



NEWS

from the Illinois Senate

State Senator Jacqueline Y. Collins

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Law Gives Consumers Tools to Help Appeal Denied Coverage

CHICAGO, IL — A new state law will provide consumers the tools they need to battle unfair and unjust denials of coverage made by insurance companies.

House Bill 3923 incorporates language from Senate Bill 874, introduced last year by State Senator Jacqueline Y. Collins, which provides an external appeals process for consumers when there is an adverse determination.

“We’ve all heard the stories from doctors and patients about not getting the best health care possible because of the lack of coverage provided by an insurance company. This is simply inhumane and I’ve been working to provide consumers with a fair process to voice their concerns over unjust rejections of insurance claims,” said State Senator Jacqueline Y. Collins who was a cosponsor of House Bill 3923.

Arguably the most significant insurance reform in the last decade, House Bill 3923 will empower consumers by putting in place external independent review of final adverse determinations made by health carriers.

The external review will be conducted by a qualified, independent doctor, who is selected by a nationally-accredited and Illinois Department of Insurance-approved Independent Review Organization. The external review is binding and must be completed within 20 business days. In certain urgent cases the review must be completed within 72 to 120 hours.

The law also takes step towards reducing the convoluted insurance application process by creating a universal application for both individual and small employer insurance policies. The universal application must be implemented by January 1, 2011 to make it easier for individuals and small businesses to apply for coverage.

“Illinois families and businesses pay premiums in exchange for needed health care,” said Michael T. McRaith, Director of the Department of Insurance. “This new law represents the most important insurance reform in the last decade and gives Illinois consumers essential protections to assure that care is provided.”

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