

Compliance and Regulations Newsletter

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ILLINOIS

Legislature Overrides Governor's Veto and Allows Medical Providers to Charge Interest

A bill allowing Illinois medical providers to charge 1% interest for late payments for treatment of injured workers is now law after the House and Senate overrode an amendatory veto by Governor Bruce Rauner.

Gov. Rauner vetoed Senate Bill 904 on August 28th but indicated he would approve the bill if changes were made. The Governor recommended changes to SB 904 to provide medical providers a mechanism to collect the 1% per month interest penalty provided by Section 8.2 of the Act and to provide penalties for the Department of Insurance enforcement of the electronic claims transaction requirements under the Act.

The Senate instead voted 55-1 to override the veto on November 14th, and the House voted 110-2 to override the veto on November 27th.

The legislature is expected to act on two companion bills soon. House Bill 200 would require an explanation be sent to injured workers when a claim is denied, and House Bill 3452 would clarify that circuit courts have jurisdiction only on whether interest is owed on bills.

The Senate passed versions of HB 200 and HB 3452 on November 14th and sent them to the House which passed on November 29th, according to the Illinois General Assembly website.

[Source 1](#), [Source 2](#), [Source 3](#)

MONTANA

Public Hearing to Rules for Implementation of ODG Formulary

The Montana Department of Labor and Industry scheduled a public hearing on November 9th to consider proposed rules including a drug formulary.

Governor Bullock signed Senate Bill 312 on May 22, 2017, allowing prescription drug formularies to be adopted by the Department.

Since that time, the Department has been working to determine if it should adopt a commercially available drug formulary, a formulary developed by another state, or develop its own formulary. The Department determined it should adopt the commercial ODG formulary, and the Labor-Management Advisory Council approved of the Department's decision. The Department stated it concluded that the ODG formulary uses high quality medical evidence as the basis for its formulary.

The notice of public hearing states "no type or class of prescription drug is banned or prohibited by the formulary. Injury-appropriate prescription drugs that are listed as a "Y" on the formulary are presumptively medically appropriate for injured workers and are not subject to any prior authorization requirements. Prescription drugs that are not listed as a "Y" code on the formulary are subject to the prior approval of the insurer. Unless an insurer has suitable medical reasons not to authorize an "N" or unlisted medication, the insurer will presumably grant authorization."

The proposed rules include an expedited dispute resolution process when the denial of prescription medication may lead to a medical emergency for the injured worker.

The Department expects to adopt the formulary rules by December 31, 2018 with the rules applying to injuries occurring on or after April 1, 2019. Formulary rules will not apply to "legacy claims" until April 1, 2020, only in cases where the insurer has given at least 90 days' notice to the injured worker and the prescribing providers that the insurer will begin to apply formulary rules to the claim. "Legacy claims" are claims for injuries occurring prior to April 1, 2019.

The Montana Department of Labor and Industry has not posted the outcome of the hearing held on November 9th.

[Source](#)