

May 20, 1998

To:
Company Presidents
All Registered Preferred Provider Administrators

From:
Arnold Dutcher
Acting Director

Re:
(CB #98-6)

Reply to:
David E. Grant, Health Care Coordinator, HMO Compliance Unit
(217) 782-6369

Attached is a copy of the recently revised Preferred Provider Program Administrators Regulation, 50 Illinois Administrative Code 2051, effective December 9, 1997. New language within the regulation may require significant revisions of documents being used by your company. Due to the significant revisions required of the preferred provider administrators (PPAs) by the regulation, the Department is allowing a phase-in period for compliance as follows.

All previously approved information regarding your network may be used until December 31, 1998. Any new information, not previously approved, including provider and payor contracts, must be filed with the Department for review prior to use and must comply with all provisions of the revised regulation.

Effective January 1, 1999, any network information which has not been filed, reviewed and approved by the Director cannot be used in the State of Illinois. If your network informational filing has not been approved by that date, you will be ordered to cease and desist use of all non-complying forms.

Due to the time required for the review process, the Department strongly recommends that you submit revised information no later than July 1, 1998. This will allow sufficient time for the review process which is an exchange of information between the Department and the company.

The Department cannot guarantee that information received after October 1, 1998 will be processed by January 1, 1999. Failure of the insurance company to file the network information by October 1, 1998 will not be the responsibility of the Department.

Questions regarding this issue may be directed to David Grant (217) 782-6369.

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