

MEMORANDUM

TO: The Honorable Members of the Illinois Senate

FROM: Illinois Health and Hospital Association
Illinois State Medical Society
Orthopedic Surgeons for Responsible Reform

RE: Opposition to Senate Bill 12

DATE: January 18, 2017

Health care professionals and medical facilities providing care to injured workers are opposed to Senate Bill 12 because further reductions to our Illinois medical fee schedule will threaten access to critical medical services for those injured on the job in Illinois. Ensuring quick access to quality medical care is a fundamental part of our workers' compensation system in Illinois. Further reductions to the medical fee schedule on top of the 30 percent across the board reductions instituted in 2011 will mean that medical professionals will no longer be able to treat workers' compensation patients. If injured workers cannot access the medical care they need in a timely manner, their injuries will not only worsen and require more care, but their return to work could be significantly delayed. We believe that any conversation about workers' compensation medical care should be focused on providing quality care to injured workers as quickly as possible, and not simply on cuts to reimbursements.

We know from our direct experience with injured workers that the 30 percent reduction to the medical fee schedule instituted in 2011 threatened access to medical care to the point where the Illinois Workers' Compensation Commission took the unprecedented action of raising medical reimbursements on two separate occasions. Without this action, injured workers in Illinois would have lost access to one of the most preeminent rehabilitation hospitals in the country, the Rehabilitation Institute of Chicago. Even with these adjustments, injured workers still struggle to access primary care services. Further reductions instituted by SB 12 will exacerbate and create new issues for injured workers as they struggle to return to work because they need necessary medical services.

While we are opposed to reductions to the medical fee schedule set forth in Senate Bill 12, we are encouraged that the bill includes language that will fulfill a promise made to medical professionals over five years ago, to require workers' compensation insurers to enter the modern era and accept electronic medical bills. Electronic medical billing was a part of the 2011 reform and was never implemented. In our current system, medical professionals and hospitals are forced to submit paper bills and records in order to have surgeries and other medical procedures authorized or reimbursed. These paper records are often "lost" by workers' compensation insurers, resulting in delayed care and an inefficient system. Before instituting more cuts to the

system, we need to fully implement the changes that were promised to medical professionals in 2011.

Finally, simply cutting the medical fee schedule, without addressing the many other structural deficiencies in our workers' compensation system, is an ineffective solution to a complex problem. In Illinois, we continue to rely on an antiquated accident reporting system that impedes our state's ability to detect groups of potentially dangerous workplace situations. Besides relying on a paper-based billing system, medical professionals seeking authorization for care or payment for approved services are simply ignored by workers' compensation insurers, with no outlet or options to compel insurers to act to approve medical care for injured workers. Simply cutting the medical fee schedule will simply reduce injured workers' access to the care they need to heal and return to work.