



Illinois Nonparticipating Facility-Based Physicians and Providers/Insurer or Health Plan Arbitration

This guide and the information provided in this guide should not be construed as legal advice, and are not intended to be a substitute for legal counsel on any subject matter.

Steps Involved in an AAA® Arbitration under Illinois Statute 215IL 5/356z.3a and the Public Act 102-0901

The following is a summary outline of how the arbitration process works. For more detailed information, please refer to the above referenced statute and the AAA's Commercial Arbitration Rules. ("Rules")

Step 1 File your case by sending a copy of the Demand for Arbitration form (Illinois Nonparticipating Facility-Based Physicians and Providers/Insurer or Health Plan Demand for Arbitration form) along with the filing fee as provided for in the Rules to:

American Arbitration Association
Case Filing Services
1101 Laurel Oak Road, Suite 100
Voorhees, NJ 08043

Send the original Demand to the Respondent. Also send a copy of this Demand to the Illinois Department of Insurance at doi.arbitrationrequest@illinois.gov. If you would like to file a case online, please visit our website at www.adr.org/Support. (Cases filed under the grouped claims filing option reference below may not be filed online.) AAA Case Filing Services can be reached at 1 (877) 495-4185 and casefiling@adr.org.

Obtain a copy of the Demand for Arbitration Form (Illinois Nonparticipating Facility-Based Physicians and Providers/Insurer or Health Plan Demand for Arbitration form) from www.adr.org/Forms.

Please include the appropriate filing fee at the time the Demand for Arbitration Form is filed with the AAA. Demands filed without the correct filing fee will not be considered properly filed and will be returned. For more information on fees, please see the section below on Costs of Arbitration or refer to the AAA's Commercial Arbitration Rules.

Step 2 Upon receipt, your case will be assigned to a Manager of ADR Services at the AAA. That person will send you and the other side (the "respondent") a letter advising that we have received your case. We will ask the respondent to respond within a set number of days from the date of the AAA's letter. Even if they do not respond, the case may still proceed forward.

Step 3 The AAA will prepare and send the parties a list of five (5) arbitrators to review and agree on. If the parties do not agree to an arbitrator, the insurer may veto two (2) names on the list and the provider may veto (2) names



on the list, and the remaining arbitrator on the list shall be the chosen arbitrator. Further details regarding the selection process will be provided by your Manager of ADR Services.

Step 4 Once the arbitrator is appointed, your case will be decided on written documents and evidence only, meaning no in-person hearing will occur. The arbitrator will establish a schedule for parties to exchange and submit evidence for consideration.

Step 5 The arbitrator will endeavor to render a decision on your case within 45 days after the Demand for Arbitration is filed, in keeping with Illinois Statute 215IL 5/356z.3a and Public Act 102-0901.

Frequently Asked Questions

1. Can I go through arbitration without an attorney?

Arbitration is less formal than going to court, and you may represent yourself. However, you should keep in mind that arbitration is a legal proceeding that results in an award that is generally final and binding. Because your legal rights are involved, you may choose to consult with and be represented by an attorney. All parties to an arbitration proceeding have the same option whether or not to be represented by an attorney. Because of the AAA's neutral and impartial role in the arbitration process, the AAA and its employees cannot recommend or provide attorneys to parties in arbitration. If you do not have an attorney and wish to be represented by an attorney in arbitration, you may want to contact your local bar association or another legal services organization for a referral.

2. What does this process cost?

Filing Fees:

The filing fee is paid by the initiating party ('claimant'). However, under R-49 of the Rules, such fee is subject to final apportionment by the arbitrator in the award (decision).

For claim amounts under \$25,000 there is a \$975 filing fee.

For claim amounts above \$25,000 and up to \$100,000 there is a \$1,200 filing fee.

For claims above \$100,000 please refer to the AAA Commercial Arbitration Rules fee schedule for filing fee information.

Arbitrator Compensation:

For all claims under \$100,000 arbitrators are compensated at a flat rate of \$1,200. The parties will split this amount evenly. For claims above \$100,000 arbitrators will be compensated at the hourly rate stated in their resumes. The parties will split the hourly rate of the arbitrator.



Discounted Grouped Claims Filing Option:

In matters involving the same provider and insurer where the aggregate amount in dispute is \$100,000 or less, the parties may agree to group up to 5 separate arbitrations (involving up to 5 disputed bills) before the same arbitrator. In the event of such agreement, the filing fee per arbitration in such grouping is \$975 for the first case and \$375 for each additional case up to 5 (i.e.: filing fee for a group of 5 would be \$2,475).

Arbitrator compensation for each arbitration in such group would be \$1,200 for the first case and \$300 for each additional case up to 5 (i.e.: total arbitrator compensation for a group of 5 would be \$2,400, split evenly between the parties).

The above filing fees and arbitrator compensation only apply where the parties have specifically agreed to such grouping and so advise the AAA at the time of filing.

3. Are there rules or procedures that apply to my arbitration?

The case will be administered in accordance with the AAA's Commercial Arbitration Rules as modified by the time frame and provisions provided under Illinois Statute 215IL 5/356z.3a and Public Act 102-0901.

The AAA's website will give you immediate access to the rules. You may also obtain a copy of the rules and the above-referenced statute from your Manager of ADR Services.

4. How do I begin arbitration?

First, you (the "claimant") must notify the other party (the "respondent") in writing that you are starting an arbitration proceeding against them. Obtain a copy of the Demand for Arbitration Form (Illinois Nonparticipating Facility-Based Physicians and Providers/Insurer or Health Plan Demand for Arbitration form) from www.adr.org/Forms.

The completed Demand form must contain the following information:

A statement explaining what your dispute is about, the names and addresses of any other parties involved in this dispute, the amount of money, if any, involved in this dispute, and the remedy sought (what you feel you are entitled to at the end of the proceeding).

Second, you should then send a copy of the completed Demand Form to the AAA and also to the Illinois Department of Insurance at doi.arbitrationrequest@illinois.gov.

Third, make sure to enclose the proper filing fee (as set forth in #2 above) with the "Demand." You can determine the correct filing fee by reviewing the *Commercial Arbitration Rules and Mediation Procedures* or by contacting AAA Case Filing Services at (877) 495-4185.

The AAA will notify all the parties when the above materials are received.



5. Which party initiates arbitration?

Either party may initiate the arbitration. Additionally, if you file for arbitration, the other party might decide to file a counterclaim, seeking money and any other remedy against you. Both your claim and the counterclaim would have to be proven in the arbitration.

6. What happens after the claim is filed?

Once the AAA receives your Demand for Arbitration with the appropriate filing fee, your case will be assigned to a Manager of ADR Services who will be your contact for the arbitration of your case. Managers of ADR Services act as impartial liaisons, send out notices, monitor the neutral selection process, schedule hearings, prepare billings and transmit the arbitrator's awards.

7. How long does the process take from beginning to end?

Illinois Statute: 215IL 5/356z.3a provides that cases shall be decided within forty-five (45) days after the case is filed.

8. When do I present my evidence and what kind of evidence will be allowed?

Inasmuch as the arbitrations are documents-only (written submissions), the Manager of ADR Services will let you know when you should submit your evidence. That evidence will be presented to the arbitrator along with any evidence that has been submitted by other side. Document submissions may include statements of facts and written arguments along with documents or evidence pertaining to the arbitration. Formal rules of evidence that usually apply in court do not apply in arbitration, but you must still be prepared to prove your case and submit all evidence that you think is appropriate. However, understand that the arbitrator may accept or reject evidence depending on whether he or she believes it will aid in resolving the dispute.

9. Does AAA help me present my claim?

No. The Manager of ADR Services will be your main contact throughout the case but cannot assist you in the presentation of your claim. You should also not rely on the arbitrator to assist you in presenting your case. The Manager of ADR Services will answer your questions about certain procedures relating to the arbitration process, and will distribute information to you, but cannot provide you with legal advice or legal assistance.

10. Who are the arbitrators?

Arbitrators serving in connection with this program will be attorneys, retired judges or industry experts with experience relating to payor/provider healthcare disputes. The AAA's arbitrators are independent, impartial decision-makers chosen for their knowledge, case experience, integrity, and dispute resolution skills. Their conduct is guided by the *Code of Ethics for Arbitrators in Commercial Disputes*, prepared by a Joint Committee of the American Arbitration Association® and the American Bar Association. All AAA arbitrators are required to attend periodic arbitrator training programs.



11. Do I get to select the arbitrator?

A list of five (5) potential arbitrators will be provided to the parties. Both parties may mutually agree to an arbitrator. If there is no agreement on an arbitrator, the insurer may veto two (2) names on the list and the provider may veto (2) names on the list, and the remaining arbitrator on the list shall be the chosen arbitrator for the matter. Further details regarding the selection process will be provided by your Manager of ADR Services.

12. How do I know the arbitrator is neutral and impartial?

All arbitrators before they accept appointment to a case are responsible for completing a check for any past or present relationships with either party, potential witnesses or the parties' representatives or attorneys. If the arbitrator has any such relationships, all of the parties will be provided that information. After the parties are provided that information, they are given the opportunity to state their position as to whether that individual should remain as the arbitrator in light of the disclosure. Arbitrators also sign an oath on each case stating that they will abide by the *Code of Ethics for Arbitrators in Commercial Disputes*.

13. How do I prepare for an arbitration?

You should gather all pertinent documentation that explains and supports your position and make copies for the arbitrator and the other side. Organize the information in a logical, sequential fashion.

14. Can I settle prior to arbitration?

Yes, you may. You may settle your dispute at any time before the arbitrator issues the award. If you have settled, or believe you are close to settling your dispute, please notify your Manager of ADR Services immediately. If you settle your case and withdraw your arbitration demand, the AAA will close its case file.

15. How quickly after submitting evidence do I get the arbitrator's decision?

The arbitrator's decision should be entered no later than forty-five (45) days after the matter is filed, in keeping with Illinois Statue: 215IL 5/356z.3a.