

Pritzker Administration Fines Blue Cross Blue Shield Of Illinois \$231,900 For Failing To Properly Update Provider Directories

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CHICAGO - The Illinois Department of Insurance (IDOI) announced today fines totaling \$231,900 for Health Care Service Corporation (HCSC), the parent company of Blue Cross Blue Shield of Illinois, for violations of the Network Adequacy and

Transparency Act (NATA) requirements for health insurers to post up-to-date, accurate, and complete provider directory information.

Earlier this year, following a targeted market conduct examination of Blue Cross Blue Shield of Illinois, the Department fined HCSC for violating NATA and ordered the company to take corrective action, including updating provider directories and making the information clearer to consumers. * Market conduct examinations allow the regulatory agency to review insurance companies' compliance with state and federal laws. The health insurer's delayed compliance with implementing changes to its provider directories to address the NATA violations resulted in the new fine.

“Consumers rely on their health insurance companies to provide accurate information, so that they can make important, informed decisions about their health care,” said IDOI Director Dana Popish Severinghaus. “Provider directories are often the first touchpoint for health insurance consumers attempting to choose a primary care physician or specialist. Inaccurate, outdated, confusing information can make that selection process even more time-consuming and stressful. In Illinois, health insurers with provider directories found to be in violation of the law will be fined.”

The \$231,900 fine for Health Care Service Corporation (HCSC), the parent company of Blue Cross Blue Shield of Illinois, is for violating:

- The Network Adequacy and Transparency Act (NATA) requirement for insurers' provider directories to be updated within 10 business days with any information or status updates. HCSC was in violation of this requirement for 4 providers.
- Order 10 of the Director's Market Conduct Stipulation and Consent Order executed January 30, 2023, to institute corrections to the provider directory consistent with 215 ILCS 124/25(a)(6) and 45 CFR § 156.230(b)(2)(ii) within 90 days.

HCSC is now complying with the earlier Director's Order, including:

- Creating an improved search process within its provider directories so that consumers can more easily find providers for their particular plan and health care needs, and within their geographical area. The improved search includes more distinct naming of plans, fewer acronyms, and the use of zip code specificity.
- When a consumer selects their particular plan, the consumer can search by specialty type and/or diagnosis to find the right provider for their health care needs.
- When a list of providers is shown to the consumer, a new filter will highlight the providers' up-to-date and verified information including, telehealth services, the providers' acceptance of new patients, location, phone number and other information.

- For providers who are in-network for facility or hospital admitting rights only, those providers will no longer show in specific health plans to avoid confusing consumers who are searching for doctors and specialists available for in-office visits. The providers with limited access will be listed in the All Plans/All Providers section.

This fine follows a series of regulatory actions by the Department to protect Illinois health insurance consumers under the Network Adequacy and Transparency Act (NATA).

- Last year, the Department announced, for the first time ever, a fine for violation of NATA.

The company was fined for failing to file material change notices. *

- The Department also established regulations strengthening network adequacy protections by setting patient to provider ratios, time and distance standards, and reporting requirements. *
- Governor Pritzker's fiscal year 2023 budget authorized and funded additional headcount for the Department to form a NATA enforcement unit. The new unit investigates insurer networks, and that unit was instrumental in investigating provider directory issues, including reviewing underlying contracts and identifying real-time violations.

IDOI will conduct follow up exams to ensure HCSC remains in compliance.

The Notice of Apparent Liability for the fine announced today is posted [here](#).

The Market Conduct Exam Final Report posted earlier this year can be found [here](#).

- [Pritzker Administration Fines Blue Cross Blue Shield of Illinois \\$605,000 for violation of the Network Adequacy and Transparency Act \(NATA\)](#)
- [Governor Pritzker Announces \\$339,000 Fine for Blue Cross Blue Shield for Failing to Submit Required Information After Terminating Springfield Clinic Contract](#)
- [Part 4540 Network Adequacy and Transparency: Sections Listing \(ilga.gov\)](#)