TO: ALL INSURANCE COMPANIES AND SELF-INSURED ENTITIES/SELF-INSURED POOLS LICENSED/APPROVED TO PROVIDE WORKERS’ COMPENSATION COVERAGE IN THIS STATE.

FROM: ANDREW BORON
DIRECTOR OF INSURANCE

DATE: DECEMBER 13, 2012

RE: COMPANY BULLETIN 2012-09

NOTIFICATION TO MAINTAIN COMPLIANCE WITH THE INTEREST PROVISIONS CONTAINED IN 820 ILCS 305/8.2(d)(3)

On June 28, 2011, Governor Pat Quinn signed Public Act 97-0018, which amended the Illinois Workers’ Compensation Act and includes new Sections to the Act, 820 ILCS 305/8.2(d)(2) and 820 ILCS 305/8.2(d)(3) which collectively state:

“If the claim does not contain substantially all the required data elements necessary to adjudicate the bill, or the claim is denied for any other reason, in whole or in part, the employer or insurer shall provide written notification, explaining the basis for the denial and describing any additional necessary data elements, to the provider within 30 days of receipt of the bill”

“In the case of nonpayment to a provider within 30 days of receipt of the bill which contained substantially all of the required data elements necessary to adjudicate the bill or nonpayment to a provider of a portion of such a bill up to the lesser of the actual charge or the payment level set by the Commission in the fee schedule established in this Section, the bill, or portion of the bill, shall incur interest at a rate of 1% per month payable to the provider. Any required interest payment shall be made within 30 days after payment.”

The purpose of this bulletin is to advise all insurance companies and claims administrators who adjust workers’ compensation claims in Illinois of their duty to comply with the aforementioned statutory requirements.

Any questions or concerns regarding this matter should be referred to the Illinois Workers’ Compensation Commission via e-mail at wcc.infoquestions@illinois.gov.