

On August 5th, Drs. Buvanendran, Werner, Szokol and Mr. Hogerty, teamed up with the leaders from the Illinois Societies of emergency medicine, radiology and pathology to discuss the Out-of-Network House Bill with insurers, legislators, practice managers and lobbyists.

The bill, which was proposed by insurers, targets services provided by out-of-network hospital-based physicians in an in-network hospital. It would limit physician payments to the lesser of the charged amount of a “usual and customary” amount determined by the insurance company. Balance billing would also be prohibited.

The ISA, along with these other facility-based specialty groups, finds this approach unfair and fundamentally flawed. During this meeting our leaders were able to voice our two largest concerns, Truth in Advertising and Determination of Reimbursement Methodology, to representatives from major insurance companies, as well as Illinois Senators Haine and Koehler, Representative Harris and Director of Insurance Mr. McRaith.

The following solutions, which were first proposed in a July [coalition letter to legislators](#), offered the following amendments:

- 1) At the point of purchase of an insurance policy by an employer, employer group or individual all the information regarding in- vs. out-of-network services are disclosed. This must include information regarding a complete scope of facility-based services.
- 2) When an insurance company contracts with a facility, good-faith contract negotiations with all facility-based physicians should be commenced. Any proposed contract must include fair contractual terms and rates.
- 3) If no contract exists, reimbursement of services will be at 76% of actual charges or the fees set by the Illinois Workers’ Compensation fee schedule, whichever is greater.

Insurance representatives, with the exception of Blue Cross/Blue Shield, expressed the concern that there are very few “outliers” (physicians with excessive billing) and requested a solution to this problem. The legislators agreed that contracts may be a good solution, but expressed concerns at the “small” number of physicians affected by this bill, and believe that an arbitrator may continue to handle these disputes.

It was finally agreed that each party would reconvene in respective smaller committees to work out some new language for the bill. Compliance on the part of insurance companies in regards to physician complaints as well as patient complaints was also requested.

We will continue to keep you updated on the progress of this bill. If you have any questions or would like to further information, you can contact ISA’s central office or e-mail me at president@isahq.org.