AN ACT concerning regulation.

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

Section 5. The Illinois Insurance Code is amended by changing Section 368b as follows:

(215 ILCS 5/368b)

Sec. 368b. Contracting procedures.

(a) A health care professional or health care provider offered a contract by an insurer, health maintenance organization, independent practice association, or physician hospital organization for signature after the effective date of this amendatory Act of the 93rd General Assembly shall be provided with a proposed health care professional or health care provider services contract including, if any, exhibits and attachments that the contract indicates are to be attached. Within 35 days after a written request, the health care professional or health care provider offered a contract shall be given the opportunity to review and obtain a copy of the following: a specialty-specific fee schedule sample based on a minimum of the 50 highest volume fee schedule codes with the rates applicable to the health care professional or health care provider to whom the contract is offered, the network provider administration manual, and a summary capitation

schedule, if payment is made on a capitation basis. If 50 codes do not exist for a particular specialty, the health care professional or health care provider offered a contract shall be given the opportunity to review or obtain a copy of a fee schedule sample with the codes applicable to that particular specialty. This information may be provided electronically. An insurer, health maintenance organization, independent practice association, or physician hospital organization may substitute the fee schedule sample with a document providing reference to the information needed to calculate the fee schedule that is available to the public at no charge and the percentage or conversion factor at which the insurer, health maintenance organization, preferred provider organization, independent practice association, or physician hospital organization sets its rates.

(b) The fee schedule, the capitation schedule, and the network provider administration manual constitute confidential, proprietary, and trade secret information and are subject to the provisions of the Illinois Trade Secrets Act. The health care professional or health care provider receiving such protected information may disclose the information on a need to know basis and only to individuals and entities that provide services directly related to the health care professional's or health care provider's decision to enter into the contract or keep the contract in force. Any person or entity receiving or reviewing such protected

information pursuant to this Section shall not disclose the information to any other person, organization, or entity, unless the disclosure is requested pursuant to a valid court order or required by a state or federal government agency. Individuals or entities receiving such information from a health care professional or health care provider as delineated in this subsection are subject to the provisions of the Illinois Trade Secrets Act.

(c) The health care professional or health care provider shall be allowed at least 30 days to review the health care professional or health care provider services contract, including exhibits and attachments, if any, before signing. The 30-day review period begins upon receipt of the health care professional or health care provider services contract, unless the information available upon request in subsection (a) is not included. If information is not included in the professional services contract and is requested pursuant to subsection (a), the 30-day review period begins on the date of receipt of the information. Nothing in this subsection shall prohibit a health care professional or health care provider from signing a contract prior to the expiration of the 30-day review period.

(d) As used in this subsection:

"Change" means an increase or decrease in the fee schedule referred to in subsection (a).

"Nonroutine change" means any proposed change to the fee

schedule except a change that is otherwise required by law, regulation, or an applicable regulatory authority or that is required as a result of changes in fee schedules, reimbursement methodology, or payment policies established by a government agency or by the American Medical Association's current procedural terminology codes, reporting guidelines, and conventions, or a change that is expressly provided for under the terms of the contract by the inclusion of or reference to a specific fee or fee schedule, reimbursement methodology, or payment policy indexing mechanism.

The insurer, health maintenance organization, independent practice association, or physician hospital organization shall provide all contracted health care professionals or health care providers with any changes to the fee schedule provided under subsection (a) not later than 35 days after the effective date of the changes, unless such changes are specified in the contract and the health care professional or health care provider is able to calculate the changed rates based on information in the contract and information available to the public at no charge. Beginning January 1, 2023, with respect to nonroutine changes to the fee schedule, the insurer, health maintenance organization, independent practice association, or physician hospital organization shall provide all contracted health care professionals or health care providers impacted by the nonroutine change with notice of the change at least 60 days before the effective date of the

change. The right to advance notice of nonroutine changes to the fee schedule may not be waived by the health care professional or health care provider. For the purposes of this subsection (d), health maintenance organizations that provide or arrange for and pay or reimburse for the cost of any health care services for persons who are enrolled in the medical assistance programs under the Illinois Public Aid Code shall comply with provider notification requirements established by the Department of Healthcare and Family Services.

~~For the purposes of this subsection, "changes" means an increase or decrease in the fee schedule referred to in subsection (a).~~ This information may be made available by mail, e-mail, newsletter, website listing, or other reasonable method. For nonroutine changes, the information directing the health care professional or health care provider to the information provided by newsletter, website listing, or other reasonable method shall be provided by email or, if requested by the health care professional or health care provider, by mail. Upon request, a health care professional or health care provider may request an updated copy of the fee schedule referred to in subsection (a) every calendar quarter.

(e) Upon termination of a contract with an insurer, health maintenance organization, independent practice association, or physician hospital organization and at the request of the patient, a health care professional or health care provider shall transfer copies of the patient's medical records. Any

other provision of law notwithstanding, the costs for copying and transferring copies of medical records shall be assigned per the arrangements agreed upon, if any, in the health care professional or health care provider services contract.

(Source: P.A. 93-261, eff. 1-1-04.)