

**RESOLUTION 12.2021-13 (A-22)**  
**MITIGATE END OF THE YEAR ISSUES RELATED TO**  
**PREAUTHORIZATION AND RESETTING OF DEDUCTIBLES**

**ISMS Board Action Taken on 10/22/2022**

**Adopted Substitute Resolution 12.2021-13 (A-22) in lieu of Resolution 12.2021-13 (A-22), as recommended by the Council on Economics.**

Council on Economics Recommendation to ISMS Board on 10/22/2022

The Council previously recommended adoption of this resolution; the Board did not act on that recommendation, and instead asked the Council for further study and consideration.

The Council discussed this resolution in the context of a similar resolution that was adopted in 2021 that calls on the ISMS to advocate that a health plan’s “benefit year” align with the “policy year,” so as to minimize confusion around deductibles and co-pays. The Council was supportive of a scenario whereby a patient’s coverage year would commence on the first day of the month in which the patient was born, so as to minimize a common scenario whereby plans aligned with the calendar year create a mad scramble for patient appointments and procedures near the end of the calendar year, when patients have exhausted their out-of-pocket maximums.

Additionally, several Council members noted that patients who join a health plan mid-year do not have a reasonable chance to meet their deductibles and other cost-sharing obligations and thus spend out-of-pocket for virtually all healthcare needed. The Council believes that both deductibles and premiums for health insurance should thus be prorated across the length of the plan year, which would allow covered patients to more equitably reach their deductible limits. Thus, the Council recommends adoption of a substitute resolution.

The Council on Economics recommends that the ISMS Board of Trustees adopt Substitute Resolution 12.2021-13 (A-22), in lieu of Resolution 12.2021-13 (A-22):

RESOLVED, that the Illinois State Medical Society (ISMS) advocate that all Illinois commercial health insurance carriers establish the first day of a patient’s birth month as the first day of the plan’s coverage year for that patient; and be it further

RESOLVED, that the ISMS advocate that all Illinois commercial health insurance carrier premiums, as well as patient deductibles and other cost-sharing provisions, be prorated on a monthly basis across the plan year when a patient joins the plan mid-year.