

# ***Joint Committee on Administrative Rules***

## **ADMINISTRATIVE CODE**

**TITLE 50: INSURANCE**

**CHAPTER I: DEPARTMENT OF INSURANCE**

**SUBCHAPTER z: ACCIDENT AND HEALTH INSURANCE**

**PART 2051 PREFERRED PROVIDER PROGRAMS**

**SECTION 2051.APPENDIX C INSURER FILING REQUIREMENTS**

Name of Firm	Tax # (FEIN)
Business Address (Number, Street, City, State & Zip)	
Phone	Fax
Email Address	
Person Responsible for submitting application:	Phone

<b>HEALTH CARE PREFERRED PROVIDER PROGRAM PAYOR AGREEMENTS</b>	<b>REFERENCE</b> 50 Ill. Adm. Code 2051.280	<b>COMMENTS</b>	<b>REFERENCE</b> Please type or print where the information is located.
Each insurer shall file sample copies of all payor agreements, when applicable. Agreements at a minimum shall contain the following provisions.			
Incentives	50 Ill. Adm. Code 2051.280(a)	Terms requiring and specifying all incentives to be provided to the beneficiary to utilize services of a preferred provider.	
Out-of-Network Referrals	50 Ill. Adm. Code 2051.280(b)	Terms stating that, whenever an administrator or a preferred provider finds it medically necessary to refer a beneficiary to a non-preferred provider, the payor shall ensure that the beneficiary so referred shall incur no greater out of pocket liability than had the beneficiary received services from a preferred provider. Subsection (b) does not apply to a beneficiary who willfully chooses to access a non-preferred provider for health care services available through the administrator's panel of participating providers. In these circumstances, the contractual requirements for non-preferred provider reimbursements will apply. Not applicable to administrators offering only a DHCS.	
Identification Card References	50 Ill. Adm. Code 2051.280(c)	Terms requiring that both the payor's and, if applicable, the administrator's name and toll-free telephone numbers be contained on the beneficiaries' identification card.	

Prohibition on Administrator Assuming Risk	50 Ill. Adm. Code 2051.280(d)	Terms specifying that only the payor may assume any underwriting risk when that risk is part of the delivery of services.	
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<b>HEALTH CARE PREFERRED PROVIDER PROGRAM AGREEMENTS</b>	<b>REFERENCE</b> 50 Ill. Adm. Code 2051.290	<b>COMMENTS</b>	<b>REFERENCE</b> Please type or print where the information is located.
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Each insurer shall file sample copies of all provider agreements, when applicable. Agreements at a minimum shall contain the following provisions.

Covered Services/Beneficiary Payment Responsibility	50 Ill. Adm. Code 2051.290(a)	A provision identifying the specific covered health care services for which the preferred provider will be responsible including any discount services, copayments, benefit maximums, limitations and exclusions, as well as any discount amount or discounted fee schedule reflecting discounted rates, shall be enumerated.	
Provider Administrative Responsibilities	50 Ill. Adm. Code 2051.290(b)	A provision requiring the provider to comply with applicable administrative policies and procedures of the insurer including, but not limited to credentialing or recredentialing requirements, utilization review requirements, and referral procedures.	
Availability of Medical Records	50 Ill. Adm. Code 2051.290(c)	A provision requiring that when payments are due to the provider for services rendered to a beneficiary, the provider must maintain and make medical records available to the administrator and/or the insurer for the purpose of determining, on a concurrent or retrospective basis, the medical necessity and appropriateness of care provided to beneficiaries. Such medical records must also be made available to appropriate State and federal authorities and their agents involved in assessing the accessibility and availability of care or investigating member grievances or complaints and to comply with the applicable State and federal laws related to privacy and confidentiality of medical records.	
Provider Licensure Requirements	50 Ill. Adm. Code 2051.290(d)	A provision requiring providers to be licensed by the State, and to notify the insurer immediately whenever there is a change in licensure or certification status.	
Hospital Admitting Privileges	50 Ill. Adm. Code 2051.290(e)	A provision requiring all physician providers licensed to practice medicine in all its branches to have admitting privileges in at least one hospital with which the insurer has a written provider contract. The insurer shall be notified immediately of any changes in privileges at any hospital or admitting facility. Reasonable exceptions shall be made for physicians who, because of the type of clinical specialty, or location or type of practice, do not customarily have admitting privileges.	

Provider Contract Termination	50 Ill. Adm. Code 2051.290(f)	Termination provisions shall require: (1) Not less than 30 days prior written notice by either party who wishes to terminate the contract without cause; (2) That the insurer may terminate the provider contract for cause immediately; and (3) That the provider acting as primary care physician under plans requiring a gatekeeper option must provide the administrator with a list of all patients using that provider as a gatekeeper within 5 working days after the date that the provider either gives or receives notice of termination.	
Continuation of Services	50 Ill. Adm. Code 2051.290(g)	A provision explaining the provider responsibilities for continuation of covered services in the event of contract termination, to the extent that an extension of benefits is required by law or regulation, or that such continuation is voluntarily provided by the insurer.	
Delegation of Rights Under the Contract	50 Ill. Adm. Code 2051.290(h)	A provision stating that the rights and responsibilities under the contract cannot be sold, leased, assigned, assumed or otherwise delegated by either party without the prior written consent of the other party. The provider's written consent must be obtained for any assignment or assumption of the provider contract whenever an administrator or insurer is bought by another administrator or insurer. A clause within the provider contract allowing assignment will be deemed consent so long as the assignment is in accordance with the terms of the contract. The assignee must comply with all the terms and conditions of the contract being assigned, including all appendices, policies and fee schedules.	
Liability and Malpractice Coverage	50 Ill. Adm. Code 2051.290(i)	A provision stating that the preferred provider has and will maintain adequate professional liability and malpractice coverage, through insurance, self-funding, or other means satisfactory to the insurer. The insurer must be notified within no less than ten days of the preferred provider's receipt of notice of any reduction or cancellation of such coverage.	
Non-Discrimination	50 Ill. Adm. Code 2051.290(j)	A provision stating that the provider will provide health care services without discrimination against any beneficiary on the basis of participation in the preferred provider program, source of payment, age, sex, ethnicity, religion, sexual preference, health status or disability.	
Requirement for Provider Collection of Out-of-Pocket Amounts from Beneficiary	50 Ill. Adm. Code 2051.290(k)	A provision regarding the preferred provider's obligation, if any, to collect applicable copayments, coinsurance and/or deductibles from beneficiaries as provided by the beneficiary's health care services contract, and to provide notice to beneficiaries of their personal financial obligations for non-covered services. This provision shall include any amount of applicable discounts or, alternatively, a fee schedule that reflects any discounted rates. For DHCSs only, a provision that providers may not charge beneficiaries more than any applicable discounted rates in accordance with payment terms and provisions contained in a DHCS agreement signed by a beneficiary.	
24/7 Accessibility	50 Ill. Adm. Code 2051.290(l)	A provision regarding any obligation to provide covered health services on a 24 hour per day, 7 day per week basis.	

Payment Obligations	50 Ill. Adm. Code 2051.290(m)	A provision clearly describing the insurer's payment obligations to the provider. For DHCSPs, payors may not pay providers for health care services provided to beneficiaries. Payors may not accept money from a beneficiary for payment to a provider for specific health care services furnished or to be furnished to the beneficiary.	
Administrative Services	50 Ill. Adm. Code 2051.290(n)	A provision identifying the administrative services, if any, the insurer will perform and the types of information (financial, enrollment and utilization) that will be submitted to the provider as well as other information that is accessible to the provider.	
Payor Access	50 Ill. Adm. Code 2051.290(o)	A provision obligating the insurer to provide a method for providers to obtain initial information and adequate notice of change in benefits and copayments, and a provision obligating the insurer to provide all of the insurer's operational policies.	
Arbitration Procedures	50 Ill. Adm. Code 2051.290(p)	A provision identifying applicable internal appeal or arbitration procedures for settling contractual disputes or disagreements between the insurer and preferred provider.	

<b>ADMINISTRATOR AGREEMENTS</b>	<b>REFERENCE</b> 50 Ill. Adm. Code 2051.300	<b>COMMENTS</b>	<b>REFERENCE</b> Please type or print where the information is located.
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Each insurer shall file sample copies of all administrative agreements, when applicable. Agreements at a minimum shall contain the following provisions.

Due Diligence	50 Ill. Adm. Code 2051.300(a)	Before entering into a contract with an administrator to administer programs, policies or subscriber contracts in this State as provided by 215 ILCS 5/370i(b)(2), an administrator shall perform due diligence to ensure the other entity is properly registered under this Part or otherwise appropriately licensed under the Insurance Code.	
Terms for the Delegation of Rights Under the Contract	50 Ill. Adm. Code 2051.300(b)	Any provider contract or preferred provider program that is sold, leased, assigned, assumed or otherwise delegated must have the terms of that transaction affecting the provision of health care services by providers, including any additional discount, repricing, or other consideration, clearly described in the contract. The administrator or payor accessing the provider network shall be contractually obligated to comply with all applicable terms, limitations and conditions of the provider network contract, including all appendices, policies and fee schedules. An administrator shall provide to the provider upon request a written or electronic list of all current payors, administrators to which the provider contract or program has been sold, leased, assigned, assumed or otherwise delegated.	

Administrator Marketing Responsibility	50 Ill. Adm. Code 2051.300(c)	An insurer shall approve in writing prior to use all advertisements, marketing materials, brochures and identification cards used by any administrator or other insurer to market, promote, sell or enroll members in its preferred provider program.	
Delegation of Rights Under the Contract	50 Ill. Adm. Code 2051.300(d)	No preferred provider program may be sold, leased, assigned, assumed or otherwise delegated to an administrator without the prior written consent of the providers contracting under the program. A clause within the provider contract allowing assignment will be deemed consent so long as the assignment is in accordance with the terms of the contract. The assignee must comply with all the terms and conditions of the contract being assigned, including all appendices, policies and fee schedules.	

<b>HEALTH CARE PREFERRED PROVIDER PROGRAM NETWORK AVAILABILITY AND ACCESS</b>	<b>REFERENCE</b> 50 Ill. Adm. Code 2051.310	<b>COMMENTS</b>	<b>REFERENCE</b> Please type or print where the information is located.
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Each insurer shall file the following information and documents with the Director.

Method of Marketing	50 Ill. Adm. Code 2051.310(a)(1)	Provide the Department with information relating to the method of marketing the program.	
Geographic Map with Providers Marked	50 Ill. Adm. Code 2051.310(a)(2)	A geographic map of the area proposed to be served by the program by county and zip code, including marked locations of preferred providers.	
List of Providers Names, Addresses and Specialties	50 Ill. Adm. Code 2051.310(a)(3)		
Number of Anticipated Beneficiaries	50 Ill. Adm. Code 2051.310(a)(4)	Members enrolled in the State of Illinois.	
Website and Telephone Number Requirements	50 Ill. Adm. Code 2051.310(a)(5)	An Internet website and toll-free telephone number for beneficiaries and prospective beneficiaries to access regarding up-to-date lists of preferred providers, additional information about the DHCS, as well as any other information necessary to conform to this Part. The insurer shall identify specific providers in the beneficiary's area, confirm specific provider participation or provide a listing of preferred providers by mail. Preferred provider lists requested by phone must be sent within 3 working days. The up-to-date provider list applies to all providers that have entered arrangements to provide services under the program, either directly or indirectly, through an administrator. Insurers' Internet website addresses shall be prominently displayed on all advertisements, marketing materials, brochures, benefit cards and identification cards.	
Description of Accessibility and Availability of Network	50 Ill. Adm. Code 2051.310(a)(6)		
Type of Services to be Provided	50 Ill. Adm. Code 2051.310(a)(6)(A)	The type of health care services to be provided by the insurer's network.	

Ratio of Providers to Beneficiaries	50 Ill. Adm. Code 2051.310(a)(6)(B)	The ratio of providers to beneficiaries by specialty, including primary care physicians, where applicable under the contract, necessary to meet the health care needs and service demands of the currently enrolled population.	
Greatest Travel Distance	50 Ill. Adm. Code 2051.310(a)(6)(C)	The greatest distance or time that the beneficiary must travel to access: (i) Preferred provider hospital services where applicable under the contract; (ii) Primary care physician and woman's principal health care provider services where applicable under the contract; (iii) Any applicable health care service providers.	
Policies for Closing a Network to New Providers	50 Ill. Adm. Code 2051.310(a)(6)(D)		
Policies for Adding New Providers	50 Ill. Adm. Code 2051.310(a)(6)(E)		
24/7 Network Access	50 Ill. Adm. Code 2051.310(a)(6)(F)	The provision of 24 hour, seven day per week access to network affiliated primary care and woman's principal health care providers.	
Referral Procedures	50 Ill. Adm. Code 2051.310(a)(6)(G)	The procedures for making referrals within and outside the network.	
Inadequate Networks	50 Ill. Adm. Code 2051.310(a)(6)(H)	In any case whereby a beneficiary has made a good faith effort to utilize preferred providers for a covered service and it is determined the insurer does not have the appropriate preferred providers due to insufficient number, type or distance, the insurer shall ensure, directly or indirectly, by terms contained in the payor contract, that the beneficiary will be provided the covered service at no greater cost to the beneficiary than if the service had been provided by a preferred provider. Subsection (a)(6)(H) does not apply to a beneficiary who willfully chooses to access a non-preferred provider for health care services available through the administrator's panel of participating providers. In these circumstances, the contractual requirements for non-preferred provider reimbursements will apply. Not applicable to administrators offering only a DHCSP.	
Lack of Specialty Providers	50 Ill. Adm. Code 2051.310(a)(6)(I)	The procedures for paying benefits when particular physician specialties are not represented within the provider network, or the services of such providers are not available at the time care is sought. In any case where a beneficiary has made a good faith effort to utilize network providers, by satisfying contractual obligation as specified in the benefit contract or certificate, for a covered service and the insurer does not have the appropriate preferred specialty providers (including but not limited to radiologists, anesthesiologists, pathologists and emergency room physicians) under contract due to the inability of the insurer to contract with such specialists, the insurer shall ensure that the beneficiary will be provided the covered service at no greater cost to the beneficiary than if the service had been provided by a preferred provider.	

Special Communication Needs	50 Ill. Adm. Code 2051.310(a)(6)(L)	Efforts to address the needs of beneficiaries with limited English proficiency and illiteracy, with diverse cultural and ethnic backgrounds, and with physical and mental disabilities.	
Identification Card	50 Ill. Adm. Code 2051.310(a)(6)(M)	A sample beneficiary identification card in conformity with the Uniform Health Care Service Benefits Information Card Act [215 ILCS 139], and the Uniform Prescription Drug Information Card Act [215 ILCS 138] when pharmaceutical services are provided as part of the program's health care services.	
Gatekeeper	50 Ill. Adm. Code 2051.310(a)(6)(N)	When a gatekeeper option is included as part of the program, insurers shall make a good faith effort to provide written notice of termination of a provider to all beneficiaries who are patients seen on a regular basis by a provider whose contract is terminating. Where a contract termination involves a primary care physician, in a gatekeeper option, all beneficiaries who are patients of that primary care physician shall also be notified.	
Medical Record Costs	50 Ill. Adm. Code 2051.310(c)	Enrollees are not responsible for any reasonable costs associated with medical record transmission or duplication in order to have a claim adjudicated.	

<b>DISCOUNTED HEALTH CARE SERVICES PLAN AGREEMENTS</b>	<b>REFERENCE</b> 50 Ill. Adm. Code 2051.320	<b>COMMENTS</b> Only those administrators that also provide DHCS benefits must comply with the requirements of Section 2051.320.	<b>REFERENCE</b> Please type or print where the information is located.
Each insurer shall file sample copies of all DHCS agreements, when applicable. Agreements at a minimum shall contain the following provisions.			
Written Agreement Required	50 Ill. Adm. Code 2051.320(a)	An insurer shall have a written agreement with its beneficiaries that specifies the benefits a beneficiary is to receive under the DHCS, if any.	
Cancellation Rights	50 Ill. Adm. Code 2051.320(b)(1)	A provision establishing the right for the beneficiary to cancel the discount benefits at any time. If a beneficiary cancels within 30 days after the date of receipt of the identification card and other membership materials, the beneficiary will be reimbursed all money paid except any fee authorized by Section 2051.320(f).	
No Restrictions on Access to Providers	50 Ill. Adm. Code 2051.320(b)(2)	A provision establishing that beneficiaries will have free access to DHCS providers without restrictions to waiting periods, notification periods, etc. (except for hospital discounts).	
Method of Payment	50 Ill. Adm. Code 2051.320(b)(3)	A provision allowing a beneficiary to modify the method of payment upon request, unless a specific method of payment is stipulated within the agreement.	
Electronic Fund Transfer Limitation	50 Ill. Adm. Code 2051.320(b)(3)	Insurers offering a DHCS may not continue using electronic fund transfers after receiving a beneficiary's written request to terminate electronic fund transfers as a method of payment.	

DOI Complaint Filing	50 Ill. Adm. Code 2051.320(b)(4)	The procedures for filing complaints with the plan and the availability and contact information for the Illinois Department of Insurance. These procedures must contain, at minimum, a statement that the DHCSP shall provide specific contact information for the Department upon request.	
Required Disclosures	50 Ill. Adm. Code 2051.320(d)	Insurers must provide the following disclosures as part of a policy of insurance, these disclosures must be included in the policy and certificate of coverage and must be specifically identified with and applicable to the DHCSP portion of the policy.	
Not an Insurance Policy	50 Ill. Adm. Code 2051.320(d)(1)		
Limitation on Providers and Services	50 Ill. Adm. Code 2051.320(d)(2)		
The Plan Does Not Make Payments to Providers	50 Ill. Adm. Code 2051.320(d)(3)		
Beneficiary Must Pay for All Discounted Services	50 Ill. Adm. Code 2051.320(d)(4)	The plan beneficiary is obligated to pay for all discounted health care services, but will receive a discount from those providers that have contracted with the insurer to provide health care service discounts.	
Toll-Free Telephone Number and Website Access	50 Ill. Adm. Code 2051.320(d)(5)	The insurer's toll-free telephone number and Internet website page where beneficiaries and prospective beneficiaries may obtain additional information about the DHCSP and lists of providers participating in the DHCSP.	
Itemized Discounted Health Care Services Plan Costs	50 Ill. Adm. Code 2051.320(e)	Whenever a DHCSP is sold in conjunction with any other product that can be purchased separately, including a policy of insurance, the insurer must provide in writing to the beneficiary the charges for the DHCSP product.	
Limitation on Fees	50 Ill. Adm. Code 2051.320(f)	Any initial one-time processing, administrative or other such non-regular fee may not exceed \$30.	
Listing of Private Label Marketers	50 Ill. Adm. Code 2051.320(g)	A DHCSP administrator shall annually file with the Director a listing of all private label marketers with whom it has a direct or indirect contractual relationship respecting the marketing or use of the administrator's DHCSP under a name other than that of the administrator. A DHCSP administrator shall inform the Department of any additional private label marketers with whom it contracts and of any cancellation or non-renewal of a contract within 30 days after the execution, cancellation or non-renewal of the contracts. A listing of private label marketers must contain: (1) the name, address and FEIN of the private label marketers; (2) any DBA used by the private label marketer; and (3) all product names used by the private label marketer.	



Administrator Responsibilities for Private Label Marketers	50 Ill. Adm. Code 2051.320(h)	A DHCSP administrator shall ensure that any private label marketer who it identifies under subsection (g) or with whom it has an obligation to identify under subsection (g): (1) prominently discloses within all descriptions of benefits and member materials the name of any administrator whose DHCSP is being provided; (2) prominently discloses within all marketing materials the name of any administrator whose DHCSP is being provided; (3) prominently discloses the private label marketer's product name and the name or name and logo of available networks on the member's identification card; and (4) complies with the applicable DHCSP administrator provisions of this Part.	
Private Label Marketers Not Identified	50 Ill. Adm. Code 2051.320(i)	A private label marketer that is not identified as such pursuant to subsection (g) must register as a DHCSP administrator under this Part.	
Participating Provider Listings	50 Ill. Adm. Code 2051.320(j)	A DHCSP shall identify specific providers in a beneficiary's area, confirm specific provider participation or provide a listing of participating providers by mail. Participating provider lists requested by phone must be sent within 3 working days. Any provider listing must include all participating providers with whom the administrator has contracted either directly or indirectly through another DHCSP administrator.	

<b>INSURER REQUIREMENTS</b>	<b>REFERENCE</b> 50 Ill. Adm. Code 2051.330	<b>COMMENTS</b>	<b>REFERENCE</b> Please type or print where the information is located.
Each insurer shall file sample copies of all DHCSP agreements, when applicable. Agreements at a minimum shall contain the following provisions.			
Waiver of filing requirements	50 Ill. Adm. Code 2051.330(b)	When incorporated in a policy filing, the filing requirements for Section 2051.330(a) may be waived if the preferred provider arrangement information had previously been filed and is identified in the subsequent filing.	

**Declaration:**

The undersigned declares that the statements made in this application are true, correct and complete to the best of his/her knowledge and belief.

Signature \_\_\_\_\_ Date \_\_\_\_\_

Print Name and Title \_\_\_\_\_ Phone \_\_\_\_\_

Please sign and date this form and return it to the Department with your registration fee of \$1,000 for new registrations and any accompanying documents. The check or money order should be payable to the Director of Insurance.

(Source: Amended at 37 Ill. Reg. 2895, effective March 4, 2013)