

1 AN ACT concerning health care.

2 Be it enacted by the People of the State of Illinois,
3 represented in the General Assembly:

4 Section 5. The Illinois Health Finance Reform Act is
5 amended by changing Section 4-2 as follows:

6 (20 ILCS 2215/4-2) (from Ch. 111 1/2, par. 6504-2)

7 Sec. 4-2. Powers and duties.

8 (a) The Illinois Health Care Cost Containment Council
9 may enter into any agreement with any corporation,
10 association or other entity it deems appropriate to undertake
11 the process described in this Article for the compilation and
12 analysis of data collected by the Council and to conduct or
13 contract for studies on health-related questions carried out
14 in pursuance of the purposes of this Article. The agreement
15 may provide for the corporation, association or entity to
16 prepare and distribute or make available data to health care
17 providers, health care subscribers, third-party payors,
18 government and the general public, in accordance with the
19 rules of confidentiality and review to be developed under
20 this Act.

21 (b) The input data collected by and furnished to the
22 Council or designated corporation, association or entity
23 pursuant to this Section shall not be a public record under
24 the Illinois Freedom of Information Act. It is the intent of
25 this Act and of the regulations written pursuant to it to
26 protect the confidentiality of individual patient information
27 and the proprietary information of commercial insurance
28 carriers and health care providers. Data specified in
29 subsections (e) and (e-5) shall be released on a hospital
30 specific and licensed ambulatory surgical treatment center
31 specific basis to facilitate comparisons among hospitals and

1 licensed ambulatory surgical treatment centers by purchasers.

2 (c) The Council shall require the Departments of Public
3 Health and Public Aid and hospitals located in the State to
4 assist the Council in gathering and submitting the following
5 hospital-specific financial information, and the Council is
6 authorized to share this data with both Departments to reduce
7 the burden on hospitals by avoiding duplicate data
8 collection:

9 OPERATING REVENUES

- 10 (1) Net patient service revenue
- 11 (2) Other revenue
- 12 (3) Total operating revenue

13 OPERATING EXPENSES

- 14 (4) Bad debt expense
- 15 (5) Total operating expenses

16 NON-OPERATING GAINS/LOSSES

- 17 (6) Total non-operating gains
- 18 (7) Total non-operating losses

19 PATIENT CARE REVENUES

- 20 (8) Gross inpatient revenue
- 21 (9) Gross outpatient revenue
- 22 (10) Other Patient care revenue
- 23 (11) Total patient revenue
- 24 (12) Total gross patient care revenue
- 25 (13) Medicare gross revenue
- 26 (14) Medicaid gross revenue
- 27 (15) Total other gross revenue

28 DEDUCTIONS FROM REVENUE

- 29 (16) Charity care
- 30 (17) Medicare allowance
- 31 (18) Medicaid allowance
- 32 (19) Other contractual allowances

- 1 (20) Other allowances
- 2 (21) Total Deductions

3 ASSETS

- 4 (22) Operating cash and short-term investments
- 5 (23) Estimated patient accounts receivable
- 6 (24) Other current assets
- 7 (25) Total current assets
- 8 (26) Total other assets
- 9 (27) Total Assets

10 LIABILITIES AND FUND BALANCES

- 11 (28) Total current liabilities
- 12 (29) Long Term Debt
- 13 (30) Other liabilities
- 14 (31) Total liabilities
- 15 (32) Total liabilities and fund balances

16 All financial data collected by the Council from publicly
17 available sources such as the HCFA is releasable by the
18 Council on a hospital specific basis when appropriate.

19 (d) Uniform Provider Utilization and Charge
20 Information. The Council shall require that:

21 (1) Hospitals licensed to operate in the State of
22 Illinois adopt a uniform system for submitting patient
23 charges for payment from public and private payors
24 effective January 1, 1985. This system shall be based
25 upon adoption of the uniform hospital billing form
26 (UB-92) or its successor form developed by the National
27 Uniform Billing Committee.

28 (2) (Blank).

29 (3) The Department of Insurance require all
30 third-party payors, including but not limited to,
31 licensed insurers, medical and hospital service
32 corporations, health maintenance organizations, and
33 self-funded employee health plans, to accept the uniform

1 billing form, without attachment as submitted by
2 hospitals pursuant to paragraph (1) of subsection (d)
3 above, effective January 1, 1985; provided, however,
4 nothing shall prevent all such third party payors from
5 requesting additional information necessary to determine
6 eligibility for benefits or liability for reimbursement
7 for services provided.

8 (e) The Council, in cooperation with the State
9 Departments of Public Aid, Insurance, and Public Health,
10 shall establish a system for the collection of the following
11 information from hospitals utilizing the raw data available
12 on the uniform billing forms. Such data shall include the
13 following elements and other elements contained on the
14 uniform billing form or its successor form determined as
15 necessary by the Council:

- 16 (1) Patient date of birth
- 17 (2) Patient sex
- 18 (3) Patient zip code
- 19 (4) Third-party coverage
- 20 (5) Date of admission
- 21 (6) Source of admission
- 22 (7) Type of admission
- 23 (8) Discharge date
- 24 (9) Principal and up to 8 other diagnoses
- 25 (10) Principal procedure and date
- 26 (11) Patient status
- 27 (12) Other procedures and dates
- 28 (13) Total charges and components of those charges
- 29 (14) Attending and consulting physician identification
30 numbers
- 31 (15) Hospital identification number
- 32 (16) An alphanumeric number based on the information to
33 identify the payor
- 34 (17) Principal source of payment.

1 (e-5) The Council, in cooperation with the Department of
2 Public Aid, the Department of Insurance, and the Department
3 of Public Health, shall establish a system for the collection
4 of the following information for each outpatient surgery
5 performed at hospitals and licensed ambulatory surgical
6 treatment centers using the raw data available on outpatient
7 billing forms submitted by hospitals and licensed ambulatory
8 surgical treatment centers to payors. The data must include
9 the following elements, if available on the billing forms,
10 and other elements contained on the billing forms that the
11 Council determines are necessary:

- 12 (1) patient date of birth;
- 13 (2) patient sex;
- 14 (3) patient zip code;
- 15 (4) third-party coverage;
- 16 (5) date of admission;
- 17 (6) source of admission;
- 18 (7) type of admission;
- 19 (8) discharge date;
- 20 (9) principal diagnosis and up to 8 other
21 diagnoses;
- 22 (10) principal procedure and the date of the
23 procedure;
- 24 (11) patient status;
- 25 (12) other procedures and the dates of those
26 procedures;
- 27 (13) attending and consulting physician
28 identification numbers;
- 29 (14) hospital or licensed ambulatory surgical
30 treatment center identification number;
- 31 (15) an alphanumeric number based on the
32 information needed to identify the payor; and
- 33 (16) principal source of payment.
- 34 (f) Extracts of the UB-92 transactions shall be prepared

1 by hospitals according to regulations promulgated by the
2 Council and submitted in electronic format to the Council or
3 the corporation, association or entity designated by the
4 Council.

5 For hospitals unable to submit extracts in electronic
6 format, the Council shall determine an alternate method for
7 submission of data. Such extract reporting systems shall be
8 in operation before January 1, 1987; however, the Council may
9 grant time extensions to individual hospital.

10 (f-5) Extracts of the billing forms shall be prepared by
11 licensed ambulatory surgical treatment centers according to
12 rules adopted by the Council and submitted to the Council or
13 a corporation, association, or entity designated by the
14 Council. Electronic submissions shall be encouraged. For
15 licensed ambulatory surgical treatment centers unable to
16 submit extracts in an electronic format the Council must
17 determine an alternate method for submission of data.

18 (g) Under no circumstances shall patient name and social
19 security number appear on the extracts.

20 (h) Hospitals and licensed ambulatory surgical treatment
21 centers shall be assigned a standard identification number by
22 the Council to be used in the submission of all data.

23 (i) The Council shall collect a 100% inpatient sample
24 from hospitals annually. The Council shall require each
25 hospital in the State to submit the UB-92 data extracts
26 required in subsection (e) to the Council, except that
27 hospitals with fewer than 50 beds may be exempted by the
28 Council from the filing requirements if they prove to the
29 Council's satisfaction that the requirements would impose
30 undue economic hardship and if the Council determines that
31 the data submitted from these hospitals are not essential to
32 its data base and its concomitant health care cost comparison
33 efforts.

34 (i-5) The Council shall collect up to a 100% outpatient

1 sample annually from hospitals and licensed ambulatory
2 surgical treatment centers. The Council shall require each
3 hospital and licensed ambulatory surgical treatment center in
4 the State to submit the data extracts required under
5 subsection (e-5) to the Council, except that hospitals and
6 licensed ambulatory surgical treatment centers may be
7 exempted by the Council from the filing requirements if the
8 hospitals or licensed ambulatory surgical treatment centers
9 prove to the Council's satisfaction that the requirements
10 would impose undue economic hardship and if the Council
11 determines that the data submitted from those hospitals and
12 licensed ambulatory surgical treatment centers are not
13 essential to the Council's database and its concomitant
14 health care comparison efforts.

15 (i-10) The outpatient data shall be collected by the
16 Council on a phase-in and trial basis for a one-year period
17 beginning on January 1, 2001. The Council shall implement
18 outpatient data collection for reporting purposes beginning
19 on January 1, 2002.

20 (j) The information submitted to the Council pursuant to
21 subsections (e) and (e-5) shall be reported for each primary
22 payor category, including Medicare, Medicaid, other
23 government programs, private insurance, health maintenance
24 organizations, self-insured, private pay patients, and
25 others. Preferred provider organization reimbursement shall
26 also be reported for each primary third party payor category.

27 (k) The Council shall require and the designated
28 corporation, association or entity, if applicable, shall
29 prepare quarterly basic reports in the aggregate on health
30 care cost and utilization trends in Illinois. The Council
31 shall provide these reports to the public, if requested.
32 These shall include, but not be limited to, comparative
33 information on average charges, total and ancillary charge
34 components, length of stay on diagnosis-specific and

1 procedure specific cases, and number of discharges, compiled
2 in aggregate by hospital and licensed ambulatory surgical
3 treatment center, by diagnosis, and by primary payor
4 category.

5 (1) The Council shall, from information submitted
6 pursuant to subsection (e), prepare an annual report in the
7 aggregate by hospital containing the following:

8 (1) the ratio of caesarean section deliveries to
9 total deliveries;

10 (2) the average length of stay for patients who
11 undergo caesarean sections;

12 (3) the average total charges for patients who have
13 normal deliveries without any significant complications;

14 (4) the average total charges for patients who
15 deliver by caesarean section.

16 The Council shall provide this report to the public, if
17 requested.

18 (1-5) (Blank).

19 (m) Prior to the release or dissemination of these
20 reports, the Council or the designated corporation shall
21 permit providers the opportunity to verify the accuracy of
22 any information pertaining to the provider. The providers
23 may submit to the Council any corrections or errors in the
24 compilation of the data with any supporting evidence and
25 documents the providers may submit. The Council or
26 corporation shall correct data found to be in error and
27 include additional commentary as requested by the provider
28 for major deviations in the charges from the average charges.
29 For purposes of this subsection (m), "providers" includes
30 physicians licensed to practice medicine in all of its
31 branches.

32 (n) In addition to the reports indicated above, the
33 Council shall respond to requests by agencies of government
34 and organizations in the private sector for data products,

1 special studies and analysis of data collected pursuant to
2 this Section. Such reports shall be undertaken only by the
3 agreement of a majority of the members of the Council who
4 shall designate the form in which the information shall be
5 made available. The Council or the corporation, association
6 or entity in consultation with the Council shall also
7 determine a fee to be charged to the requesting agency or
8 private sector organization to cover the direct and indirect
9 costs for producing such a report, and shall permit affected
10 providers the rights to review the accuracy of the report
11 before it is released. Such reports shall not be subject to
12 The Freedom of Information Act.

13 (o) The Council shall require any pharmaceutical company
14 that provides prescription drugs in Illinois to disclose to
15 the Council, in a manner and fashion designated by the
16 Council by rule, all prescription drug advertising and
17 promotion costs. The Council must then conduct a cost/benefit
18 analysis to determine (i) the impact of these costs on
19 prescription drug prices and (ii) the impact on Illinois
20 residents of any increase of the prices and costs of
21 prescription drugs that is attributable to the advertising
22 and promotional activities.

23 (Source: P.A. 91-756, eff. 6-2-00.)