

1 AN ACT concerning health care professionals.

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  
5 Provider Termination Notification Act.

6 Section 10. Definitions. For the purposes of this Act:

7 "Adverse action" means (i) an action taken by a health  
8 care licensing board that reduces, limits, restricts,  
9 impairs, suspends, revokes, denies, or fails to renew the  
10 license of a physician or other licensed health care  
11 professional or (ii) an adverse finding, conclusion, or  
12 determination of a peer review committee of a hospital or  
13 other health care entity with respect to an allegation  
14 against a physician or other licensed health care  
15 professional on a matter that relates to the professional  
16 conduct or qualifications of the physician or health care  
17 professional.

18 "Health care licensing board" means an agency of the  
19 State that is responsible for the licensing of a health care  
20 professional to furnish health care items and services to  
21 individuals in the State. "Health care licensing board"  
22 includes committees of the agency that are legally authorized  
23 to take adverse actions against a physician or other licensed  
24 health care practitioner on behalf of the agency.

25 "Health carrier" or "carrier" means an entity subject to  
26 the insurance laws and regulations of this State or subject  
27 to the jurisdiction of the Department of Insurance that  
28 contracts or offers to contract to provide, deliver, arrange  
29 for, pay for, or reimburse any of the costs of health care  
30 services, including a sickness and accident insurance  
31 company, a health maintenance organization, a preferred

1 provider organization, a nonprofit hospital and health  
2 services corporation, and any other entity providing a plan  
3 of insurance, health benefits, or health services.

4 "Licensed health care professional" means an individual  
5 who is licensed or otherwise authorized by law to provide  
6 health care items and services.

7 Section 15. Notice required.

8 (a) A health care licensing board that takes an adverse  
9 action against a licensed health care professional or that  
10 has reported to it an adverse action taken by a hospital or  
11 other health care professional review committee against a  
12 licensed health care professional shall notify any health  
13 carrier that voluntarily provides the licensing board a point  
14 of contact to receive information of adverse actions.

15 (b) Notice to the health plan shall occur not later than  
16 15 days after the close of the month in which the action is  
17 taken or reported to the licensing board, except that the  
18 Department of Professional Regulation may by rule designate  
19 categories or types of cases in which more timely notice is  
20 appropriate and specify a deadline for notice in those cases.  
21 Notice may be received in either written or electronic form,  
22 as designated by the health carrier.

23 Section 20. Contents of Notice. Except that the notice  
24 may not include any individually identifiable health  
25 information with respect to a patient of the licensed health  
26 care professional, the notice required by Section 15 of this  
27 Act shall be in the form required by the Department of  
28 Professional Regulation by rule and shall at a minimum  
29 specify the following:

- 30 (1) the adverse action taken;  
31 (2) the date on which the action becomes effective,  
32 and

1           (3) any corrective actions taken by the licensing  
2 board, including but not limited to obtaining additional  
3 CME credits and other training issues.

4           Section 25. Effective date of health carrier actions  
5 based on notice. A limitation, restriction, suspension, or  
6 termination imposed by the health carrier on the agreement  
7 under which the licensed health care professional furnishes  
8 health care items and services to participants,  
9 beneficiaries, or enrollees of the health carrier, or in the  
10 case of an agreement with a group of physicians or other  
11 licensed health care professionals on such agreement, may  
12 become effective on the date on which the notice under  
13 Section 15 is provided to the health carrier if:

14           (1) the health carrier determines that (i) the  
15 licensed health care professional poses an imminent  
16 threat to the health and safety of participants,  
17 beneficiaries, or enrollees of the plan or (ii) the  
18 licensed health care professional has engaged in  
19 fraudulent activities with respect to the health carrier,  
20 has provided false or misleading information to the  
21 health carrier, or has withheld information from the  
22 health carrier on matters relating to the professional  
23 conduct or qualifications of the licensed health care  
24 professional; or

25           (2) the adverse action of which the health carrier  
26 was notified pursuant to Section 15 removes or  
27 significantly impairs the ability of the licensed health  
28 care professional to furnish health care items and  
29 services to participants beneficiaries or enrollees of  
30 the health carrier.

31           Section 30. Termination, suspension, restriction, or  
32 limitation of agreement. Notwithstanding any other provision

1 of law, health carriers terminating, suspending, restricting,  
2 or limiting an agreement with a provider consistent with this  
3 Act are not subject to any continuity of care or any willing  
4 provider laws of this State with respect to such terminated,  
5 suspended, restricted, or limited provider agreement.

6 Section 35. No action for damages. A licensed health care  
7 professional who is the subject of an action by a health  
8 carrier to limit, restrict, suspend, or terminate the  
9 agreement under which the licensed health care professional  
10 furnishes health care items or services to members of the  
11 health carrier, based on the notice of an adverse action  
12 provided to the health carrier under this Act shall have no  
13 cause of action for damages under any law of this State  
14 arising from such action of the health carrier.

15 Section 40. Action on notice. Nothing in this Act shall  
16 require a health carrier to take any action with respect to a  
17 licensed health care professional based on the notice  
18 provided for herein.

19 Section 45. Conflict between Act and agreement. To the  
20 extent that the agreement between the health carrier and a  
21 physician, group of physicians, or a licensed health care  
22 professional permits an action based on the notice provided  
23 for by the Act that is more restrictive than the adverse  
24 action that is the subject of the notice, the provisions of  
25 such agreement shall apply.