Illinois Regulatory Appendix

This Illinois Regulatory Requirements Appendix (the "Appendix") is made part of this Agreement entered into between United Behavioral Health ("UBH") and the health care professional named in this Agreement ("Provider").

This Appendix applies to all products or Benefit Plans sponsored, issued or administered by or accessed through UBH to the extent such products are regulated under Illinois laws; provided, however, that the requirements in this Appendix will not apply to the extent they are preempted by the Medicare Modernization Act or other applicable law.

UBH and Provider each agree to be bound by the terms and conditions contained in this Appendix. In the event of a conflict or inconsistency between this Appendix and any term or condition contained in the Agreement, this Appendix shall control, except with regard to Benefit Plans outside the scope of this Appendix, and be read in accordance with applicable laws and regulations.

If any of the capitalized terms in this Appendix are used or defined (or the equivalent terms are used or defined) in the Agreement, then the terms used in this Appendix will have the same meaning as the terms (or equivalent terms) used or defined in the Agreement. For example, "Benefit Plans," as used in this Appendix, will have the same meaning as "benefit contracts"; "Member," as used in this Appendix, will have the same meaning as "member," "enrollee," or "covered person"; "Payor," as used in this Appendix, will have the same meaning as "participating entity"; "Provider," as used in this Appendix, will have the same meaning as "Facility," "Medical Group," "Ancillary Provider," "Physician," or "Practitioner." Additionally, if the Agreement uses pronouns to refer to the contracted entities, then "UBH" will have the same meaning as "we" or "us," and "Provider" will have the same meaning as "you" or "your."

This Appendix will be deemed to be updated to incorporate any changes to the laws and regulations referenced herein, including any changes to definitions referenced herein, effective as of the date of such changes.

Unless otherwise defined in this Appendix, all capitalized terms contained in the Appendix shall be defined as set forth in the Agreement.

Article I.
Provisions applicable to Benefit Plans regulated under Illinois Insurance and HMO law

1.1 Notice of nonrenewal or termination. UBH must give Provider advance notice of nonrenewal or termination of this Agreement in the form and for the length of time as provided in the Agreement, but in no case less than 60 days' prior to the date of nonrenewal or termination. The notice shall include a name and address to which Provider may direct comments and concerns regarding the nonrenewal or termination and the telephone number maintained by the Department for consumer complaints. Immediate written notice may be provided without 60 days' notice if Provider's license has been disciplined by a State licensing board or when UBH reasonably believes direct imminent physical harm to Members under Provider's care may occur. Provider must give UBH advance notice of nonrenewal or

termination of this Agreement in the form and for the length of time as provided in the Agreement, but in no case less than 60 days' notice for termination with cause, and at least 90 days' notice for termination without cause. Primary care providers must notify active affected patients of nonrenewal or termination of Provider from UBH, except in the case of incapacitation.

1.2 Transition of services. This provision applies if Provider is a physician or hospital. In accordance with the Network Adequacy and Transparency Act:

a) If this Agreement is terminated for reasons other than those involving imminent harm to a patient or a final disciplinary action by a State licensing board and Provider remains within UBH's service area, UBH shall permit the Member to continue an ongoing course of treatment with Provider during a transitional period for the following duration:
   i) 90 days from the date of the notice to the Member of Provider's disaffiliation from UBH if the Member has an ongoing course of treatment; or
   ii) if the Member has entered the third trimester of pregnancy at the time of Provider's disaffiliation, a period that includes the provision of postpartum care directly related to the delivery.

b) Notwithstanding the provisions of paragraph (a) of this section 1.2, such care shall be authorized by UBH during the transitional period in accordance with the following:
   i) Provider receives continued reimbursement from UBH at the rates and terms and conditions applicable under this Agreement prior to the start of the transitional period;
   ii) Provider adheres to UBH's quality assurance requirements, including provision to UBH of necessary medical information related to such care; and
   iii) Provider otherwise adheres to UBH's policies and procedures, including, but not limited to, procedures regarding referrals and obtaining preauthorizations for treatment.

c) The provisions of this section 1.2 governing health care provided during the transition period do not apply if the Member has successfully transitioned to another provider participating in UBH, if the Member has already met or exceeded the benefit limitations of the plan, or if the care provided is not medically necessary.

1.3. Appeals, external review and complaints. UBH, Payor or Provider shall comply with applicable provisions of Illinois laws and regulations as they relate to appeal and external review of UBH's coverage decisions and complaints related to administrative issues, including but not limited to those set forth in 215 ILCS 134/45, 215 ILCS 134/50, and the Health Carrier External Review Act at 215 ILCS 180/1 et seq.

1.4. Communication. UBH shall not prohibit Provider from discussing any specific or all treatment options with Members irrespective of UBH's position on those treatment options or from advocating on behalf of Members within the utilization review, grievance, or appeals processes established by UBH in accordance with any rights or remedies available under applicable State or federal law.

1.5. Prompt payment. UBH or Payor shall ensure that all claims and indemnities concerning health care services other than for any periodic payment shall be paid within 30 days after receipt of due written proof of such loss. Provider shall be notified of any known failure to provide sufficient documentation for a due proof of loss within 30 days after receipt of the claim for health care services. Failure to pay within such period shall entitle Provider to interest at the rate of 9% per year from the 30th day after receipt of such proof of loss to the date of late payment, provided that interest amounting to less than one dollar need not be paid. Any required interest payments shall be made within 30 days after the payment.

1.6. Provider Directory. Provider shall notify UBH electronically or in writing of any changes to Provider's information as listed in UBH's provider directory.

1.7. Utilization Review. UBH, Payor or Provider shall comply with applicable provisions of Illinois laws and regulations as they relate to utilization review of health care services, including but not limited to those set forth in 215 ILCS 134/85 (Utilization review program registration). In the event UBH delegates to Provider any or all utilization review activities under this Agreement, Provider shall obtain and maintain appropriate licenses under Illinois law.

Article II.
Provisions applicable to Benefit Plans regulated under Illinois HMO law only

2.1. Member protection provision. Provider agrees that in no event, including but not limited to nonpayment by Payor of amounts due Provider under this Agreement, insolvency of Payor or any breach of this Agreement by UBH, shall Provider or its assignees or subcontractors have a right to or seek any type of payment from, bill, charge, collect a deposit from, or have any recourse against, the Member, persons acting on the Member's behalf (other than Payor), the employer or group contract holder for services provided pursuant to this Agreement; except for the payment of applicable co-payments or deductibles for Covered Services or fees for services not covered by Payor. The requirements of this clause shall survive any termination of this Agreement for services rendered prior to such termination, regardless of the cause of such termination. Members, the persons acting on the Member's behalf (other than Payor), and the employer or group contract holder shall be third party beneficiaries of this clause. This clause supersedes any oral or written agreement now existing or hereafter entered into between Provider and the Member, persons acting on the Member's behalf (other than Payor) and the employer or group contract holder.

2.2. Provider professional liability insurance. Provider shall maintain professional liability insurance and shall notify UBH at least 15 days prior to the cancellation of Provider's professional liability insurance.

2.3. Quality Assessment and Improvement Act. UBH, Provider and any subcontractors Provider may use, agree to comply with the quality assessment program mandated by the Illinois HMO Act (215 ILCS 125/2-8(b)). In the event UBH delegates any or all quality assessment or quality improvement activities to Provider or an agent of Provider, Provider agrees that it, and its agent, if applicable, shall comply with UBH's quality assessment program.

2.4. Emergency Services Act. With respect to emergency Covered Services rendered to Members, UBH and Provider shall comply with applicable provisions of 215 ILCS 5/370o, 215 ILCS 134/65, 215 ILCS 134/70 and 50 Ill. Adm. Code 4520.110.

2.5. Patients' Rights Act. UBH and Provider shall comply with applicable provisions of the Illinois Managed Care Reform and Patient Rights Act at 215 ILCS 134/1 et seq.

2.6. Confidentiality of Member information. A Member's medical information must be kept confidential pursuant to 215 ILCS 5/1001 et seq.

2.7. Examination of quality of care records. Provider shall provide access to a Member's medical records in order for UBH to comply with regulatory examinations.

2.8. No termination for advocacy. This Agreement shall not be terminated by UBH to retaliate against or punish Provider in the event that Provider: (a) advocates in good faith on behalf of a Member; (b) files a complaint against UBH; or (c) appeals a decision of UBH.

2.9. Capitated MCOs. This section 2.9 applies only if Provider is a Managed Care Organization (MCO) which means a partnership, association, corporation or other legal entity, including but not limited to individual practice associations (IPAs) and Physician Hospital Organizations (PHOs), which delivers or arranges for the delivery of health care services through providers it has contracted with or otherwise made arrangements with to furnish such health care services, and if Provider is paid by Payor on a capitation basis.

a) Provider will submit to UBH, copies of its quarterly financial statements, which shall include Provider's balance sheet and statements of income and cash flow within 45 days after the end of each fiscal period. In addition, Provider will submit, within 90 days after the end of Provider's fiscal year, copies of its audited annual financial statements prepared in accordance with generally accepted accounting principles if available. The Illinois Department of Insurance (Department), at its discretion, may require UBH to submit for inspection by the Department such statements as UBH has received from Provider. Such information shall be deemed confidential by the Department.

b) Provider agrees to fully cooperate with, and disclose all relevant information requested by, UBH's actuaries for the preparation of their opinion in accordance with the Actuarial Standards Board Actuarial Standards of Practice No. 16.

c) UBH acknowledges that, in the event of Provider's insolvency, Payor is secondarily liable as the ultimate risk bearer for unpaid health care services rendered to its enrollees.

Article III.
Provisions applicable to Benefit Plans regulated under Illinois Insurance law only

3.1. Licensure. Provider shall be licensed by the State of Illinois, and will notify UBH immediately upon a change in licensure or certification status.

3.2. Admitting privileges. If Provider is a physician, Provider must have admitting privileges in at least one hospital with which UBH has a written provider contract. UBH shall be notified immediately of any changes in privileges at any hospital or admitting facility. Reasonable exceptions may be made for a physician who, because of the type of clinical specialty, or location or type of practice, does not customarily have admitting privileges.

3.3. Provider professional liability coverage. Provider shall have and maintain professional liability coverage and shall notify UBH within 10 days after Provider's receipt of notice of any reduction or cancellation of the required coverage.

3.4. Non-discrimination. Provider will provide health care services without discrimination against any Member on the basis of participation in the preferred provider program, source of payment, age, sex, ethnicity, religion, sexual preference, health status or disability.

3.5. Access to Member benefit information, Protocols and Payment Policies. Provider may access a Member's benefit information, including copayment information and information regarding changes in benefits by calling the telephone number on the back of the Member's identification card. UBH's Protocols and Payment Policies are available to Provider online or upon request.

3.6. Assignment. The rights and responsibilities under the Agreement can be sold, leased, assigned, assumed or otherwise delegated in accordance with the terms of the Agreement. The assignee must

comply with all the terms and conditions of the Agreement being assigned, including all appendices, policies and fee schedules.