Illinois Hospital shall provide in writing
5 or by electronic means a good faith estimate of reasonably
6 anticipated charges by the University of Illinois Hospital for
7 the treatment of the patient's or prospective patient's
8 specific condition. The University of Illinois Hospital shall
9 provide the estimate to the patient or prospective patient
10 within 7 business days after recommending a specific course of
11 treatment or set of services and is not required to adjust the
12 estimate for any potential insurance coverage.

13 (c) The University of Illinois Hospital may not charge the
14 patient more than 110% of the estimate. However, if the
15 University of Illinois Hospital determines that additional
16 charges are warranted due to unforeseen circumstances or the
17 provision of additional services, the University of Illinois
18 Hospital shall provide the patient with a written explanation
19 of the excess charges as part of the detailed, itemized
20 statement or bill.

21 (d) In the estimate, the University of Illinois Hospital
22 shall provide to the patient or prospective patient
23 information on the hospital's financial assistance policy,
24 including the application process, payment plans, discounts,
25 and the hospital's charity care policy and collection
26 procedures.

1 (e) The estimate shall clearly identify any facility fees
2 and, if applicable, include a statement notifying the patient
3 or prospective patient that a facility fee is included in the
4 estimate, the purpose of the fee, and that the patient may pay
5 less for the procedure or service at another facility or in
6 another health care setting.

7 (f) The University of Illinois Hospital shall notify the
8 patient or prospective patient of any revision to the
9 estimate.

10 (g) In the estimate, the University of Illinois Hospital
11 must notify the patient or prospective patient that services
12 may be provided in the hospital by the facility as well as by
13 other health care providers that may separately bill the
14 patient, if applicable.

15 (h) If the University of Illinois Hospital fails to
16 provide the estimate within the timeframe required in
17 subsection (b), the University of Illinois Hospital shall be
18 liable for a daily fine of \$1,000 until the estimate is
19 provided to the patient or prospective patient. The total fine
20 may not exceed \$10,000.

21 (i) The University of Illinois Hospital shall establish an
22 appeal process designed to allow patients to dispute charges
23 that appear on the patient's itemized statement or bill. The
24 University of Illinois Hospital shall prominently post on its
25 website, and indicate in bold print on each itemized statement
26 or bill, the instructions for initiating an appeal and the

1 direct contact information needed to initiate the appeal
2 process. The University of Illinois Hospital must provide an
3 initial response to a patient appeal within 7 business days
4 after the patient formally files an appeal disputing all or a
5 portion of an itemized statement or bill.

6 Section 105. The Hospital Licensing Act is amended by
7 adding Section 11.9 as follows:

8 (210 ILCS 85/11.9 new)

9 Sec. 11.9. Price transparency.

10 (a) A hospital licensed under this Act shall provide
11 timely and accurate financial information and quality of
12 service measures to patients and prospective patients of the
13 hospital, or to patients' survivors or legal guardians, as
14 appropriate.

15 (b) Before providing any nonemergency medical services,
16 each licensed hospital shall provide in writing or by
17 electronic means a good faith estimate of reasonably
18 anticipated charges by the hospital for the treatment of the
19 patient's or prospective patient's specific condition. The
20 hospital shall provide the estimate to the patient or
21 prospective patient within 7 business days after recommending
22 a specific course of treatment or set of services and is not
23 required to adjust the estimate for any potential insurance
24 coverage.

1 (c) A hospital may not charge the patient more than 110% of
2 the estimate. However, if the hospital determines that
3 additional charges are warranted due to unforeseen
4 circumstances or the provision of additional services, the
5 hospital shall provide the patient with a written explanation
6 of the excess charges as part of the detailed, itemized
7 statement or bill.

8 (d) In the estimate, the hospital shall provide to the
9 patient or prospective patient information on the hospital's
10 financial assistance policy, including the application
11 process, payment plans, discounts, and the hospital's charity
12 care policy and collection procedures.

13 (e) The estimate shall clearly identify any facility fees
14 and, if applicable, include a statement notifying the patient
15 or prospective patient that a facility fee is included in the
16 estimate, the purpose of the fee, and that the patient may pay
17 less for the procedure or service at another facility or in
18 another health care setting.

19 (f) The hospital shall notify the patient or prospective
20 patient of any revision to the estimate.

21 (g) In the estimate, the hospital must notify the patient
22 or prospective patient that services may be provided in the
23 hospital by the facility as well as by other health care
24 providers that may separately bill the patient, if applicable.

25 (h) A hospital that fails to provide the estimate within
26 the timeframe required in subsection (b) shall be liable for a

1 daily fine of \$1,000 until the estimate is provided to the
2 patient or prospective patient. The total fine may not exceed
3 \$10,000.

4 (i) Each hospital shall establish an appeal process
5 designed to allow patients to dispute charges that appear on
6 the patient's itemized statement or bill. The hospital shall
7 prominently post on its website, and indicate in bold print on
8 each itemized statement or bill, the instructions for
9 initiating an appeal and the direct contact information needed
10 to initiate the appeal process. The hospital must provide an
11 initial response to a patient appeal within 7 business days
12 after the patient formally files an appeal disputing all or a
13 portion of an itemized statement or bill.

1 INDEX

2 Statutes amended in order of appearance

3 New Act

4 110 ILCS 330/8g new

5 210 ILCS 85/11.9 new