



Workers' Compensation

Background Information

Many medical providers have experienced workers' compensation insurers failing to pay claims in a timely manner and failing to pay the interest accrued on the claim, as required by the Workers' Compensation Act. A court case had determined that medical providers did not have any standing in court to collect interest on past due claims, even though the law requires interest to accrue.

The Issue

During the 2018 legislative session, SB 904 (Hastings/Hoffman) was passed to address delayed medical payments for workers' compensation claims. This legislation, designed to remedy the court decision, was an initiative of the Illinois State Medical Society and was supported by several health care groups, including the ICS. The bill was designed to provide a way to enforce interest on late payments from insurance companies to medical providers under the workers' compensation system.

The legislation made the following three changes to the Illinois Workers' Compensation Act:

- Adds a provision that requires the insurance company to give a health care provider an Explanation of Benefits when care is being denied. Also, the legislation requires the Medical Fee Advisory committee to establish rules that would detail the requirements of the Explanation of Benefits.
- Allows medical professionals to file lawsuits to enforce interest payments from insurance companies on future medical workers' compensation claims that are paid late. Remedies a recent court case that held that medical professionals are unable to take court action to enforce interest payments owed to them by insurance companies.
- Requires insurance companies to comply with the current electronic billing requirements.

At the end of August, the Governor issued an amendatory veto of the legislation. The amendatory veto included the Governor's statement that the legislation did not accomplish his desired workers' compensation reform, and he made several changes to the legislation. Although the legislature clearly intended that medical providers should receive interest for late payments made under the Workers' Compensation Act, the changes proposed in the amendatory veto will not remedy the current inability of medical providers to adequately enforce interest on late payments.

Legislative Recommended Action

We ask that you **SUPPORT** an **OVERRIDE** of the Governor's Amendatory Veto of SB 904.