



Illinois Department of Insurance

JB PRITZKER
Governor

DANA POPISH SEVERINGHAUS
Director

FOR IMMEDIATE RELEASE

March 24, 2022

MEDIA CONTACT

Caron.Brookens@Illinois.gov

IDOI Applauds New Legislation to Improve Protections for Health Insurance Consumers

Sen. Turner and Rep. Scherer Advance Measure to Ensure Health Insurance Companies Have Adequate Provider Networks

Chicago – In an effort to improve consumer protections in health care and hold health insurance companies accountable, the Illinois Department of Insurance (IDOI) worked closely with Representative Sue Scherer and Senator Doris Turner on legislation to further enhance consumer protections within the state’s Network Adequacy Transparency Act (NATA). The landmark law ensures consumers have access to a network of health insurance providers that meets proper time and distance standards.

[HB5729](#) will give IDOI the authority to put in place more stringent time/distance standards than current federal requirements for many specialties to ensure consumers can access in-network providers close to home. Under the bill, the Department will pursue emergency rules to update time/distance network adequacy standards to help protect consumers’ access to care. The bill also provides for greater transparency in IDOI’s enforcement efforts, removing a confidentiality requirement for market conduct exams to allow the Department to inform consumers that an insurance company is undergoing an exam, while keeping details confidential until exams are finalized. Market conduct exams are the Department’s primary enforcement tool to review the practices of insurance companies regulated by the Department.

“Sen. Turner and Rep. Scherer have worked tirelessly to make sure that their constituents get the care they deserve, and I appreciate their willingness to work with my Department of Insurance to ensure that our laws are strong enough to protect consumers’ care,” **said Governor JB Pritzker.** “This legislation will make our system operate more transparently and give people and regulators more tools to hold health care insurers accountable.”

Springfield Office
320 W. Washington Street
Springfield, Illinois 62767
(217) 782-4515

Chicago Office
122 S. Michigan Ave., 19th Floor
Chicago, Illinois 60603
(312) 814-2420

“I care deeply about improving and expanding access to healthcare for my constituents. I’m glad to partner with the Department to help protect and inform Illinois insurance consumers. This legislation enhances penalties to ensure compliance with state laws,” **said Representative Sue Scherer.**

“Also, it creates more generous provider-to-patient ratios for network adequacy than are currently recommended under federal regulations for many specialties.”

“The new law will provide necessary oversight with the creation of a Network Adequacy Advisory Council, comprised of consumer, provider, and insurer representation,” **said Senator Doris Turner.**

“The council will regularly update network adequacy requirements, including reviewing time and distance standards, and ratios to apply to all provider networks. This is what health insurance consumers need, and our state leaders will deliver.”

Earlier this week, the Department issued fines totaling \$339,000 for Health Care Service Corporation (HCSC), the parent company of Blue Cross Blue Shield of Illinois for violating the material change notice requirement in the state's Network Adequacy and Transparency Act. The Department found that the company did not properly file updated network adequacy filings following the termination of its contract with Springfield Clinic.

“The new law provides for additional consumer protections when a provider contract ends, and it strengthens network adequacy requirements with robust penalties for noncompliance” **said IDOI Director Dana Popish Severinghaus.** “We want to protect patients from having to travel far from their homes or wait too long to receive care. The Department can now establish strict wait times, and if the wait time to see a particular provider is excessive, the insurer must pay for the patient to see an out of network provider at an in-network rate. Current statutory requirements are also improved upon for both issuers and providers to update their provider network directories with accurate information.”

Link to [HB5729](#)

###