

[215 Ill. Comp. Stat. § 130/2008.]

§ 130/2008. Provider Contracts: Limited Health Service Organization Act

(a) All contracts with providers or with entities which subcontract for the provision of limited health services to enrollees on a prepayment or other basis and any contract with any subcontractor thereof shall contain the following hold-harmless clause: "The provider agrees that in no event including, but not limited to, nonpayment by the organization of amounts due the provider under this contract, insolvency of the organization or any breach of this contract by the organization, shall the provider or its assignees or subcontractors have a right to seek any type of payment from, bill, charge, collect a deposit from or have any recourse against the enrollee, persons acting on the enrollee's behalf (other than the organization), the employer or group contractholder for services provided pursuant to this contract except for the payment of applicable copayments for services covered by the organization or fees for services not covered by the organization. The requirements of this clause shall survive any termination of this contract for services rendered prior to such termination, regardless of the cause of such termination. The organization's enrollees shall be third party beneficiaries of this clause. This clause supersedes any oral or written agreement now existing or hereafter entered into between the provider and the enrollee or persons acting on the enrollee's behalf (other than the organization)". To the extent that any provider or subcontractor's contract, fails to incorporate such provisions, such provisions shall be deemed incorporated into such contracts by operation of law.

(b) All provider and subcontractor contracts must contain provisions whereby the provider or subcontractor shall provide, arrange for or participate in the quality assessment programs mandated by this Act, unless the Department of Insurance certifies that such programs will be fully implemented without any participation or action from such contracting provider.

(c) The Director may promulgate rules requiring that provider contracts contain provisions concerning reasonable notices to be given between the parties and for the organization to provide reasonable notice to its enrollees and to the Director. Notice shall be given for such events as, but not limited to, termination of insurance protection, quality assessment or availability of medical area.