

AN ACT concerning professional regulation.

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

Section 5. The Medical Practice Act of 1987 is amended by changing Section 22.2 as follows:

(225 ILCS 60/22.2)

(Section scheduled to be repealed on December 31, 2010)

Sec. 22.2. Prohibition against fee splitting.

(a) A licensee under this Act may not directly or indirectly divide, share or split any professional fee or other form of compensation for professional services with anyone in exchange for a referral or otherwise, other than as provided in this Section 22.2.

(b) Nothing contained in this Section abrogates the right of 2 or more licensed health care workers as defined in the Health Care Worker Self-referral Act to each receive adequate compensation for concurrently rendering services to a patient and to divide the fee for such service, provided that the patient has full knowledge of the division and the division is made in proportion to the actual services personally performed and responsibility assumed by each licensee consistent with his or her license, except as prohibited by law.

(c) Nothing contained in this Section prohibits a licensee

under this Act from practicing medicine through or within any form of legal entity authorized to conduct business in this State or from pooling, sharing, dividing, or apportioning the professional fees and other revenues in accordance with the agreements and policies of the entity provided:

(1) each owner of the entity is licensed under this Act;

(2) the entity is organized under the Medical Corporation Act, the Professional Services Corporation Act, the Professional Association Act, or the Limited Liability Company Act;

(3) the entity is allowed by Illinois law to provide physician services or employ physicians such as a licensed hospital or hospital affiliate or licensed ambulatory surgical treatment center owned in full or in part by Illinois-licensed physicians; ~~or~~

(4) the entity is a combination or joint venture of the entities authorized under this subsection (c); ~~or~~

(5) the entity is an Illinois not for profit corporation that is recognized as exempt from the payment of federal income taxes as an organization described in Section 501(c)(3) of the Internal Revenue Code and all of its members are full-time faculty members of a medical school that offers a M.D. degree program that is accredited by the Liaison Committee on Medical Education and a program of graduate medical education that is accredited by the

Accreditation Council for Graduate Medical Education.

(d) Nothing contained in this Section prohibits a licensee under this Act from paying a fair market value fee to any person or entity whose purpose is to perform billing, administrative preparation, or collection services based upon a percentage of professional service fees billed or collected, a flat fee, or any other arrangement that directly or indirectly divides professional fees, for the administrative preparation of the licensee's claims or the collection of the licensee's charges for professional services, provided that:

(i) the licensee or the licensee's practice under subsection (c) of this Section at all times controls the amount of fees charged and collected; and

(ii) all charges collected are paid directly to the licensee or the licensee's practice or are deposited directly into an account in the name of and under the sole control of the licensee or the licensee's practice or deposited into a "Trust Account" by a licensed collection agency in accordance with the requirements of Section 8(c) of the Illinois Collection Agency Act.

(e) Nothing contained in this Section prohibits the granting of a security interest in the accounts receivable or fees of a licensee under this Act or the licensee's practice for bona fide advances made to the licensee or licensee's practice provided the licensee retains control and responsibility for the collection of the accounts receivable

and fees.

(f) Excluding payments that may be made to the owners of or licensees in the licensee's practice under subsection (c), a licensee under this Act may not divide, share or split a professional service fee with, or otherwise directly or indirectly pay a percentage of the licensee's professional service fees, revenues or profits to anyone for: (i) the marketing or management of the licensee's practice, (ii) including the licensee or the licensee's practice on any preferred provider list, (iii) allowing the licensee to participate in any network of health care providers, (iv) negotiating fees, charges or terms of service or payment on behalf of the licensee, or (v) including the licensee in a program whereby patients or beneficiaries are provided an incentive to use the services of the licensee.

(Source: P.A. 96-608, eff. 8-24-09.)

Section 99. Effective date. This Act takes effect upon becoming law.