



For Immediate Release
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MADIGAN: HOUSE PASSES NEW LEGISLATION TO PROTECT PATIENTS FROM AGGRESSIVE BILLING PROCEDURES

Chicago – Attorney General Lisa Madigan today announced the House unanimously passed the bipartisan Fair Patient Billing Act that establishes standards and responsible practices that all licensed hospitals, and the collection agencies they hire, must follow when they bill and collect debts from patients. State Rep. Karen May sponsored the legislation in the House and State Sen. Kwame Raoul is sponsoring the bill in the Senate.

As amended, HB 4999 is supported by the Illinois Hospital Association (IHA) and provides:

- Hospitals are required to post conspicuously in the admission and registration areas of the hospital signage that notifies patients of the availability of financial assistance (signage shall be in languages other than English if applicable).
- Hospitals are required to make available financial assistance information in the form of a brochure or application in the hospital admission or registration area.
- A hospital is required to implement a process for patients to inquire about or to dispute a hospital bill.
- The hospital must provide a telephone number for all billing inquiries and disputes.
- Patient telephone calls must be returned no later than two business days after the call is made and within 10 business days if the inquiry involves written correspondence.
- Hospital bills must include:
 - A description of hospital services rendered and amounts owed by the patient;
 - Hospital contact information for billing inquiries;
 - Information on how uninsured patients can apply for financial assistance; and

- o A notice that a patient may request an itemized bill.

The legislation also includes protections for uninsured patients before collection:

- Hospitals will not pursue legal action for non-payment of a hospital bill against uninsured patients who have demonstrated that they have insufficient income and assets to meet their financial obligations.
- Hospitals and their agents may only pursue collection actions after the uninsured patient has been given the opportunity to assess the accuracy of the bill, apply for financial assistance under the hospital's financial assistance policy, and avail themselves of a reasonable payment plan.

For insured patients:

- A hospital may not refer a bill for collection unless the insured patient has been offered the opportunity to request a reasonable payment plan for the amount owed by the patient.
- All collection litigation against insured patients must be approved in writing by an authorized hospital employee.

Finally, HB 4999 requires that hospitals must ensure that any external collection agency, law firm or individual engaged by the hospital in collecting on outstanding bills shall agree in writing to comply with the collection provisions of the Act.

“This bipartisan legislation is critical in protecting patients from overaggressive billing practices,” Madigan said. “These new standards will ensure that hospitals are held accountable if the companies they hire become abusive. With today’s skyrocketing medical costs, the payment of medical bills affects all of us.”

The House Health Care Availability Committee, chaired by State Rep. Mary Flowers, with Minority Spokesman State Rep. JoAnn Osmond, approved HB 4999 yesterday in a bipartisan vote.

“I became interested in the bill because of the high number of bankruptcies caused by medical debt. I salute the Office of the Attorney General’s staff for being flexible in working with the hospitals and the hospital association to craft a bill that is fair to patients, but not unfair to hospitals,” May said.

“No longer will families be harassed about medical bills, fear loss of their jobs, foreclosures on mortgages or harassing calls just because of being sick,” Flowers said.

“I commend Attorney General Madigan and the Illinois Hospital Association for working out a solution to billing problems that have arisen,” Osmond said.