

1 AN ACT in relation to budget implementation.

2 Be it enacted by the People of the State of Illinois,  
3 represented in the General Assembly:

4 Section 1. Short title. This Act may be cited as the  
5 FY2003 Budget Implementation Act.

6 Section 5. Purpose. It is the purpose of this Act to  
7 make certain changes in State programs that are necessary to  
8 implement the State's FY2003 budget.

9 Section 10. The Illinois Administrative Procedure Act is  
10 amended by changing Section 5-45 as follows:

11 (5 ILCS 100/5-45) (from Ch. 127, par. 1005-45)

12 Sec. 5-45. Emergency rulemaking.

13 (a) "Emergency" means the existence of any situation  
14 that any agency finds reasonably constitutes a threat to the  
15 public interest, safety, or welfare.

16 (b) If any agency finds that an emergency exists that  
17 requires adoption of a rule upon fewer days than is required  
18 by Section 5-40 and states in writing its reasons for that  
19 finding, the agency may adopt an emergency rule without prior  
20 notice or hearing upon filing a notice of emergency  
21 rulemaking with the Secretary of State under Section 5-70.  
22 The notice shall include the text of the emergency rule and  
23 shall be published in the Illinois Register. Consent orders  
24 or other court orders adopting settlements negotiated by an  
25 agency may be adopted under this Section. Subject to  
26 applicable constitutional or statutory provisions, an  
27 emergency rule becomes effective immediately upon filing  
28 under Section 5-65 or at a stated date less than 10 days  
29 thereafter. The agency's finding and a statement of the

1 specific reasons for the finding shall be filed with the  
2 rule. The agency shall take reasonable and appropriate  
3 measures to make emergency rules known to the persons who may  
4 be affected by them.

5 (c) An emergency rule may be effective for a period of  
6 not longer than 150 days, but the agency's authority to adopt  
7 an identical rule under Section 5-40 is not precluded. No  
8 emergency rule may be adopted more than once in any 24 month  
9 period, except that this limitation on the number of  
10 emergency rules that may be adopted in a 24 month period does  
11 not apply to (i) emergency rules that make additions to and  
12 deletions from the Drug Manual under Section 5-5.16 of the  
13 Illinois Public Aid Code or the generic drug formulary under  
14 Section 3.14 of the Illinois Food, Drug and Cosmetic Act or  
15 (ii) emergency rules adopted by the Pollution Control Board  
16 before July 1, 1997 to implement portions of the Livestock  
17 Management Facilities Act. Two or more emergency rules  
18 having substantially the same purpose and effect shall be  
19 deemed to be a single rule for purposes of this Section.

20 (d) In order to provide for the expeditious and timely  
21 implementation of the State's fiscal year 1999 budget,  
22 emergency rules to implement any provision of Public Act  
23 90-587 or 90-588 or any other budget initiative for fiscal  
24 year 1999 may be adopted in accordance with this Section by  
25 the agency charged with administering that provision or  
26 initiative, except that the 24-month limitation on the  
27 adoption of emergency rules and the provisions of Sections  
28 5-115 and 5-125 do not apply to rules adopted under this  
29 subsection (d). The adoption of emergency rules authorized  
30 by this subsection (d) shall be deemed to be necessary for  
31 the public interest, safety, and welfare.

32 (e) In order to provide for the expeditious and timely  
33 implementation of the State's fiscal year 2000 budget,  
34 emergency rules to implement any provision of this amendatory

1 Act of the 91st General Assembly or any other budget  
2 initiative for fiscal year 2000 may be adopted in accordance  
3 with this Section by the agency charged with administering  
4 that provision or initiative, except that the 24-month  
5 limitation on the adoption of emergency rules and the  
6 provisions of Sections 5-115 and 5-125 do not apply to rules  
7 adopted under this subsection (e). The adoption of emergency  
8 rules authorized by this subsection (e) shall be deemed to be  
9 necessary for the public interest, safety, and welfare.

10 (f) In order to provide for the expeditious and timely  
11 implementation of the State's fiscal year 2001 budget,  
12 emergency rules to implement any provision of this amendatory  
13 Act of the 91st General Assembly or any other budget  
14 initiative for fiscal year 2001 may be adopted in accordance  
15 with this Section by the agency charged with administering  
16 that provision or initiative, except that the 24-month  
17 limitation on the adoption of emergency rules and the  
18 provisions of Sections 5-115 and 5-125 do not apply to rules  
19 adopted under this subsection (f). The adoption of emergency  
20 rules authorized by this subsection (f) shall be deemed to be  
21 necessary for the public interest, safety, and welfare.

22 (g) In order to provide for the expeditious and timely  
23 implementation of the State's fiscal year 2002 budget,  
24 emergency rules to implement any provision of this amendatory  
25 Act of the 92nd General Assembly or any other budget  
26 initiative for fiscal year 2002 may be adopted in accordance  
27 with this Section by the agency charged with administering  
28 that provision or initiative, except that the 24-month  
29 limitation on the adoption of emergency rules and the  
30 provisions of Sections 5-115 and 5-125 do not apply to rules  
31 adopted under this subsection (g). The adoption of emergency  
32 rules authorized by this subsection (g) shall be deemed to be  
33 necessary for the public interest, safety, and welfare.

34 (h) In order to provide for the expeditious and timely

1 implementation of the State's fiscal year 2003 budget,  
2 emergency rules to implement any provision of this amendatory  
3 Act of the 92nd General Assembly or any other budget  
4 initiative for fiscal year 2003 may be adopted in accordance  
5 with this Section by the agency charged with administering  
6 that provision or initiative, except that the 24-month  
7 limitation on the adoption of emergency rules and the  
8 provisions of Sections 5-115 and 5-125 do not apply to rules  
9 adopted under this subsection (h). The adoption of emergency  
10 rules authorized by this subsection (h) shall be deemed to be  
11 necessary for the public interest, safety, and welfare.

12 (Source: P.A. 91-24, eff. 7-1-99; 91-357, eff. 7-29-99;  
13 91-712, eff. 7-1-00; 92-10, eff. 6-11-01.)

14 Section 15. The Illinois Act on the Aging is amended by  
15 changing Section 4.02 as follows:

16 (20 ILCS 105/4.02) (from Ch. 23, par. 6104.02)

17 Sec. 4.02. The Department shall establish a program of  
18 services to prevent unnecessary institutionalization of  
19 persons age 60 and older in need of long term care or who are  
20 established as persons who suffer from Alzheimer's disease or  
21 a related disorder under the Alzheimer's Disease Assistance  
22 Act, thereby enabling them to remain in their own homes or in  
23 other living arrangements. Such preventive services, which  
24 may be coordinated with other programs for the aged and  
25 monitored by area agencies on aging in cooperation with the  
26 Department, may include, but are not limited to, any or all  
27 of the following:

- 28 (a) home health services;  
29 (b) home nursing services;  
30 (c) homemaker services;  
31 (d) chore and housekeeping services;  
32 (e) day care services;

- 1 (f) home-delivered meals;  
2 (g) education in self-care;  
3 (h) personal care services;  
4 (i) adult day health services;  
5 (j) habilitation services;  
6 (k) respite care;  
7 (l) other nonmedical social services that may  
8 enable the person to become self-supporting; or  
9 (m) clearinghouse for information provided by  
10 senior citizen home owners who want to rent rooms to or  
11 share living space with other senior citizens.

12 The Department shall establish eligibility standards for  
13 such services taking into consideration the unique economic  
14 and social needs of the target population for whom they are  
15 to be provided. Such eligibility standards shall be based on  
16 the recipient's ability to pay for services; provided,  
17 however, that in determining the amount and nature of  
18 services for which a person may qualify, consideration shall  
19 not be given to the value of cash, property or other assets  
20 held in the name of the person's spouse pursuant to a written  
21 agreement dividing marital property into equal but separate  
22 shares or pursuant to a transfer of the person's interest in  
23 a home to his spouse, provided that the spouse's share of the  
24 marital property is not made available to the person seeking  
25 such services.

26 Beginning July 1, 2002, the Department shall require as a  
27 condition of eligibility that all applicants and recipients  
28 apply for medical assistance under Article V of the Illinois  
29 Public Aid Code in accordance with rules promulgated by the  
30 Department.

31 The Department shall, in conjunction with the Department  
32 of Public Aid, seek appropriate amendments under Sections  
33 1915 and 1924 of the Social Security Act. The purpose of the  
34 amendments shall be to extend eligibility for home and

1 community based services under Sections 1915 and 1924 of the  
2 Social Security Act to persons who transfer to or for the  
3 benefit of a spouse those amounts of income and resources  
4 allowed under Section 1924 of the Social Security Act.  
5 Subject to the approval of such amendments, the Department  
6 shall extend the provisions of Section 5-4 of the Illinois  
7 Public Aid Code to persons who, but for the provision of home  
8 or community-based services, would require the level of care  
9 provided in an institution, as is provided for in federal  
10 law. Those persons no longer found to be eligible for  
11 receiving noninstitutional services due to changes in the  
12 eligibility criteria shall be given 60 days notice prior to  
13 actual termination. Those persons receiving notice of  
14 termination may contact the Department and request the  
15 determination be appealed at any time during the 60 day  
16 notice period. With the exception of the lengthened notice  
17 and time frame for the appeal request, the appeal process  
18 shall follow the normal procedure. In addition, each person  
19 affected regardless of the circumstances for discontinued  
20 eligibility shall be given notice and the opportunity to  
21 purchase the necessary services through the Community Care  
22 Program. If the individual does not elect to purchase  
23 services, the Department shall advise the individual of  
24 alternative services. The target population identified for  
25 the purposes of this Section are persons age 60 and older  
26 with an identified service need. Priority shall be given to  
27 those who are at imminent risk of institutionalization. The  
28 services shall be provided to eligible persons age 60 and  
29 older to the extent that the cost of the services together  
30 with the other personal maintenance expenses of the persons  
31 are reasonably related to the standards established for care  
32 in a group facility appropriate to the person's condition.  
33 These non-institutional services, pilot projects or  
34 experimental facilities may be provided as part of or in

1 addition to those authorized by federal law or those funded  
2 and administered by the Department of Human Services. The  
3 Departments of Human Services, Public Aid, Public Health,  
4 Veterans' Affairs, and Commerce and Community Affairs and  
5 other appropriate agencies of State, federal and local  
6 governments shall cooperate with the Department on Aging in  
7 the establishment and development of the non-institutional  
8 services. The Department shall require an annual audit from  
9 all chore/housekeeping and homemaker vendors contracting with  
10 the Department under this Section. The annual audit shall  
11 assure that each audited vendor's procedures are in  
12 compliance with Department's financial reporting guidelines  
13 requiring a 27% administrative cost split and a 73% employee  
14 wages and benefits cost split. The audit is a public record  
15 under the Freedom of Information Act. The Department shall  
16 execute, relative to the nursing home prescreening project,  
17 written inter-agency agreements with the Department of Human  
18 Services and the Department of Public Aid, to effect the  
19 following: (1) intake procedures and common eligibility  
20 criteria for those persons who are receiving  
21 non-institutional services; and (2) the establishment and  
22 development of non-institutional services in areas of the  
23 State where they are not currently available or are  
24 undeveloped. On and after July 1, 1996, all nursing home  
25 prescreenings for individuals 60 years of age or older shall  
26 be conducted by the Department.

27 The Department is authorized to establish a system of  
28 recipient copayment for services provided under this Section,  
29 such copayment to be based upon the recipient's ability to  
30 pay but in no case to exceed the actual cost of the services  
31 provided. Additionally, any portion of a person's income  
32 which is equal to or less than the federal poverty standard  
33 shall not be considered by the Department in determining the  
34 copayment. The level of such copayment shall be adjusted

1 whenever necessary to reflect any change in the officially  
2 designated federal poverty standard.

3 The Department, or the Department's authorized  
4 representative, shall recover the amount of moneys expended  
5 for services provided to or in behalf of a person under this  
6 Section by a claim against the person's estate or against the  
7 estate of the person's surviving spouse, but no recovery may  
8 be had until after the death of the surviving spouse, if any,  
9 and then only at such time when there is no surviving child  
10 who is under age 21, blind, or permanently and totally  
11 disabled. This paragraph, however, shall not bar recovery,  
12 at the death of the person, of moneys for services provided  
13 to the person or in behalf of the person under this Section  
14 to which the person was not entitled; provided that such  
15 recovery shall not be enforced against any real estate while  
16 it is occupied as a homestead by the surviving spouse or  
17 other dependent, if no claims by other creditors have been  
18 filed against the estate, or, if such claims have been filed,  
19 they remain dormant for failure of prosecution or failure of  
20 the claimant to compel administration of the estate for the  
21 purpose of payment. This paragraph shall not bar recovery  
22 from the estate of a spouse, under Sections 1915 and 1924 of  
23 the Social Security Act and Section 5-4 of the Illinois  
24 Public Aid Code, who precedes a person receiving services  
25 under this Section in death. All moneys for services paid to  
26 or in behalf of the person under this Section shall be  
27 claimed for recovery from the deceased spouse's estate.  
28 "Homestead", as used in this paragraph, means the dwelling  
29 house and contiguous real estate occupied by a surviving  
30 spouse or relative, as defined by the rules and regulations  
31 of the Illinois Department of Public Aid, regardless of the  
32 value of the property.

33 The Department shall develop procedures to enhance  
34 availability of services on evenings, weekends, and on an



1 emergency basis to meet the respite needs of caregivers.  
2 Procedures shall be developed to permit the utilization of  
3 services in successive blocks of 24 hours up to the monthly  
4 maximum established by the Department. Workers providing  
5 these services shall be appropriately trained.

6 Beginning on the effective date of this Amendatory Act of  
7 1991, no person may perform chore/housekeeping and homemaker  
8 services under a program authorized by this Section unless  
9 that person has been issued a certificate of pre-service to  
10 do so by his or her employing agency. Information gathered  
11 to effect such certification shall include (i) the person's  
12 name, (ii) the date the person was hired by his or her  
13 current employer, and (iii) the training, including dates and  
14 levels. Persons engaged in the program authorized by this  
15 Section before the effective date of this amendatory Act of  
16 1991 shall be issued a certificate of all pre- and in-service  
17 training from his or her employer upon submitting the  
18 necessary information. The employing agency shall be  
19 required to retain records of all staff pre- and in-service  
20 training, and shall provide such records to the Department  
21 upon request and upon termination of the employer's contract  
22 with the Department. In addition, the employing agency is  
23 responsible for the issuance of certifications of in-service  
24 training completed to their employees.

25 The Department is required to develop a system to ensure  
26 that persons working as homemakers and chore housekeepers  
27 receive increases in their wages when the federal minimum  
28 wage is increased by requiring vendors to certify that they  
29 are meeting the federal minimum wage statute for homemakers  
30 and chore housekeepers. An employer that cannot ensure that  
31 the minimum wage increase is being given to homemakers and  
32 chore housekeepers shall be denied any increase in  
33 reimbursement costs.

34 The Department on Aging and the Department of Human

1 Services shall cooperate in the development and submission of  
2 an annual report on programs and services provided under this  
3 Section. Such joint report shall be filed with the Governor  
4 and the General Assembly on or before September 30 each year.

5 The requirement for reporting to the General Assembly  
6 shall be satisfied by filing copies of the report with the  
7 Speaker, the Minority Leader and the Clerk of the House of  
8 Representatives and the President, the Minority Leader and  
9 the Secretary of the Senate and the Legislative Research  
10 Unit, as required by Section 3.1 of the General Assembly  
11 Organization Act and filing such additional copies with the  
12 State Government Report Distribution Center for the General  
13 Assembly as is required under paragraph (t) of Section 7 of  
14 the State Library Act.

15 Those persons previously found eligible for receiving  
16 non-institutional services whose services were discontinued  
17 under the Emergency Budget Act of Fiscal Year 1992, and who  
18 do not meet the eligibility standards in effect on or after  
19 July 1, 1992, shall remain ineligible on and after July 1,  
20 1992. Those persons previously not required to cost-share  
21 and who were required to cost-share effective March 1, 1992,  
22 shall continue to meet cost-share requirements on and after  
23 July 1, 1992. Beginning July 1, 1992, all clients will be  
24 required to meet eligibility, cost-share, and other  
25 requirements and will have services discontinued or altered  
26 when they fail to meet these requirements.

27 (Source: P.A. 91-303, eff. 1-1-00; 91-798, eff. 7-9-00.)

28 Section 20. The Mental Health and Developmental  
29 Disabilities Administrative Act is amended by adding Section  
30 18.4 as follows:

31 (20 ILCS 1705/18.4 new)

32 Sec. 18.4. Community Mental Health Medicaid Trust Fund;

1 reimbursement.

2 (a) The Community Mental Health Medicaid Trust Fund is  
3 hereby created in the State Treasury.

4 (b) Any funds paid to the State by the federal  
5 government under Title XIX or Title XXI of the Social  
6 Security Act for services delivered by community mental  
7 health services providers, and any interest earned thereon,  
8 shall be deposited directly into the Community Mental Health  
9 Medicaid Trust Fund.

10 (c) The Department shall reimburse community mental  
11 health services providers for Medicaid-reimbursed mental  
12 health services provided to eligible individuals. Moneys in  
13 the Community Mental Health Medicaid Trust Fund may be used  
14 for that purpose.

15 (d) As used in this Section:

16 "Medicaid-reimbursed mental health services" means  
17 services provided by a community mental health provider under  
18 an agreement with the Department that is eligible for  
19 reimbursement under the federal Title XIX program or Title  
20 XXI program.

21 "Provider" means a community agency that is funded by the  
22 Department to provide a Medicaid-reimbursed service.

23 "Services" means mental health services provided under  
24 one of the following programs:

- 25 (1) Medicaid Clinic Option;
- 26 (2) Medicaid Rehabilitation Option;
- 27 (3) Targeted Case Management.

28 Section 25. The Illinois Health Finance Reform Act is  
29 amended by changing Sections 2-1, 4-1, 4-2, and 4-4 as  
30 follows:

31 (20 ILCS 2215/2-1) (from Ch. 111 1/2, par. 6502-1)

32 Sec. 2-1. Council abolished. Authorized~~---~~There-is

1 hereby-erected The Illinois Health Care Cost Containment  
2 Council is abolished at the close of business on June 30,  
3 2002. Its successor agency, for purposes of the Successor  
4 Agency Act and Section 9b of the State Finance Act, is the  
5 Illinois Department of Public Health. It shall consist of--13  
6 members appointed by the Governor with the advice and consent  
7 of the Senate as follows:--5 members to represent providers as  
8 follows:--2--members to represent Illinois hospitals at least  
9 one of which must represent a small rural hospital, 2 members  
10 to represent physicians licensed to practice medicine in--all  
11 its--branches,--and 1 member to represent ambulatory surgical  
12 treatment--centers;--3--members--to--represent--consumers;--2  
13 members to represent insurance companies; and--3--members--to  
14 represent businesses.

15 The--members of the Council shall be appointed for 3-year  
16 terms.

17 No more than 7 members may be--from--the--same--political  
18 party.

19 Members--shall--be--appointed--within--30--days after the  
20 effective date of this Act.--The additional members appointed  
21 under the amendatory Act of the 91st General Assembly must be  
22 appointed within 30 days after the--effective--date--of--this  
23 amendatory--Act--of the 91st General Assembly.--The members of  
24 the Council--shall--receive--reimbursement--of--their--actual  
25 expenses--incurred--in--connection--with--their--service;--in  
26 addition,--each--member--shall receive compensation of \$150 a  
27 day for each day served at regular or special meetings of the  
28 Council,--except--that--such--compensation--shall--not--exceed  
29 \$20,000--in--any--one year for any member.--The Council shall  
30 elect a Chairman from among its members,--and--shall--have--the  
31 power--to--organize and appoint such other officers as it may  
32 deem necessary.

33 All appointments shall be made in writing and filed--with  
34 the Secretary of State as a public record.

1 (Source: P.A. 91-756, eff. 6-2-00.)

2 (20 ILCS 2215/4-1) (from Ch. 111 1/2, par. 6504-1)

3 Sec. 4-1. Illinois Health Finance Data Collection. The  
4 General Assembly finds that public sector and private sector  
5 purchasers of health care need health care cost and  
6 utilization data to enable them to make informed choices  
7 among health care providers in the market place. The General  
8 Assembly finds it necessary to create a mandated uniform  
9 system in Illinois for the collection, analysis, and  
10 distribution of health care cost and utilization data.

11 The purpose of this Article is to insure that data are  
12 available to make valid comparisons among health care  
13 providers of prices and utilization of services provided and  
14 to support ongoing analysis of the health care delivery  
15 system so-that-the-Council-can-fulfill-its-mandate.

16 (Source: P.A. 91-756, eff. 6-2-00.)

17 (20 ILCS 2215/4-2) (from Ch. 111 1/2, par. 6504-2)

18 Sec. 4-2. Powers and duties.

19 (a) (Blank). ~~The-Illinois-Health-Care-Cost-Containment~~  
20 ~~Council-may-enter-into-any-agreement--with--any--corporation,~~  
21 ~~association-or-other-entity-it-deems-appropriate-to-undertake~~  
22 ~~the-process-described-in-this-Article-for-the-compilation-and~~  
23 ~~analysis--of--data-collected-by-the-Council-and-to-conduct-or~~  
24 ~~contract-for-studies-on-health-related-questions-carried--out~~  
25 ~~in--pursuance-of-the-purposes-of-this-Article.--The-agreement~~  
26 ~~may-provide-for-the-corporation,--association--or--entity--to~~  
27 ~~prepare--and-distribute-or-make-available-data-to-health-care~~  
28 ~~providers,--health--care--subscribers,--third-party--payers,~~  
29 ~~government--and--the--general--public,--in-accordance-with-the~~  
30 ~~rules-of-confidentiality-and-review--to--be--developed--under~~  
31 ~~this-Act.~~

32 (b) (Blank). ~~The--input-data-collected-by-and-furnished~~

1 to-the-Council--or--designated--corporation,--association--or  
 2 entity--pursuant-to-this-Section-shall-not-be-a-public-record  
 3 under-the-Illinois-Freedom-of-Information--Act,---It--is--the  
 4 intent-of-this-Act-and-of-the-regulations-written-pursuant-to  
 5 it--to--protect--the--confidentiality--of--individual-patient  
 6 information-and-the--proprietary--information--of--commercial  
 7 insurance-carriers-and-health-care-providers.--Data-specified  
 8 in--subsections-(e)-and-(e-5)-shall-be-released-on-a-hospital  
 9 specific-and-licensed-ambulatory--surgical--treatment--center  
 10 specific--basis-to-facilitate-comparisons-among-hospitals-and  
 11 licensed-ambulatory-surgical-treatment-centers-by-purchasers.

12 (c) (Blank). The-Council-shall-require--the--Departments  
 13 of--Public-Health-and-Public-Aid-and-hospitals-located-in-the  
 14 State-to-assist-the-Council-in-gathering-and--submitting--the  
 15 following--hospital-specific--financial--information,-and-the  
 16 Council--is--authorized--to--share--this---data---with---both  
 17 Departments--to--reduce--the--burden-on-hospitals-by-avoiding  
 18 duplicate-data-collection:

19 OPERATING-REVENUES

- 20 (1)--Net-patient-service-revenue
- 21 (2)--Other-revenue
- 22 (3)--Total-operating-revenue

23 OPERATING-EXPENSES

- 24 (4)--Bad-debt-expense
- 25 (5)--Total-operating-expenses

26 NON-OPERATING-GAINS/LOSSES

- 27 (6)--Total-non-operating-gains
- 28 (7)--Total-non-operating-losses

29 PATIENT-CARE-REVENUES

- 30 (8)--Gross-inpatient-revenue
- 31 (9)--Gross-outpatient-revenue
- 32 (10)--Other-Patient-care-revenue

- 1           (11)--Total-patient-revenue
- 2           (12)--Total-gross-patient-care-revenue
- 3           (13)--Medicare-gross-revenue
- 4           (14)--Medicaid-gross-revenue
- 5           (15)--Total-other-gross-revenue

6       DEDUCTIONS-FROM-REVENUE

- 7           (16)--Charity-care
- 8           (17)--Medicare-allowance
- 9           (18)--Medicaid-allowance
- 10          (19)--Other-contractual-allowances
- 11          (20)--Other-allowances
- 12          (21)--Total-Deductions

13       ASSETS

- 14          (22)--Operating-cash-and-short-term-investments
- 15          (23)--Estimated-patient-accounts-receivable
- 16          (24)--Other-current-assets
- 17          (25)--Total-current-assets
- 18          (26)--Total-other-assets
- 19          (27)--Total-Assets

20       LIABILITIES-AND-FUND-BALANCES

- 21          (28)--Total-current-liabilities
- 22          (29)--Long-Term-Debt
- 23          (30)--Other-liabilities
- 24          (31)--Total-liabilities
- 25          (32)--Total-liabilities-and-fund-balances

26       All-financial-data-collected-by-the-Council-from-publicly  
 27       available-sources-such-as--the--HCFA--is--releasable--by--the  
 28       Council-on-a-hospital-specific-basis-when-appropriate.

29       (d) Uniform Provider Utilization and Charge Information.  
 30       The-Council-shall-require-that:

- 31           (1) The Department of Public Health shall require  
 32           that hospitals licensed to operate in the State of  
 33           Illinois adopt a uniform system for submitting patient

1 charges for payment from public and private payors  
 2 effective January 1, 1985. This system shall be based  
 3 upon adoption of the uniform hospital billing form  
 4 (UB-92) or its successor form developed by the National  
 5 Uniform Billing Committee.

6 (2) (Blank).

7 (3) The Department of Insurance shall require all  
 8 third-party payors, including but not limited to,  
 9 licensed insurers, medical and hospital service  
 10 corporations, health maintenance organizations, and  
 11 self-funded employee health plans, to accept the uniform  
 12 billing form, without attachment as submitted by  
 13 hospitals pursuant to paragraph (1) of subsection (d)  
 14 above, effective January 1, 1985; provided, however,  
 15 nothing shall prevent all such third party payors from  
 16 requesting additional information necessary to determine  
 17 eligibility for benefits or liability for reimbursement  
 18 for services provided.

19 (e) (Blank). ~~The Council, in cooperation with the State~~  
 20 ~~Departments of Public Aid, Insurance, and Public Health,~~  
 21 ~~shall establish a system for the collection of the following~~  
 22 ~~information from hospitals utilizing the raw data available~~  
 23 ~~on the uniform billing forms. Such data shall include the~~  
 24 ~~following elements and other elements contained on the~~  
 25 ~~uniform billing form or its successor form determined as~~  
 26 ~~necessary by the Council:~~

- 27 (1) Patient date of birth
- 28 (2) Patient sex
- 29 (3) Patient zip code
- 30 (4) Third party coverage
- 31 (5) Date of admission
- 32 (6) Source of admission
- 33 (7) Type of admission
- 34 (8) Discharge date



1           (9)--Principal-and-up-to-8-other-diagnoses  
2           (10)--Principal-procedure-and-date  
3           (11)--Patient-status  
4           (12)--Other-procedures-and-dates  
5           (13)--Total-charges-and-components-of-those-charges  
6           (14)--Attending-and-consulting--physician--identification  
7    numbers  
8           (15)--Hospital-identification-number  
9           (16)--An--alphanumeric-number-based-on-the-information-to  
10   identify-the-payer  
11          (17)--Principal-source-of-payment.  
12          (e-5)--The-Council,--in-cooperation-with-the-Department-of  
13   Public-Aid,--the-Department-of-Insurance,--and--the--Department  
14   of-Public-Health,--shall-establish-a-system-for-the-collection  
15   of--the--following--information--for--each-outpatient-surgery  
16   performed--at--hospitals--and--licensed--ambulatory--surgical  
17   treatment-centers-using-the-raw-data-available-on--outpatient  
18   billing--forms-submitted-by-hospitals-and-licensed-ambulatory  
19   surgical-treatment-centers-to-payers,--The-data-must--include  
20   the--following--elements,--if-available-on-the-billing-forms,  
21   and-other-elements-contained-on-the-billing--forms--that--the  
22   Council-determines-are-necessary:  
23           (1)--patient-date-of-birth;  
24           (2)--patient-sex;  
25           (3)--patient-zip-code;  
26           (4)--third-party-coverage;  
27           (5)--date-of-admission;  
28           (6)--source-of-admission;  
29           (7)--type-of-admission;  
30           (8)--discharge-date;  
31           (9)--principal---diagnosis---and---up---to---8---other  
32    diagnoses;  
33           (10)--principal--procedure--and--the--date--of---the  
34    procedure;

- 1           (11)--patient-status;
- 2           (12)--other---procedures--and--the--dates--of--those
- 3           procedures;
- 4           (13)--attending-----and-----consulting-----physician
- 5           identification-numbers;
- 6           (14)--hospital--or--licensed--ambulatory--surgical
- 7           treatment-center-identification-number;
- 8           (15)--an---alphanumeric---number---based---on---the
- 9           information-needed-to-identify-the-payer;-and
- 10          (16)--principal-source-of-payment.

11          (f)--Extracts-of-the-UB-92-transactions-shall-be-prepared

12          by-hospitals-according--to--regulations--promulgated--by--the

13          Council--and-submitted-in-electronic-format-to-the-Council-or

14          the-corporation,--association--or--entity--designated--by--the

15          Council.

16          For--hospitals--unable--to--submit-extracts-in-electronic

17          format,--the-Council-shall-determine-an-alternate--method--for

18          submission--of-data.--Such-extract-reporting-systems-shall-be

19          in-operation-before-January-1,--1987;-however,--the-Council-may

20          grant-time-extensions-to-individual-hospital.

21          (f-5)--Extracts-of-the-billing-forms-shall-be-prepared-by

22          licensed-ambulatory-surgical-treatment-centers--according--to

23          rules--adopted-by-the-Council-and-submitted-to-the-Council-or

24          a-corporation,--association,--or--entity--designated--by--the

25          Council.--Electronic--submissions--shall--be-encouraged.--For

26          licensed-ambulatory--surgical--treatment--centers--unable--to

27          submit--extracts--in--an--electronic--format-the-Council-must

28          determine-an-alternate-method-for-submission-of-data.

29          (g)--Under-no-circumstances-shall-patient-name-and-social

30          security-number-appear-on-the-extracts.

31          (h)--Hospitals-and-licensed-ambulatory-surgical-treatment

32          centers-shall-be-assigned-a-standard-identification-number-by

33          the-Council-to-be-used-in-the-submission-of-all-data.

34          (i)--The-Council-shall-collect-a--100%--inpatient--sample

1 from hospitals annually. The Council shall require each  
2 hospital in the State to submit the UB-92 data extracts  
3 required in subsection (e) to the Council, except that  
4 hospitals with fewer than 50 beds may be exempted by the  
5 Council from the filing requirements if they prove to the  
6 Council's satisfaction that the requirements would impose  
7 undue economic hardship and if the Council determines that  
8 the data submitted from these hospitals are not essential to  
9 its data base and its concomitant health care cost comparison  
10 efforts.

11 (i-5) The Council shall collect up to a 100% outpatient  
12 sample annually from hospitals and licensed ambulatory  
13 surgical treatment centers. The Council shall require each  
14 hospital and licensed ambulatory surgical treatment center in  
15 the State to submit the data extracts required under  
16 subsection (e-5) to the Council, except that hospitals and  
17 licensed ambulatory surgical treatment centers may be  
18 exempted by the Council from the filing requirements if the  
19 hospitals or licensed ambulatory surgical treatment centers  
20 prove to the Council's satisfaction that the requirements  
21 would impose undue economic hardship and if the Council  
22 determines that the data submitted from those hospitals and  
23 licensed ambulatory surgical treatment centers are not  
24 essential to the Council's database and its concomitant  
25 health care comparison efforts.

26 (i-10) The outpatient data shall be collected by the  
27 Council on a phase in and trial basis for a one-year period  
28 beginning on January 1, 2001. The Council shall implement  
29 outpatient data collection for reporting purposes beginning  
30 on January 1, 2002.

31 (j) The information submitted to the Council pursuant to  
32 subsections (e) and (e-5) shall be reported for each primary  
33 payer category, including Medicare, Medicaid, other  
34 government programs, private insurance, health maintenance

1 organizations, self-insured, private-pay patients, and  
2 others. Preferred-provider-organization-reimbursement shall  
3 also be reported for each primary-third-party-payer category.

4 (k) The Council shall require and the designated  
5 corporation, association or entity, if applicable, shall  
6 prepare quarterly basic reports in the aggregate on health  
7 care cost and utilization trends in Illinois. The Council  
8 shall provide these reports to the public, if requested.  
9 These shall include, but not be limited to, comparative  
10 information on average charges, total and ancillary charge  
11 components, length of stay on diagnosis-specific and  
12 procedure-specific cases, and number of discharges, compiled  
13 in aggregate by hospital and licensed ambulatory surgical  
14 treatment center, by diagnosis, and by primary payer  
15 category.

16 (l) The Council shall, from information submitted  
17 pursuant to subsection (e), prepare an annual report in the  
18 aggregate by hospital containing the following:

19 (1) the ratio of caesarean-section deliveries to  
20 total deliveries;

21 (2) the average length of stay for patients who  
22 undergo caesarean sections;

23 (3) the average total charges for patients who have  
24 normal deliveries without any significant complications;

25 (4) the average total charges for patients who  
26 deliver by caesarean section.

27 The Council shall provide this report to the public, if  
28 requested.

29 (1-5) (Blank).

30 (m) Prior to the release or dissemination of these  
31 reports, the Council or the designated corporation shall  
32 permit providers the opportunity to verify the accuracy of  
33 any information pertaining to the provider. The providers  
34 may submit to the Council any corrections or errors in the

1 compilation-of-the-data-with-any-supporting-evidence-and  
 2 documents---the---providers---may---submit,---The---Council---or  
 3 corporation-shall-correct-data-found-to-be-in-error-and  
 4 include-additional-commentary-as-requested-by-the-provider  
 5 for-major-deviations-in-the-charges-from-the-average-charges.  
 6 For-purposes-of-this-subsection-(m),-"providers"-includes  
 7 physicians-licensed-to-practice-medicine-in-all-of-its  
 8 branches.

9 (n)--In-addition-to-the-reports-indicated-above,--the  
 10 Council--shall--respond-to-requests-by-agencies-of-government  
 11 and-organizations-in-the-private-sector--for--data--products,  
 12 special--studies--and--analysis-of-data-collected-pursuant-to  
 13 this-Section.--Such-reports-shall-be-undertaken-only--by--the  
 14 agreement--of--a--majority--of-the-members-of-the-Council-who  
 15 shall-designate-the-form-in-which-the-information--shall--be  
 16 made--available.--The-Council-or-the-corporation,--association  
 17 or--entity--in--consultation--with--the--Council--shall--also  
 18 determine-a-fee-to-be-charged-to--the--requesting--agency--or  
 19 private--sector-organization-to-cover-the-direct-and-indirect  
 20 costs-for-producing-such-a-report,--and-shall-permit--affected  
 21 providers--the--rights--to--review-the-accuracy-of-the-report  
 22 before-it-is-released.--Such-reports--shall-not-be-subject-to  
 23 The-Freedom-of-Information-Act.

24 (Source: P.A. 91-756, eff. 6-2-00.)

25 (20 ILCS 2215/4-4) (from Ch. 111 1/2, par. 6504-4)

26 Sec. 4-4. (a) Hospitals shall make available to  
 27 prospective patients information on the normal charge  
 28 incurred for any procedure or operation the prospective  
 29 patient is considering.

30 (b) The Department of Public Health Council shall  
 31 require hospitals to post in letters no more than one inch in  
 32 height the established charges for services, where  
 33 applicable, including but not limited to the hospital's

1 private room charge, semi-private room charge, charge for a  
 2 room with 3 or more beds, intensive care room charges,  
 3 emergency room charge, operating room charge,  
 4 electrocardiogram charge, anesthesia charge, chest x-ray  
 5 charge, blood sugar charge, blood chemistry charge, tissue  
 6 exam charge, blood typing charge and Rh factor charge. The  
 7 definitions of each charge to be posted shall be determined  
 8 by the Department Council.

9 (Source: P.A. 90-655, eff. 7-30-98.)

- 10 (20 ILCS 2215/1-2 rep.)
- 11 (20 ILCS 2215/2-2 rep.)
- 12 (20 ILCS 2215/2-3 rep.)
- 13 (20 ILCS 2215/2-4 rep.)
- 14 (20 ILCS 2215/2-5 rep.)
- 15 (20 ILCS 2215/2-6 rep.)
- 16 (20 ILCS 2215/4-3 rep.)
- 17 (20 ILCS 2215/4-5 rep.)
- 18 (20 ILCS 2215/5-2 rep.)

19 Section 26. The Illinois Health Finance Reform Act is  
 20 amended by repealing Sections 1-2, 2-2, 2-3, 2-4, 2-5, 2-6,  
 21 4-3, 4-5, and 5-2.

22 Section 30. The Department of Public Health Powers and  
 23 Duties Law of the Civil Administrative Code of Illinois is  
 24 amended by adding Section 2310-57 as follows:

25 (20 ILCS 2310/2310-57 new)

26 Sec. 2310-57. Collecting information regarding hospital  
 27 discharges and surgery. The Department of Public Health  
 28 shall establish a system for the collection of data regarding  
 29 hospital discharges and inpatient and outpatient surgery  
 30 performed at hospitals and licensed ambulatory surgical  
 31 treatment centers.

1       The Department may establish a system to provide data to  
2       hospitals required for accreditation, including data required  
3       by the Joint Commission on Accreditation of Healthcare  
4       Organizations.

5       The Department may adopt any rules necessary to carry out  
6       this function, including reasonable fees for providing  
7       accreditation data. The Department may contract with a  
8       vendor to collect any data required to be submitted to the  
9       Department under this Section.

10       Section 35. The Illinois Emergency Management Agency Act  
11       is amended by changing Section 5 as follows:

12       (20 ILCS 3305/5) (from Ch. 127, par. 1055)

13       Sec. 5. Illinois Emergency Management Agency.

14       (a) There is created within the executive branch of the  
15       State Government an Illinois Emergency Management Agency and  
16       a Director of the Illinois Emergency Management Agency,  
17       herein called the "Director" who shall be the head thereof.  
18       The Director shall be appointed by the Governor, with the  
19       advice and consent of the Senate, and shall serve for a term  
20       of 2 years beginning on the third Monday in January of the  
21       odd-numbered year, and until a successor is appointed and has  
22       qualified; except that the term of the first Director  
23       appointed under this Act shall expire on the third Monday in  
24       January, 1989. The Director shall not hold any other  
25       remunerative public office. The Director shall receive an  
26       annual salary as set by the Governor from time to time or the  
27       amount set by the Compensation Review Board, whichever is  
28       higher. If set by the Governor, the Director's annual salary  
29       may not exceed 85% of the Governor's annual salary.

30       (b) The Illinois Emergency Management Agency shall  
31       obtain, under the provisions of the Personnel Code,  
32       technical, clerical, stenographic and other administrative

1 personnel, and may make expenditures within the appropriation  
2 therefor as may be necessary to carry out the purpose of this  
3 Act. The agency created by this Act is intended to be a  
4 successor to the agency created under the Illinois Emergency  
5 Services and Disaster Agency Act of 1975 and the personnel,  
6 equipment, records, and appropriations of that agency are  
7 transferred to the successor agency as of the effective date  
8 of this Act.

9 (c) The Director, subject to the direction and control  
10 of the Governor, shall be the executive head of the Illinois  
11 Emergency Management Agency and the State Emergency Response  
12 Commission and shall be responsible under the direction of  
13 the Governor, for carrying out the program for emergency  
14 management of this State. The Director shall also maintain  
15 liaison and cooperate with the emergency management  
16 organizations of this State and other states and of the  
17 federal government.

18 (d) The Illinois Emergency Management Agency shall take  
19 an integral part in the development and revision of political  
20 subdivision emergency operations plans prepared under  
21 paragraph (f) of Section 10. To this end it shall employ or  
22 otherwise secure the services of professional and technical  
23 personnel capable of providing expert assistance to the  
24 emergency services and disaster agencies. These personnel  
25 shall consult with emergency services and disaster agencies  
26 on a regular basis and shall make field examinations of the  
27 areas, circumstances, and conditions that particular  
28 political subdivision emergency operations plans are intended  
29 to apply.

30 (e) The Illinois Emergency Management Agency and  
31 political subdivisions shall be encouraged to form an  
32 emergency management advisory committee composed of private  
33 and public personnel representing the emergency management  
34 phases of mitigation, preparedness, response, and recovery.



1 The Local Emergency Planning Committee, as created under the  
2 Illinois Emergency Planning and Community Right to Know Act,  
3 shall serve as an advisory committee to the emergency  
4 services and disaster agency or agencies serving within the  
5 boundaries of that Local Emergency Planning Committee  
6 planning district for:

7 (1) the development of emergency operations plan  
8 provisions for hazardous chemical emergencies; and

9 (2) the assessment of emergency response  
10 capabilities related to hazardous chemical emergencies.

11 (f) The Illinois Emergency Management Agency shall:

12 (1) Coordinate the overall emergency management  
13 program of the State.

14 (2) Cooperate with local governments, the federal  
15 government and any public or private agency or entity in  
16 achieving any purpose of this Act and in implementing  
17 emergency management programs for mitigation,  
18 preparedness, response, and recovery.

19 (2.5) Cooperate with the Department of Nuclear  
20 Safety in development of the comprehensive emergency  
21 preparedness and response plan for any nuclear accident  
22 in accordance with Section 2005-65 of the Department of  
23 Nuclear Safety Law of the Civil Administrative Code of  
24 Illinois and in development of the Illinois Nuclear  
25 Safety Preparedness program in accordance with Section 8  
26 of the Illinois Nuclear Safety Preparedness Act.

27 (3) Prepare, for issuance by the Governor,  
28 executive orders, proclamations, and regulations as  
29 necessary or appropriate in coping with disasters.

30 (4) Promulgate rules and requirements for political  
31 subdivision emergency operations plans that are not  
32 inconsistent with and are at least as stringent as  
33 applicable federal laws and regulations.

34 (5) Review and approve, in accordance with Illinois

1 Emergency Management Agency rules, emergency operations  
2 plans for those political subdivisions required to have  
3 an emergency services and disaster agency pursuant to  
4 this Act.

5 (5.5) Promulgate rules and requirements for the  
6 political subdivision emergency management exercises,  
7 including, but not limited to, exercises of the emergency  
8 operations plans.

9 (5.10) Review, evaluate, and approve, in accordance  
10 with Illinois Emergency Management Agency rules,  
11 political subdivision emergency management exercises for  
12 those political subdivisions required to have an  
13 emergency services and disaster agency pursuant to this  
14 Act.

15 (6) Determine requirements of the State and its  
16 political subdivisions for food, clothing, and other  
17 necessities in event of a disaster.

18 (7) Establish a register of persons with types of  
19 emergency management training and skills in mitigation,  
20 preparedness, response, and recovery.

21 (8) Establish a register of government and private  
22 response resources available for use in a disaster.

23 (9) Expand the Earthquake Awareness Program and its  
24 efforts to distribute earthquake preparedness materials  
25 to schools, political subdivisions, community groups,  
26 civic organizations, and the media. Emphasis will be  
27 placed on those areas of the State most at risk from an  
28 earthquake. Maintain the list of all school districts,  
29 hospitals, airports, power plants, including nuclear  
30 power plants, lakes, dams, emergency response facilities  
31 of all types, and all other major public or private  
32 structures which are at the greatest risk of damage from  
33 earthquakes under circumstances where the damage would  
34 cause subsequent harm to the surrounding communities and

1 residents.

2 (10) Disseminate all information, completely and  
3 without delay, on water levels for rivers and streams and  
4 any other data pertaining to potential flooding supplied  
5 by the Division of Water Resources within the Department  
6 of Natural Resources to all political subdivisions to the  
7 maximum extent possible.

8 (11) Develop agreements, if feasible, with medical  
9 supply and equipment firms to supply resources as are  
10 necessary to respond to an earthquake or any other  
11 disaster as defined in this Act. These resources will be  
12 made available upon notifying the vendor of the disaster.  
13 Payment for the resources will be in accordance with  
14 Section 7 of this Act. The Illinois Department of Public  
15 Health shall determine which resources will be required  
16 and requested.

17 (12) Out of funds appropriated for these purposes,  
18 award capital and non-capital grants to Illinois  
19 hospitals or health care facilities located outside of a  
20 city with a population in excess of 1,000,000 to be used  
21 for purposes that include, but are not limited to,  
22 preparing to respond to mass casualties and disasters,  
23 maintaining and improving patient safety and quality of  
24 care, and protecting the confidentiality of patient  
25 information. No single grant for a capital expenditure  
26 shall exceed \$300,000. No single grant for a non-capital  
27 expenditure shall exceed \$100,000. In awarding such  
28 grants, preference shall be given to hospitals that serve  
29 a significant number of Medicaid recipients, but do not  
30 qualify for disproportionate share hospital adjustment  
31 payments under the Illinois Public Aid Code. To receive  
32 such a grant, a hospital or health care facility must  
33 provide funding of at least 50% of the cost of the  
34 project for which the grant is being requested. In

1        awarding such grants the Illinois Emergency Management  
2        Agency shall consider the recommendations of the Illinois  
3        Hospital Association.

4            (13) (12) Do all other things necessary, incidental  
5        or appropriate for the implementation of this Act.

6        (Source: P.A. 91-25, eff. 6-9-99; 92-73, eff. 1-1-02.)

7            Section 40. The State Finance Act is amended by changing  
8        Sections 5.198, 6z-12, and 6z-43, changing and renumbering  
9        Section 6z-51 (as added by Public Act 92-208), and adding  
10       Sections 5.570 and 5.571 as follows:

11            (30 ILCS 105/5.198) (from Ch. 127, par. 141.198)

12            (Section scheduled to be repealed on October 15, 2002.)

13            Sec. 5.198. The Illinois Health Care Cost Containment  
14        Council Special Studies Fund. This Section is repealed on  
15        October 15, 2002.

16        (Source: P.A. 84-1240; 84-1438.)

17            (30 ILCS 105/5.570 new)

18            Sec. 5.570. The Illinois Student Assistance Commission  
19        Contracts and Grants Fund.

20            (30 ILCS 105/5.571 new)

21            Sec. 5.571. The Career and Technical Education Fund.

22            (30 ILCS 105/6z-12) (from Ch. 127, par. 142z-12)

23            (Section scheduled to be repealed on October 15, 2002.)

24            Sec. 6z-12. Funds received by the Illinois Health Care  
25        Cost Containment Council for special studies pursuant to the  
26        Illinois Health Finance Reform Act shall be deposited in the  
27        Illinois Health Care Cost Containment Council Special Studies  
28        Fund. The General Assembly shall from time to time make  
29        appropriations from the Illinois Health Care Cost Containment

1 Council Special Studies Fund for the payment of the direct  
2 and indirect costs of special studies. The Illinois Health  
3 Care Cost Containment Council shall by rule, adopted pursuant  
4 to the Illinois Administrative Procedure Act, provide for the  
5 allocation of the direct and indirect costs of producing  
6 special studies pursuant to the Illinois Health Finance  
7 Reform Act.

8 In addition to any other permitted use of moneys in the  
9 Fund, moneys in the Illinois Health Care Cost Containment  
10 Council Special Studies Fund may be used by the Council,  
11 subject to appropriation, to provide services to the Illinois  
12 Health Care Reform Task Force created under Section 6-4 of  
13 the Medicaid Revenue Act and to support Council operations.

14 The Illinois Health Care Cost Containment Council Special  
15 Studies Fund is abolished on October 15, 2002. Any balance  
16 remaining in the Fund on that date shall be transferred to  
17 the Public Health Special State Projects Fund.

18 This Section is repealed on October 15, 2002.

19 (Source: P.A. 87-838; 87-1248.)

20 (30 ILCS 105/6z-43)

21 Sec. 6z-43. Tobacco Settlement Recovery Fund.

22 (a) There is created in the State Treasury a special  
23 fund to be known as the Tobacco Settlement Recovery Fund,  
24 into which shall be deposited all monies paid to the State  
25 pursuant to (1) the Master Settlement Agreement entered in  
26 the case of People of the State of Illinois v. Philip Morris,  
27 et al. (Circuit Court of Cook County, No. 96-L13146) and (2)  
28 any settlement with or judgment against any tobacco product  
29 manufacturer other than one participating in the Master  
30 Settlement Agreement in satisfaction of any released claim as  
31 defined in the Master Settlement Agreement, as well as any  
32 other monies as provided by law. All earnings on Fund  
33 investments shall be deposited into the Fund. Upon the

1 creation of the Fund, the State Comptroller shall order the  
2 State Treasurer to transfer into the Fund any monies paid to  
3 the State as described in item (1) or (2) of this Section  
4 before the creation of the Fund plus any interest earned on  
5 the investment of those monies. The Treasurer may invest the  
6 moneys in the Fund in the same manner, in the same types of  
7 investments, and subject to the same limitations provided in  
8 the Illinois Pension Code for the investment of pension funds  
9 other than those established under Article 3 or 4 of the  
10 Code.

11 (b) As soon as may be practical after June 30, 2001,  
12 upon notification from and at the direction of the Governor,  
13 the State Comptroller shall direct and the State Treasurer  
14 shall transfer the unencumbered balance in the Tobacco  
15 Settlement Recovery Fund as of June 30, 2001, as determined  
16 by the Governor, into the Budget Stabilization Fund. The  
17 Treasurer may invest the moneys in the Budget Stabilization  
18 Fund in the same manner, in the same types of investments,  
19 and subject to the same limitations provided in the Illinois  
20 Pension Code for the investment of pension funds other than  
21 those established under Article 3 or 4 of the Code.

22 (c) All federal financial participation moneys received  
23 pursuant to expenditures from the Fund shall be deposited  
24 into the Fund.

25 (Source: P.A. 91-646, eff. 11-19-99; 91-704, eff. 7-1-00;  
26 91-797, eff. 6-9-00; 92-11, eff. 6-11-01; 92-16, eff.  
27 6-28-01.)

28 (30 ILCS 105/6z-55)

29 Sec. 6z-55. ~~6z-51~~. Statewide Economic Development Fund.

30 (a) The Statewide Economic Development Fund is created as a  
31 special fund in the State treasury. Moneys in the Fund shall  
32 be used, subject to appropriation, for the purpose of  
33 statewide economic development activities or by the Illinois

1 Emergency Management Agency for awarding grants to Illinois  
2 hospitals and health care facilities to provide for the  
3 health and security of Illinois residents.

4 (Source: P.A. 92-208, eff. 8-2-01; revised 10-17-01.)

5 Section 45. The School Code is amended by changing  
6 Sections 14-7.03 and 18-3 as follows:

7 (105 ILCS 5/14-7.03) (from Ch. 122, par. 14-7.03)

8 Sec. 14-7.03. Special Education Classes for Children from  
9 Orphanages, Foster Family Homes, Children's Homes, or in  
10 State Housing Units. If a school district maintains special  
11 education classes on the site of orphanages and children's  
12 homes, or if children from the orphanages, children's homes,  
13 foster family homes, other State agencies, or State  
14 residential units for children attend classes for children  
15 with disabilities in which the school district is a  
16 participating member of a joint agreement, or if the children  
17 from the orphanages, children's homes, foster family homes,  
18 other State agencies, or State residential units attend  
19 classes for the children with disabilities maintained by the  
20 school district, then reimbursement shall be paid to eligible  
21 districts in accordance with the provisions of this Section  
22 by the Comptroller as directed by the State Superintendent of  
23 Education.

24 The amount of tuition for such children shall be  
25 determined by the actual cost of maintaining such classes,  
26 using the per capita cost formula set forth in Section  
27 14-7.01, such program and cost to be pre-approved by the  
28 State Superintendent of Education.

29 On forms prepared by the State Superintendent of  
30 Education, the district shall certify to the regional  
31 superintendent the following:

- 32 (1) The name of the home or State residential unit

1 with the name of the owner or proprietor and address of  
2 those maintaining it;

3 (2) That no service charges or other payments  
4 authorized by law were collected in lieu of taxes  
5 therefrom or on account thereof during either of the  
6 calendar years included in the school year for which  
7 claim is being made;

8 (3) The number of children qualifying under this  
9 Act in special education classes for instruction on the  
10 site of the orphanages and children's homes;

11 (4) The number of children attending special  
12 education classes for children with disabilities in which  
13 the district is a participating member of a special  
14 education joint agreement;

15 (5) The number of children attending special  
16 education classes for children with disabilities  
17 maintained by the district;

18 (6) The computed amount of tuition payment claimed  
19 as due, as approved by the State Superintendent of  
20 Education, for maintaining these classes.

21 If a school district makes a claim for reimbursement  
22 under Section 18-3 or 18-4 of this Act it shall not include  
23 in any claim filed under this Section a claim for such  
24 children. Payments authorized by law, including State or  
25 federal grants for education of children included in this  
26 Section, shall be deducted in determining the tuition amount.

27 Nothing in this Act shall be construed so as to prohibit  
28 reimbursement for the tuition of children placed in for  
29 profit facilities. Private facilities shall provide adequate  
30 space at the facility for special education classes provided  
31 by a school district or joint agreement for children with  
32 disabilities who are residents of the facility at no cost to  
33 the school district or joint agreement upon request of the  
34 school district or joint agreement. If such a private



1 facility provides space at no cost to the district or joint  
2 agreement for special education classes provided to children  
3 with disabilities who are residents of the facility, the  
4 district or joint agreement shall not include any costs for  
5 the use of those facilities in its claim for reimbursement.

6 Reimbursement for tuition may include the cost of  
7 providing summer school programs for children with severe and  
8 profound disabilities served under this Section. Claims for  
9 that reimbursement shall be filed by November 1 and shall be  
10 paid on or before December 15 from appropriations made for  
11 the purposes of this Section.

12 The State Board of Education shall establish such rules  
13 and regulations as may be necessary to implement the  
14 provisions of this Section.

15 Claims filed on behalf of programs operated under this  
16 Section housed in a jail or detention center shall be on an  
17 individual student basis only for eligible students with  
18 disabilities. These claims shall be in accordance with  
19 applicable rules.

20 Each district claiming reimbursement for a program  
21 operated as a group program shall have an approved budget on  
22 file with the State Board of Education prior to the  
23 initiation of the program's operation. On September 30,  
24 December 31, and March 31, the State Board of Education shall  
25 voucher payments to group programs based upon the approved  
26 budget during the year of operation. Final claims for group  
27 payments shall be filed on or before July 15. Final claims  
28 for group programs received at the State Board of Education  
29 on or before June 15 shall be vouchered by June 30. Final  
30 claims received at the State Board of Education between June  
31 16 and July 15 shall be vouchered by August 30. Claims for  
32 group programs received after July 15 shall not be honored.

33 Each district claiming reimbursement for individual  
34 students shall have the eligibility of those students

1 verified by the State Board of Education. On September 30,  
2 December 31, and March 31, the State Board of Education shall  
3 voucher payments for individual students based upon an  
4 estimated cost calculated from the prior year's claim. Final  
5 claims for individual students for the regular school term  
6 must be received at the State Board of Education by July 15.  
7 Claims for individual students received after July 15 shall  
8 not be honored. Final claims for individual students shall be  
9 vouchered by August 30.

10 Reimbursement shall be made based upon approved group  
11 programs or individual students. The State Superintendent of  
12 Education shall direct the Comptroller to pay a specified  
13 amount to the district by the 30th day of September,  
14 December, March, June, or August, respectively. However,  
15 notwithstanding any other provisions of this Section or the  
16 School Code, beginning with fiscal year 1994 and each fiscal  
17 year thereafter through fiscal year 2002, if the amount  
18 appropriated for any fiscal year is less than the amount  
19 required for purposes of this Section, the amount required to  
20 eliminate any insufficient reimbursement for each district  
21 claim under this Section shall be reimbursed on August 30 of  
22 the next fiscal year, and the payments required to eliminate  
23 any insufficiency for prior fiscal year claims shall be made  
24 before any claims are paid for the current fiscal year.  
25 Notwithstanding any other provision of this Section or this  
26 Code, beginning with fiscal year 2003, total reimbursement  
27 under this Section in any fiscal year is limited to the  
28 amount appropriated for that purpose for that fiscal year,  
29 and if the amount appropriated for any fiscal year is less  
30 than the amount required for purposes of this Section, the  
31 insufficiency shall be apportioned pro rata among the school  
32 districts seeking reimbursement.

33 The claim of a school district otherwise eligible to be  
34 reimbursed in accordance with Section 14-12.01 for the

1 1976-77 school year but for this amendatory Act of 1977 shall  
2 not be paid unless the district ceases to maintain such  
3 classes for one entire school year.

4 If a school district's current reimbursement payment for  
5 the 1977-78 school year only is less than the prior year's  
6 reimbursement payment owed, the district shall be paid the  
7 amount of the difference between the payments in addition to  
8 the current reimbursement payment, and the amount so paid  
9 shall be subtracted from the amount of prior year's  
10 reimbursement payment owed to the district.

11 Regional superintendents may operate special education  
12 classes for children from orphanages, foster family homes,  
13 children's homes or State housing units located within the  
14 educational services region upon consent of the school board  
15 otherwise so obligated. In electing to assume the powers and  
16 duties of a school district in providing and maintaining such  
17 a special education program, the regional superintendent may  
18 enter into joint agreements with other districts and may  
19 contract with public or private schools or the orphanage,  
20 foster family home, children's home or State housing unit for  
21 provision of the special education program. The regional  
22 superintendent exercising the powers granted under this  
23 Section shall claim the reimbursement authorized by this  
24 Section directly from the State Board of Education.

25 Any child who is not a resident of Illinois who is placed  
26 in a child welfare institution, private facility, foster  
27 family home, State operated program, orphanage or children's  
28 home shall have the payment for his educational tuition and  
29 any related services assured by the placing agent.

30 Commencing July 1, 1992, for each disabled student who is  
31 placed residentially by a State agency or the courts for care  
32 or custody or both care and custody, welfare, medical or  
33 mental health treatment or both medical and mental health  
34 treatment, rehabilitation, and protection, whether placed

1 there on, before, or after July 1, 1992, the costs for  
2 educating the student are eligible for reimbursement under  
3 this Section providing the placing agency or court has  
4 notified the appropriate school district authorities of the  
5 status of student residency where applicable prior to or upon  
6 placement.

7 The district of residence of the parent, guardian, or  
8 disabled student as defined in Sections 14-1.11 and 14-1.11a  
9 is responsible for the actual costs of the student's special  
10 education program and is eligible for reimbursement under  
11 this Section when placement is made by a State agency or the  
12 courts. Payments shall be made by the resident district to  
13 the district wherein the facility is located no less than  
14 once per quarter unless otherwise agreed to in writing by the  
15 parties.

16 When a dispute arises over the determination of the  
17 district of residence, the district or districts may appeal  
18 the decision in writing to the State Superintendent of  
19 Education. The decision of the State Superintendent of  
20 Education shall be final.

21 In the event a district does not make a tuition payment  
22 to another district that is providing the special education  
23 program and services, the State Board of Education shall  
24 immediately withhold 125% of the then remaining annual  
25 tuition cost from the State aid or categorical aid payment  
26 due to the school district that is determined to be the  
27 resident school district. All funds withheld by the State  
28 Board of Education shall immediately be forwarded to the  
29 school district where the student is being served.

30 When a child eligible for services under this Section  
31 14-7.03 must be placed in a nonpublic facility, that facility  
32 shall meet the programmatic requirements of Section 14-7.02  
33 and its regulations, and the educational services shall be  
34 funded only in accordance with this Section 14-7.03.

1 (Source: P.A. 89-235, eff. 8-4-95; 89-397, eff. 8-20-95;  
2 89-698, eff. 1-14-97; 90-463, eff. 8-17-97; 90-644, eff.  
3 7-24-98.)

4 (105 ILCS 5/18-3) (from Ch. 122, par. 18-3)

5 Sec. 18-3. Tuition of children from orphanages and  
6 children's homes.

7 When the children from any home for orphans, dependent,  
8 abandoned or maladjusted children maintained by any  
9 organization or association admitting to such home children  
10 from the State in general or when children residing in a  
11 school district wherein the State of Illinois maintains and  
12 operates any welfare or penal institution on property owned  
13 by the State of Illinois, which contains houses, housing  
14 units or housing accommodations within a school district,  
15 attend grades kindergarten through 12 of the public schools  
16 maintained by that school district, the State Superintendent  
17 of Education shall direct the State Comptroller to pay a  
18 specified amount sufficient to pay the annual tuition cost of  
19 such children who attended such public schools during the  
20 regular school year ending on June 30 or the summer term for  
21 that school year, and the Comptroller shall pay the amount  
22 after receipt of a voucher submitted by the State  
23 Superintendent of Education.

24 The amount of the tuition for such children attending the  
25 public schools of the district shall be determined by the  
26 State Superintendent of Education by multiplying the number  
27 of such children in average daily attendance in such schools  
28 by 1.2 times the total annual per capita cost of  
29 administering the schools of the district. Such total annual  
30 per capita cost shall be determined by totaling all expenses  
31 of the school district in the educational, operations and  
32 maintenance, bond and interest, transportation, Illinois  
33 municipal retirement, and rent funds for the school year

1 preceding the filing of such tuition claims less expenditures  
 2 not applicable to the regular K-12 program, less offsetting  
 3 revenues from State sources except those from the common  
 4 school fund, less offsetting revenues from federal sources  
 5 except those from federal impaction aid, less student and  
 6 community service revenues, plus a depreciation allowance;  
 7 and dividing such total by the average daily attendance for  
 8 the year.

9 Annually on or before June 30 the superintendent of the  
 10 district upon forms prepared by the State Superintendent of  
 11 Education shall certify to the regional superintendent the  
 12 following:

13 1. The name of the home and of the organization or  
 14 association maintaining it; or the legal description of  
 15 the real estate upon which the house, housing units, or  
 16 housing accommodations are located and that no taxes or  
 17 service charges or other payments authorized by law to be  
 18 made in lieu of taxes were collected therefrom or on  
 19 account thereof during either of the calendar years  
 20 included in the school year for which claim is being  
 21 made;

22 2. The number of children from the home or living  
 23 in such houses, housing units or housing accommodations  
 24 and attending the schools of the district;

25 3. The total number of children attending the  
 26 schools of the district;

27 4. The per capita tuition charge of the district;  
 28 and

29 5. The computed amount of the tuition payment  
 30 claimed as due.

31 Whenever the persons in charge of such home for orphans,  
 32 dependent, abandoned or maladjusted children have received  
 33 from the parent or guardian of any such child or by virtue of  
 34 an order of court a specific allowance for educating such

1 child, such persons shall pay to the school board in the  
2 district where the child attends school such amount of the  
3 allowance as is necessary to pay the tuition required by such  
4 district for the education of the child. If the allowance is  
5 insufficient to pay the tuition in full the State  
6 Superintendent of Education shall direct the Comptroller to  
7 pay to the district the difference between the total tuition  
8 charged and the amount of the allowance.

9 Whenever the facilities of a school district in which  
10 such house, housing units or housing accommodations are  
11 located, are limited, pupils may be assigned by that district  
12 to the schools of any adjacent district to the limit of the  
13 facilities of the adjacent district to properly educate such  
14 pupils as shall be determined by the school board of the  
15 adjacent district, and the State Superintendent of Education  
16 shall direct the Comptroller to pay a specified amount  
17 sufficient to pay the annual tuition of the children so  
18 assigned to and attending public schools in the adjacent  
19 districts and the Comptroller shall draw his warrant upon the  
20 State Treasurer for the payment of such amount for the  
21 benefit of the adjacent school districts in the same manner  
22 as for districts in which the houses, housing units or  
23 housing accommodations are located.

24 The school district shall certify to the State  
25 Superintendent of Education the report of claims due for such  
26 tuition payments on or before July 31. Failure on the part of  
27 the school board to certify its claim on July 31 shall  
28 constitute a forfeiture by the district of its right to the  
29 payment of any such tuition claim for the school year. The  
30 State Superintendent of Education shall direct the  
31 Comptroller to pay to the district, on or before August 15,  
32 the amount due the district for the school year in accordance  
33 with the calculation of the claim as set forth in this  
34 Section.

1           Claims for tuition for children from any home for orphans  
2   or dependent, abandoned, or maladjusted children beginning  
3   with the 1993-1994 school year shall be paid on a current  
4   year basis. On September 30, December 31, and March 31, the  
5   State Board of Education shall voucher payments for districts  
6   with those students based on an estimated cost calculated  
7   from the prior year's claim. Final claims for those students  
8   for the regular school term and summer term must be received  
9   at the State Board of Education by July 31 following the end  
10   of the regular school year. Final claims for those students  
11   shall be vouchered by August 15. During fiscal year 1994  
12   both the 1992-1993 school year and the 1993-1994 school year  
13   shall be paid in order to change the cycle of payment from a  
14   reimbursement basis to a current year funding basis of  
15   payment. However, notwithstanding any other provisions of  
16   this Section or the School Code, beginning with fiscal year  
17   1994 and each fiscal year thereafter through fiscal year  
18   2002, if the amount appropriated for any fiscal year is less  
19   than the amount required for purposes of this Section, the  
20   amount required to eliminate any insufficient reimbursement  
21   for each district claim under this Section shall be  
22   reimbursed on August 30 of the next fiscal year, and the  
23   payments required to eliminate any insufficiency for prior  
24   fiscal year claims shall be made before any claims are paid  
25   for the current fiscal year. Notwithstanding any other  
26   provision of this Section or this Code, beginning with fiscal  
27   year 2003, total reimbursement under this Section in any  
28   fiscal year is limited to the amount appropriated for that  
29   purpose for that fiscal year, and if the amount appropriated  
30   for any fiscal year is less than the amount required for  
31   purposes of this Section, the insufficiency shall be  
32   apportioned pro rata among the school districts seeking  
33   reimbursement.

34           If a school district makes a claim for reimbursement



1 under Section 18-4 or 14-7.03 it shall not include in any  
2 claim filed under this Section children residing on the  
3 property of State institutions included in its claim under  
4 Section 18-4 or 14-7.03.

5 Any child who is not a resident of Illinois who is placed  
6 in a child welfare institution, private facility, State  
7 operated program, orphanage or children's home shall have the  
8 payment for his educational tuition and any related services  
9 assured by the placing agent.

10 In order to provide services appropriate to allow a  
11 student under the legal guardianship or custodianship of the  
12 State to participate in local school district educational  
13 programs, costs may be incurred in appropriate cases by the  
14 district that are in excess of 1.2 times the district per  
15 capita tuition charge allowed under the provisions of this  
16 Section. In the event such excess costs are incurred, they  
17 must be documented in accordance with cost rules established  
18 under the authority of this Section and may then be claimed  
19 for reimbursement under this Section.

20 Planned services for students eligible for this funding  
21 must be a collaborative effort between the appropriate State  
22 agency or the student's group home or institution and the  
23 local school district.

24 (Source: P.A. 91-764, eff. 6-9-00; 92-94, eff. 1-1-02.)

25 Section 50. The State Aid Continuing Appropriation Law  
26 is amended by changing Sections 15-10, 15-15, and 15-25 as  
27 follows:

28 (105 ILCS 235/15-10)

29 (Section scheduled to be repealed on June 30, 2002)

30 Sec. 15-10. Annual budget; recommendation. The Governor  
31 shall include a Common School Fund recommendation to the  
32 State Board of Education in the fiscal year 1999 through 2003

1 2002 annual Budgets sufficient to fund (i) the General State  
 2 Aid Formula set forth in subsection (E) (Computation of  
 3 General State Aid) and subsection (H) (Supplemental General  
 4 State Aid) of Section 18-8.05 of the School Code and (ii) the  
 5 supplementary payments for school districts set forth in  
 6 subsection (J) (Supplementary Grants in Aid) of Section  
 7 18-8.05 of the School Code.  
 8 (Source: P.A. 92-7, eff. 6-29-01.)

9 (105 ILCS 235/15-15)

10 (Section scheduled to be repealed on June 30, 2002)

11 Sec. 15-15. State Aid Formula; Funding. The General  
 12 Assembly shall annually make Common School Fund  
 13 appropriations to the State Board of Education in fiscal  
 14 years 1999 through 2003 2002 sufficient to fund (i) the  
 15 General State Aid Formula set forth in subsection (E)  
 16 (Computation of General State Aid) and subsection (H)  
 17 (Supplemental General State Aid) of Section 18-8.05 of the  
 18 School Code and (ii) the supplementary payments for school  
 19 districts set forth in subsection (J) (Supplementary Grants  
 20 in Aid) of Section 18-8.05 of the School Code.  
 21 (Source: P.A. 92-7, eff. 6-29-01.)

22 (105 ILCS 235/15-25)

23 (Section scheduled to be repealed on June 30, 2002)

24 Sec. 15-25. Repeal. This Article is repealed June 30,  
 25 2003. Section 15-20 of this Article is repealed June 30,  
 26 2002.  
 27 (Source: P.A. 92-7, eff. 6-29-01.)

28 Section 55. The Public Community College Act is amended  
 29 by adding Section 2-16.07 as follows:

30 (110 ILCS 805/2-16.07 new)

1       Sec. 2-16.07. Career and Technical Education Fund. The  
2       Career and Technical Education Fund is created as a special  
3       fund in the State treasury. The Comptroller shall order  
4       transferred and the State Treasurer shall transfer from the  
5       Federal Department of Education Fund into the Career and  
6       Technical Education Fund such amounts as may be directed in  
7       writing by the State Board of Education. All moneys so  
8       deposited into the Career and Technical Education Fund may be  
9       used, subject to appropriation, by the State Board for  
10       operational expenses associated with the administration of  
11       Career and Technical Education, for payment of Career and  
12       Technical Education grants to colleges, and for payment of  
13       costs relating to State leadership activities, as provided by  
14       the United States Department of Education.

15       Section 60. The Higher Education Student Assistance  
16       Act is amended by adding Sections 65.56 and 77 as  
17       follows:

18       (110 ILCS 947/65.56 new)

19       Sec. 65.56. Illinois Teachers and Child Care Providers  
20       Loan Repayment Program.

21       (a) In order to encourage academically talented Illinois  
22       students to enter and continue teaching in Illinois schools  
23       in low-income areas and to encourage students to enter the  
24       early child care profession and serve low-income areas, the  
25       Commission shall, each year, receive and consider  
26       applications for loan repayment assistance under this  
27       Section. This program shall be known as the Illinois Teachers  
28       and Child Care Providers Loan Repayment Program. The  
29       Commission shall administer the program and shall make all  
30       necessary and proper rules not inconsistent with this Section  
31       for the program's effective implementation. The Commission  
32       may use up to 5% of the appropriation for this program for

1 administration and promotion of teacher incentive programs.

2 (b) Beginning January 1, 2003, subject to a separate  
3 appropriation made for such purposes, the Commission shall  
4 award a grant to each qualified applicant in an amount equal  
5 to the amount of educational loans forgiven on behalf of the  
6 qualified applicant pursuant to Sections 424 and 425 of Title  
7 IV of the Higher Education Amendments of 1998 (20 U.S.C.  
8 1078-10 and 1078-11), up to a maximum of \$5,000. The  
9 Commission shall encourage the recipient of a grant under  
10 this Section to use the grant amount awarded to pay off his  
11 or her educational loans.

12 (c) A person is a qualified applicant under this Section  
13 if he or she meets all of the following qualifications:

14 (1) The person is a United States citizen or  
15 eligible noncitizen.

16 (2) The person is a resident of this State.

17 (3) The person is a borrower who has had an amount  
18 of his or her educational loans forgiven pursuant to  
19 Sections 424 and 425 of Title IV of the Higher Education  
20 Amendments of 1998.

21 (4) The person has fulfilled the obligations set  
22 forth by Sections 424 and 425 of Title IV of the Higher  
23 Education Amendments of 1998 in this State.

24 (d) All applications for grant assistance under this  
25 Section shall be made to the Commission. The form of  
26 application and the information required to be set forth in  
27 the application shall be determined by the Commission, and  
28 the Commission shall require applicants to submit with their  
29 applications such supporting documents as the Commission  
30 deems necessary.

31 (e) A qualified applicant must apply for a grant under  
32 this Section within 6 months after receiving notification of  
33 loan forgiveness pursuant to Sections 424 and 425 of Title IV  
34 of the Higher Education Amendments of 1998.

1 (110 ILCS 947/77 new)

2 Sec. 77. Illinois Student Assistance Commission  
3 Contracts and Grants Fund.

4 (a) The Illinois Student Assistance Commission Contracts  
5 and Grants Fund is created as a special fund in the State  
6 treasury. All gifts, grants, or donations of money received  
7 by the Commission must be deposited into this Fund.

8 (b) Moneys in the Fund may be used by the Commission,  
9 subject to appropriation, for support of the Commission's  
10 student assistance outreach activities.

11 (110 ILCS 947/65.57 rep.)

12 Section 65. The Higher Education Student Assistance Act  
13 is amended by repealing Section 65.57.

14 Section 70. The Comprehensive Health Insurance Plan Act  
15 is amended by changing Section 3 as follows:

16 (215 ILCS 105/3) (from Ch. 73, par. 1303)

17 Sec. 3. Operation of the Plan.

18 a. There is hereby created an Illinois Comprehensive  
19 Health Insurance Plan.

20 b. The Plan shall operate subject to the supervision and  
21 control of the board. The board is created as a political  
22 subdivision and body politic and corporate and, as such, is  
23 not a State agency. The board shall consist of 10 public  
24 members, appointed by the Governor with the advice and  
25 consent of the Senate.

26 Initial members shall be appointed to the Board by the  
27 Governor as follows: 2 members to serve until July 1, 1988,  
28 and until their successors are appointed and qualified; 2  
29 members to serve until July 1, 1989, and until their  
30 successors are appointed and qualified; 3 members to serve  
31 until July 1, 1990, and until their successors are appointed

1 and qualified; and 3 members to serve until July 1, 1991, and  
2 until their successors are appointed and qualified. As terms  
3 of initial members expire, their successors shall be  
4 appointed for terms to expire the first day in July 3 years  
5 thereafter, and until their successors are appointed and  
6 qualified.

7 Any vacancy in the Board occurring for any reason other  
8 than the expiration of a term shall be filled for the  
9 unexpired term in the same manner as the original  
10 appointment.

11 Any member of the Board may be removed by the Governor  
12 for neglect of duty, misfeasance, malfeasance, or nonfeasance  
13 in office.

14 In addition, a representative of the Bureau of the Budget  
15 Illinois---Health---Care---Cost---Containment---Council, a  
16 representative of the Office of the Attorney General and the  
17 Director or the Director's designated representative shall be  
18 members of the board. Four members of the General Assembly,  
19 one each appointed by the President and Minority Leader of  
20 the Senate and by the Speaker and Minority Leader of the  
21 House of Representatives, shall serve as nonvoting members of  
22 the board. At least 2 of the public members shall be  
23 individuals reasonably expected to qualify for coverage under  
24 the Plan, the parent or spouse of such an individual, or a  
25 surviving family member of an individual who could have  
26 qualified for the plan during his lifetime. The Director or  
27 Director's representative shall be the chairperson of the  
28 board. Members of the board shall receive no compensation,  
29 but shall be reimbursed for reasonable expenses incurred in  
30 the necessary performance of their duties.

31 c. The board shall make an annual report in September  
32 and shall file the report with the Secretary of the Senate  
33 and the Clerk of the House of Representatives. The report  
34 shall summarize the activities of the Plan in the preceding

1 calendar year, including net written and earned premiums, the  
2 expense of administration, the paid and incurred losses for  
3 the year and other information as may be requested by the  
4 General Assembly. The report shall also include analysis and  
5 recommendations regarding utilization review, quality  
6 assurance and access to cost effective quality health care.

7 d. In its plan of operation the board shall:

8 (1) Establish procedures for selecting a plan  
9 administrator in accordance with Section 5 of this Act.

10 (2) Establish procedures for the operation of the  
11 board.

12 (3) Create a Plan fund, under management of the  
13 board, to fund administrative, claim, and other expenses  
14 of the Plan.

15 (4) Establish procedures for the handling and  
16 accounting of assets and monies of the Plan.

17 (5) Develop and implement a program to publicize  
18 the existence of the Plan, the eligibility requirements  
19 and procedures for enrollment and to maintain public  
20 awareness of the Plan.

21 (6) Establish procedures under which applicants and  
22 participants may have grievances reviewed by a grievance  
23 committee appointed by the board. The grievances shall  
24 be reported to the board immediately after completion of  
25 the review. The Department and the board shall retain  
26 all written complaints regarding the Plan for at least 3  
27 years. Oral complaints shall be reduced to written form  
28 and maintained for at least 3 years.

29 (7) Provide for other matters as may be necessary  
30 and proper for the execution of its powers, duties and  
31 obligations under the Plan.

32 e. No later than 5 years after the Plan is operative the  
33 board and the Department shall conduct cooperatively a study  
34 of the Plan and the persons insured by the Plan to determine:

1 (1) claims experience including a breakdown of medical  
2 conditions for which claims were paid; (2) whether  
3 availability of the Plan affected employment opportunities  
4 for participants; (3) whether availability of the Plan  
5 affected the receipt of medical assistance benefits by Plan  
6 participants; (4) whether a change occurred in the number of  
7 personal bankruptcies due to medical or other health related  
8 costs; (5) data regarding all complaints received about the  
9 Plan including its operation and services; (6) and any other  
10 significant observations regarding utilization of the Plan.  
11 The study shall culminate in a written report to be presented  
12 to the Governor, the President of the Senate, the Speaker of  
13 the House and the chairpersons of the House and Senate  
14 Insurance Committees. The report shall be filed with the  
15 Secretary of the Senate and the Clerk of the House of  
16 Representatives. The report shall also be available to  
17 members of the general public upon request.

18 f. The board may:

19 (1) Prepare and distribute certificate of  
20 eligibility forms and enrollment instruction forms to  
21 insurance producers and to the general public in this  
22 State.

23 (2) Provide for reinsurance of risks incurred by  
24 the Plan and enter into reinsurance agreements with  
25 insurers to establish a reinsurance plan for risks of  
26 coverage described in the Plan, or obtain commercial  
27 reinsurance to reduce the risk of loss through the Plan.

28 (3) Issue additional types of health insurance  
29 policies to provide optional coverages as are otherwise  
30 permitted by this Act including a Medicare supplement  
31 policy designed to supplement Medicare.

32 (4) Provide for and employ cost containment  
33 measures and requirements including, but not limited to,  
34 preadmission certification, second surgical opinion,



1 concurrent utilization review programs, and individual  
2 case management for the purpose of making the pool more  
3 cost effective.

4 (5) Design, utilize, contract, or otherwise arrange  
5 for the delivery of cost effective health care services,  
6 including establishing or contracting with preferred  
7 provider organizations, health maintenance organizations,  
8 and other limited network provider arrangements.

9 (6) Adopt bylaws, rules, regulations, policies and  
10 procedures as may be necessary or convenient for the  
11 implementation of the Act and the operation of the Plan.

12 (7) Administer separate pools, separate accounts,  
13 or other plans or arrangements as required by this Act to  
14 separate federally eligible individuals or groups of  
15 federally eligible individuals who qualify for plan  
16 coverage under Section 15 of this Act from eligible  
17 persons or groups of eligible persons who qualify for  
18 plan coverage under Section 7 of this Act and apportion  
19 the costs of the administration among such separate  
20 pools, separate accounts, or other plans or arrangements.

21 g. The Director may, by rule, establish additional  
22 powers and duties of the board and may adopt rules for any  
23 other purposes, including the operation of the Plan, as are  
24 necessary or proper to implement this Act.

25 h. The board is not liable for any obligation of the  
26 Plan. There is no liability on the part of any member or  
27 employee of the board or the Department, and no cause of  
28 action of any nature may arise against them, for any action  
29 taken or omission made by them in the performance of their  
30 powers and duties under this Act, unless the action or  
31 omission constitutes willful or wanton misconduct. The board  
32 may provide in its bylaws or rules for indemnification of,  
33 and legal representation for, its members and employees.

34 i. There is no liability on the part of any insurance

1 producer for the failure of any applicant to be accepted by  
2 the Plan unless the failure of the applicant to be accepted  
3 by the Plan is due to an act or omission by the insurance  
4 producer which constitutes willful or wanton misconduct.

5 (Source: P.A. 90-30, eff. 7-1-97.)

6 Section 75. The Children's Health Insurance Program Act  
7 is amended by changing Sections 20, 40, and 97 as follows:

8 (215 ILCS 106/20)

9 (Section scheduled to be repealed on July 1, 2002)

10 Sec. 20. Eligibility.

11 (a) To be eligible for this Program, a person must be a  
12 person who has a child eligible under this Act and who is  
13 eligible under a waiver of federal requirements pursuant to  
14 an application made pursuant to subdivision (a)(1) of Section  
15 40 of this Act or who is a child who:

16 (1) is a child who is not eligible for medical  
17 assistance;

18 (2) is a child whose annual household income, as  
19 determined by the Department, is above 133% of the  
20 federal poverty level and at or below 185% of the federal  
21 poverty level;

22 (3) is a resident of the State of Illinois; and

23 (4) is a child who is either a United States  
24 citizen or included in one of the following categories of  
25 non-citizens:

26 (A) unmarried dependent children of either a  
27 United States Veteran honorably discharged or a  
28 person on active military duty;

29 (B) refugees under Section 207 of the  
30 Immigration and Nationality Act;

31 (C) asylees under Section 208 of the  
32 Immigration and Nationality Act;

1 (D) persons for whom deportation has been  
2 withheld under Section 243(h) of the Immigration  
3 and Nationality Act;

4 (E) persons granted conditional entry under  
5 Section 203(a)(7) of the Immigration and Nationality  
6 Act as in effect prior to April 1, 1980;

7 (F) persons lawfully admitted for permanent  
8 residence under the Immigration and Nationality Act;  
9 and

10 (G) parolees, for at least one year, under  
11 Section 212(d)(5) of the Immigration and Nationality  
12 Act.

13 Those children who are in the categories set forth in  
14 subdivisions (4)(F) and (4)(G) of this subsection, who enter  
15 the United States on or after August 22, 1996, shall not be  
16 eligible for 5 years beginning on the date the child entered  
17 the United States.

18 (b) A child who is determined to be eligible for  
19 assistance ~~may shall~~ remain eligible for 12 months, provided  
20 the child maintains his or her residence in the State, has  
21 not yet attained 19 years of age, and is not excluded  
22 pursuant to subsection (c). A child who has been determined  
23 to be eligible for assistance must reapply or otherwise  
24 establish eligibility Eligibility-shall-be--re-determined--by  
25 the-Department at least annually. An eligible child shall be  
26 required, as determined by the Department by rule, to report  
27 promptly those changes in income and other circumstances that  
28 affect eligibility. The eligibility of a child may be  
29 redetermined based on the information reported or may be  
30 terminated based on the failure to report or failure to  
31 report accurately. A child's responsible relative or  
32 caretaker may also be held liable to the Department for any  
33 payments made by the Department on such child's behalf that  
34 were inappropriate. An applicant shall be provided with

1 notice of these obligations.

2 (c) A child shall not be eligible for coverage under  
3 this Program if:

4 (1) the premium required pursuant to Section 30 of  
5 this Act has not been paid. If the required premiums are  
6 not paid the liability of the Program shall be limited to  
7 benefits incurred under the Program for the time period  
8 for which premiums had been paid. If the required  
9 monthly premium is not paid, the child shall be  
10 ineligible for re-enrollment for a minimum period of 3  
11 months. Re-enrollment shall be completed prior to the  
12 next covered medical visit and the first month's required  
13 premium shall be paid in advance of the next covered  
14 medical visit. The Department shall promulgate rules  
15 regarding grace periods, notice requirements, and hearing  
16 procedures pursuant to this subsection;

17 (2) the child is an inmate of a public institution  
18 or a patient in an institution for mental diseases; or

19 (3) the child is a member of a family that is  
20 eligible for health benefits covered under the State of  
21 Illinois health benefits plan on the basis of a member's  
22 employment with a public agency.

23 (Source: P.A. 90-736, eff. 8-12-98.)

24 (215 ILCS 106/40)

25 (Section scheduled to be repealed on July 1, 2002)

26 Sec. 40. Waivers.

27 (a) The Department shall request any necessary waivers  
28 of federal requirements in order to allow receipt of federal  
29 funding for:

30 (1) the coverage of families with eligible children  
31 under this Act; and

32 (2) for the coverage of children who would  
33 otherwise be eligible under this Act, but who have health

1 insurance.

2 (b) The failure of the responsible federal agency to  
3 approve a waiver for children who would otherwise be eligible  
4 under this Act but who have health insurance shall not  
5 prevent the implementation of any Section of this Act  
6 provided that there are sufficient appropriated funds.

7 (c) Eligibility of a person under an approved waiver due  
8 to the relationship with a child pursuant to Article V of the  
9 Illinois Public Aid Code or this Act shall be limited to such  
10 a person whose countable income is determined by the  
11 Department to be at or below 65% of the federal poverty  
12 level. Such persons who are determined to be eligible must  
13 reapply, or otherwise establish eligibility, at least  
14 annually. An eligible person shall be required, as  
15 determined by the Department by rule, to report promptly  
16 those changes in income and other circumstances that affect  
17 eligibility. The eligibility of a person may be redetermined  
18 based on the information reported or may be terminated based  
19 on the failure to report or failure to report accurately. A  
20 person may also be held liable to the Department for any  
21 payments made by the Department on such person's behalf that  
22 were inappropriate. An applicant shall be provided with  
23 notice of these obligations.

24 (Source: P.A. 90-736, eff. 8-12-98.)

25 (215 ILCS 106/97)

26 (Section scheduled to be repealed on July 1, 2002)

27 Sec. 97. Repealer. This Act is repealed on July 1, 2003  
28 2002.

29 (Source: P.A. 90-736, eff. 8-12-98; 91-712, eff. 7-1-00.)

30 Section 80. The Illinois Public Aid Code is amended by  
31 changing Sections 5-2, 5-4.1, 5-5.4, 5-5.12, 11-16, 12-3,  
32 12-4.34, 12-10.5, and 12-13.05 as follows:

1 (305 ILCS 5/5-2) (from Ch. 23, par. 5-2)  
2 Sec. 5-2. Classes of Persons Eligible. Medical  
3 assistance under this Article shall be available to any of  
4 the following classes of persons in respect to whom a plan  
5 for coverage has been submitted to the Governor by the  
6 Illinois Department and approved by him:

7 1. Recipients of basic maintenance grants under Articles  
8 III and IV.

9 2. Persons otherwise eligible for basic maintenance  
10 under Articles III and IV but who fail to qualify thereunder  
11 on the basis of need, and who have insufficient income and  
12 resources to meet the costs of necessary medical care,  
13 including but not limited to the following:

14 (a) All persons otherwise eligible for basic  
15 maintenance under Article III but who fail to qualify  
16 under that Article on the basis of need and who meet  
17 either of the following requirements:

18 (i) their income, as determined by the  
19 Illinois Department in accordance with any federal  
20 requirements, is equal to or less than 70% in fiscal  
21 year 2001, equal to or less than 85% in fiscal year  
22 2002 and until a date to be determined by the  
23 Department by rule, and equal to or less than 100%  
24 beginning on the date determined by the Department  
25 by rule, in-fiscal-year-2003-and-thereafter of the  
26 nonfarm income official poverty line, as defined by  
27 the federal Office of Management and Budget and  
28 revised annually in accordance with Section 673(2)  
29 of the Omnibus Budget Reconciliation Act of 1981,  
30 applicable to families of the same size; or

31 (ii) their income, after the deduction of  
32 costs incurred for medical care and for other types  
33 of remedial care, is equal to or less than 70% in  
34 fiscal year 2001, equal to or less than 85% in

1           fiscal year 2002 and until a date to be determined  
2           by the Department by rule, and equal to or less than  
3           100% beginning on the date determined by the  
4           Department by rule, in--fiscal--year--2003--and  
5           thereafter of the nonfarm income official poverty  
6           line, as defined in item (i) of this subparagraph  
7           (a).

8           (b) All persons who would be determined eligible  
9           for such basic maintenance under Article IV by  
10          disregarding the maximum earned income permitted by  
11          federal law.

12          3. Persons who would otherwise qualify for Aid to the  
13          Medically Indigent under Article VII.

14          4. Persons not eligible under any of the preceding  
15          paragraphs who fall sick, are injured, or die, not having  
16          sufficient money, property or other resources to meet the  
17          costs of necessary medical care or funeral and burial  
18          expenses.

19          5. (a) Women during pregnancy, after the fact of  
20          pregnancy has been determined by medical diagnosis, and  
21          during the 60-day period beginning on the last day of the  
22          pregnancy, together with their infants and children born  
23          after September 30, 1983, whose income and resources are  
24          insufficient to meet the costs of necessary medical care  
25          to the maximum extent possible under Title XIX of the  
26          Federal Social Security Act.

27          (b) The Illinois Department and the Governor shall  
28          provide a plan for coverage of the persons eligible under  
29          paragraph 5(a) by April 1, 1990. Such plan shall provide  
30          ambulatory prenatal care to pregnant women during a  
31          presumptive eligibility period and establish an income  
32          eligibility standard that is equal to 133% of the nonfarm  
33          income official poverty line, as defined by the federal  
34          Office of Management and Budget and revised annually in

1           accordance with Section 673(2) of the Omnibus Budget  
2           Reconciliation Act of 1981, applicable to families of the  
3           same size, provided that costs incurred for medical care  
4           are not taken into account in determining such income  
5           eligibility.

6           (c) The Illinois Department may conduct a  
7           demonstration in at least one county that will provide  
8           medical assistance to pregnant women, together with their  
9           infants and children up to one year of age, where the  
10          income eligibility standard is set up to 185% of the  
11          nonfarm income official poverty line, as defined by the  
12          federal Office of Management and Budget. The Illinois  
13          Department shall seek and obtain necessary authorization  
14          provided under federal law to implement such a  
15          demonstration. Such demonstration may establish resource  
16          standards that are not more restrictive than those  
17          established under Article IV of this Code.

18          6. Persons under the age of 18 who fail to qualify as  
19          dependent under Article IV and who have insufficient income  
20          and resources to meet the costs of necessary medical care to  
21          the maximum extent permitted under Title XIX of the Federal  
22          Social Security Act.

23          7. Persons who are 18 years of age or younger and would  
24          qualify as disabled as defined under the Federal Supplemental  
25          Security Income Program, provided medical service for such  
26          persons would be eligible for Federal Financial  
27          Participation, and provided the Illinois Department  
28          determines that:

29                 (a) the person requires a level of care provided by  
30                 a hospital, skilled nursing facility, or intermediate  
31                 care facility, as determined by a physician licensed to  
32                 practice medicine in all its branches;

33                 (b) it is appropriate to provide such care outside  
34                 of an institution, as determined by a physician licensed



1 to practice medicine in all its branches;

2 (c) the estimated amount which would be expended  
3 for care outside the institution is not greater than the  
4 estimated amount which would be expended in an  
5 institution.

6 8. Persons who become ineligible for basic maintenance  
7 assistance under Article IV of this Code in programs  
8 administered by the Illinois Department due to employment  
9 earnings and persons in assistance units comprised of adults  
10 and children who become ineligible for basic maintenance  
11 assistance under Article VI of this Code due to employment  
12 earnings. The plan for coverage for this class of persons  
13 shall:

14 (a) extend the medical assistance coverage for up  
15 to 12 months following termination of basic maintenance  
16 assistance; and

17 (b) offer persons who have initially received 6  
18 months of the coverage provided in paragraph (a) above,  
19 the option of receiving an additional 6 months of  
20 coverage, subject to the following:

21 (i) such coverage shall be pursuant to  
22 provisions of the federal Social Security Act;

23 (ii) such coverage shall include all services  
24 covered while the person was eligible for basic  
25 maintenance assistance;

26 (iii) no premium shall be charged for such  
27 coverage; and

28 (iv) such coverage shall be suspended in the  
29 event of a person's failure without good cause to  
30 file in a timely fashion reports required for this  
31 coverage under the Social Security Act and coverage  
32 shall be reinstated upon the filing of such reports  
33 if the person remains otherwise eligible.

34 9. Persons with acquired immunodeficiency syndrome

1 (AIDS) or with AIDS-related conditions with respect to whom  
2 there has been a determination that but for home or  
3 community-based services such individuals would require the  
4 level of care provided in an inpatient hospital, skilled  
5 nursing facility or intermediate care facility the cost of  
6 which is reimbursed under this Article. Assistance shall be  
7 provided to such persons to the maximum extent permitted  
8 under Title XIX of the Federal Social Security Act.

9 10. Participants in the long-term care insurance  
10 partnership program established under the Partnership for  
11 Long-Term Care Act who meet the qualifications for protection  
12 of resources described in Section 25 of that Act.

13 11. Persons with disabilities who are employed and  
14 eligible for Medicaid, pursuant to Section  
15 1902(a)(10)(A)(ii)(xv) of the Social Security Act, as  
16 provided by the Illinois Department by rule.

17 12. Subject to federal approval, persons who are  
18 eligible for medical assistance coverage under applicable  
19 provisions of the federal Social Security Act and the federal  
20 Breast and Cervical Cancer Prevention and Treatment Act of  
21 2000. Those eligible persons are defined to include, but not  
22 be limited to, the following persons:

23 (1) persons who have been screened for breast or  
24 cervical cancer under the U.S. Centers for Disease  
25 Control and Prevention Breast and Cervical Cancer Program  
26 established under Title XV of the federal Public Health  
27 Services Act in accordance with the requirements of  
28 Section 1504 of that Act as administered by the Illinois  
29 Department of Public Health; and

30 (2) persons whose screenings under the above  
31 program were funded in whole or in part by funds  
32 appropriated to the Illinois Department of Public Health  
33 for breast or cervical cancer screening.

34 "Medical assistance" under this paragraph 12 shall be

1 identical to the benefits provided under the State's approved  
2 plan under Title XIX of the Social Security Act. The  
3 Department must request federal approval of the coverage  
4 under this paragraph 12 within 30 days after the effective  
5 date of this amendatory Act of the 92nd General Assembly.

6 The Illinois Department and the Governor shall provide a  
7 plan for coverage of the persons eligible under paragraph 7  
8 as soon as possible after July 1, 1984.

9 The eligibility of any such person for medical assistance  
10 under this Article is not affected by the payment of any  
11 grant under the Senior Citizens and Disabled Persons Property  
12 Tax Relief and Pharmaceutical Assistance Act or any  
13 distributions or items of income described under subparagraph  
14 (X) of paragraph (2) of subsection (a) of Section 203 of the  
15 Illinois Income Tax Act. The Department shall by rule  
16 establish the amounts of assets to be disregarded in  
17 determining eligibility for medical assistance, which shall  
18 at a minimum equal the amounts to be disregarded under the  
19 Federal Supplemental Security Income Program. The amount of  
20 assets of a single person to be disregarded shall not be less  
21 than \$2,000, and the amount of assets of a married couple to  
22 be disregarded shall not be less than \$3,000.

23 To the extent permitted under federal law, any person  
24 found guilty of a second violation of Article VIII A shall be  
25 ineligible for medical assistance under this Article, as  
26 provided in Section 8A-8.

27 The eligibility of any person for medical assistance  
28 under this Article shall not be affected by the receipt by  
29 the person of donations or benefits from fundraisers held for  
30 the person in cases of serious illness, as long as neither  
31 the person nor members of the person's family have actual  
32 control over the donations or benefits or the disbursement of  
33 the donations or benefits.

34 (Source: P.A. 91-676, eff. 12-23-99; 91-699, eff. 7-1-00;

1 91-712, eff. 7-1-00; 92-16, eff. 6-28-01; 92-47, eff.  
2 7-3-01.)

3 (305 ILCS 5/5-4.1) (from Ch. 23, par. 5-4.1)

4 Sec. 5-4.1. Co-payments. The Department may by rule  
5 provide that recipients under any Article of this Code (~~other~~  
6 ~~than--group--care--recipients~~) shall pay a fee as a co-payment  
7 for services. Co-payments may not exceed \$3 for brand name  
8 drugs, \$1 one-dollar for other pharmacy services, and \$2 for  
9 physicians services, dental services, optical services and  
10 supplies, chiropractic services, podiatry services, and  
11 encounter rate clinic services. Co-payments may not exceed  
12 \$3 three-dollars for hospital outpatient and clinic services.  
13 Provided, however, that any such rule must provide that no  
14 co-payment requirement can exist for renal dialysis,  
15 radiation therapy, cancer chemotherapy, or insulin, and other  
16 products necessary on a recurring basis, the absence of which  
17 would be life threatening, or where co-payment expenditures  
18 for required services and/or medications for chronic diseases  
19 that the Illinois Department shall by rule designate shall  
20 cause an extensive financial burden on the recipient, and  
21 provided no co-payment shall exist for emergency room  
22 encounters which are for medical emergencies.

23 (Source: P.A. 82-664.)

24 (305 ILCS 5/5-5.4) (from Ch. 23, par. 5-5.4)

25 Sec. 5-5.4. Standards of Payment - Department of Public  
26 Aid. The Department of Public Aid shall develop standards of  
27 payment of skilled nursing and intermediate care services in  
28 facilities providing such services under this Article which:

29 (1) Provide ~~Provides~~ for the determination of a  
30 facility's payment for skilled nursing and intermediate care  
31 services on a prospective basis. The amount of the payment  
32 rate for all nursing facilities certified under the medical

1 assistance program shall be prospectively established  
2 annually on the basis of historical, financial, and  
3 statistical data reflecting actual costs from prior years,  
4 which shall be applied to the current rate year and updated  
5 for inflation, except that the capital cost element for newly  
6 constructed facilities shall be based upon projected budgets.  
7 The annually established payment rate shall take effect on  
8 July 1 in 1984 and subsequent years. Rate increases shall be  
9 provided annually thereafter on July 1 in 1984 and on each  
10 subsequent July 1 in the following years, except that no rate  
11 increase and no update for inflation shall be provided on or  
12 after July 1, 1994 and before July 1, 2003 2002, unless  
13 specifically provided for in this Section.

14 For facilities licensed by the Department of Public  
15 Health under the Nursing Home Care Act as Intermediate Care  
16 for the Developmentally Disabled facilities or Long Term Care  
17 for Under Age 22 facilities, the rates taking effect on July  
18 1, 1998 shall include an increase of 3%. For facilities  
19 licensed by the Department of Public Health under the Nursing  
20 Home Care Act as Skilled Nursing facilities or Intermediate  
21 Care facilities, the rates taking effect on July 1, 1998  
22 shall include an increase of 3% plus \$1.10 per resident-day,  
23 as defined by the Department.

24 For facilities licensed by the Department of Public  
25 Health under the Nursing Home Care Act as Intermediate Care  
26 for the Developmentally Disabled facilities or Long Term Care  
27 for Under Age 22 facilities, the rates taking effect on July  
28 1, 1999 shall include an increase of 1.6% plus \$3.00 per  
29 resident-day, as defined by the Department. For facilities  
30 licensed by the Department of Public Health under the Nursing  
31 Home Care Act as Skilled Nursing facilities or Intermediate  
32 Care facilities, the rates taking effect on July 1, 1999  
33 shall include an increase of 1.6% and, for services provided  
34 on or after October 1, 1999, shall be increased by \$4.00 per

1 resident-day, as defined by the Department.

2 For facilities licensed by the Department of Public  
3 Health under the Nursing Home Care Act as Intermediate Care  
4 for the Developmentally Disabled facilities or Long Term Care  
5 for Under Age 22 facilities, the rates taking effect on July  
6 1, 2000 shall include an increase of 2.5% per resident-day,  
7 as defined by the Department. For facilities licensed by the  
8 Department of Public Health under the Nursing Home Care Act  
9 as Skilled Nursing facilities or Intermediate Care  
10 facilities, the rates taking effect on July 1, 2000 shall  
11 include an increase of 2.5% per resident-day, as defined by  
12 the Department.

13 For facilities licensed by the Department of Public  
14 Health under the Nursing Home Care Act as Intermediate Care  
15 for the Developmentally Disabled facilities or Long Term Care  
16 for Under Age 22 facilities, the rates taking effect on March  
17 1, 2001 shall include a statewide increase of 7.85%, as  
18 defined by the Department.

19 For facilities licensed by the Department of Public  
20 Health under the Nursing Home Care Act as Intermediate Care  
21 for the Developmentally Disabled facilities or Long Term Care  
22 for Under Age 22 facilities, the rates taking effect on April  
23 1, 2002 shall include a statewide increase of 2.0%, as  
24 defined by the Department. This increase terminates on July  
25 1, 2002; beginning July 1, 2002 these rates are reduced to  
26 the level of the rates in effect on March 31, 2002, as  
27 defined by the Department.

28 For facilities licensed by the Department of Public  
29 Health under the Nursing Home Care Act as skilled nursing  
30 facilities or intermediate care facilities, the rates taking  
31 effect on July 1, 2001, and each subsequent year thereafter,  
32 shall be computed using the most recent cost reports on file  
33 with the Department of Public Aid no later than April 1,  
34 2000, updated for inflation to January 1, 2001. For rates

1 effective July 1, 2001 only, rates shall be the greater of  
2 the rate computed for July 1, 2001 or the rate effective on  
3 June 30, 2001.

4 Notwithstanding any other provision of this Section, for  
5 facilities licensed by the Department of Public Health under  
6 the Nursing Home Care Act as skilled nursing facilities or  
7 intermediate care facilities, the Illinois Department shall  
8 determine by rule the rates taking effect on July 1, 2002,  
9 which shall be 5.9% less than the rates in effect on June 30,  
10 2002.

11 Rates established effective each July 1 shall govern  
12 payment for services rendered throughout that fiscal year,  
13 except that rates established on July 1, 1996 shall be  
14 increased by 6.8% for services provided on or after January  
15 1, 1997. Such rates will be based upon the rates calculated  
16 for the year beginning July 1, 1990, and for subsequent years  
17 thereafter until June 30, 2001 shall be based on the facility  
18 cost reports for the facility fiscal year ending at any point  
19 in time during the previous calendar year, updated to the  
20 midpoint of the rate year. The cost report shall be on file  
21 with the Department no later than April 1 of the current rate  
22 year. Should the cost report not be on file by April 1, the  
23 Department shall base the rate on the latest cost report  
24 filed by each skilled care facility and intermediate care  
25 facility, updated to the midpoint of the current rate year.  
26 In determining rates for services rendered on and after July  
27 1, 1985, fixed time shall not be computed at less than zero.  
28 The Department shall not make any alterations of regulations  
29 which would reduce any component of the Medicaid rate to a  
30 level below what that component would have been utilizing in  
31 the rate effective on July 1, 1984.

32 (2) Shall take into account the actual costs incurred by  
33 facilities in providing services for recipients of skilled  
34 nursing and intermediate care services under the medical

1 assistance program.

2 (3) Shall take into account the medical and  
3 psycho-social characteristics and needs of the patients.

4 (4) Shall take into account the actual costs incurred by  
5 facilities in meeting licensing and certification standards  
6 imposed and prescribed by the State of Illinois, any of its  
7 political subdivisions or municipalities and by the U.S.  
8 Department of Health and Human Services pursuant to Title XIX  
9 of the Social Security Act.

10 The Department of Public Aid shall develop precise  
11 standards for payments to reimburse nursing facilities for  
12 any utilization of appropriate rehabilitative personnel for  
13 the provision of rehabilitative services which is authorized  
14 by federal regulations, including reimbursement for services  
15 provided by qualified therapists or qualified assistants, and  
16 which is in accordance with accepted professional practices.  
17 Reimbursement also may be made for utilization of other  
18 supportive personnel under appropriate supervision.

19 (Source: P.A. 91-24, eff. 7-1-99; 91-712, eff. 7-1-00; 92-10,  
20 eff. 6-11-01; 92-31, eff. 6-28-01; revised 12-13-01.)

21 (305 ILCS 5/5-5.12) (from Ch. 23, par. 5-5.12)

22 Sec. 5-5.12. Pharmacy payments.

23 (a) Every request submitted by a pharmacy for  
24 reimbursement under this Article for prescription drugs  
25 provided to a recipient of aid under this Article shall  
26 include the name of the prescriber or an acceptable  
27 identification number as established by the Department.

28 (b) Pharmacies providing prescription drugs under this  
29 Article shall be reimbursed at a rate which shall include a  
30 professional dispensing fee as determined by the Illinois  
31 Department, plus the current acquisition cost of the  
32 prescription drug dispensed. The Illinois Department shall  
33 update its information on the acquisition costs of all



1 prescription drugs no less frequently than every 30 days.  
2 However, the Illinois Department may set the rate of  
3 reimbursement for the acquisition cost, by rule, at a  
4 percentage of the current average wholesale acquisition cost.

5 (c) Reimbursement under this Article for prescription  
6 drugs shall be limited to reimbursement for 4 brand-name  
7 prescription drugs per patient per month. This subsection  
8 applies only if (i) the brand-name drug was not prescribed  
9 for an acute or urgent condition, (ii) the brand-name drug  
10 was not prescribed for Alzheimer's disease, arthritis,  
11 diabetes, HIV/AIDS, a mental health condition, or respiratory  
12 disease, and (iii) a therapeutically equivalent generic  
13 medication has been approved by the federal Food and Drug  
14 Administration.

15 (Source: P.A. 88-554, eff. 7-26-94; 89-673, eff. 8-14-96.)

16 (305 ILCS 5/11-16) (from Ch. 23, par. 11-16)

17 Sec. 11-16. Changes in grants; cancellations,  
18 revocations, suspensions.

19 (a) All grants of financial aid under this Code shall be  
20 considered as frequently as may be required by the rules of  
21 the Illinois Department. The Department of Public Aid shall  
22 consider grants of financial aid to children who are eligible  
23 under Article V of this Code at least annually and shall take  
24 into account those reports filed, or required to be filed,  
25 pursuant to Sections 11-18 and 11-19. After such  
26 investigation as may be necessary, the amount and manner of  
27 giving aid may be changed or the aid may be entirely  
28 withdrawn if the County Department, local governmental unit,  
29 or Illinois Department finds that the recipient's  
30 circumstances have altered sufficiently to warrant such  
31 action. Financial aid may at any time be canceled or revoked  
32 for cause or suspended for such period as may be proper.

33 (b) Whenever any such grant of financial aid is

1 cancelled, revoked, reduced, or terminated because of the  
2 failure of the recipient to cooperate with the Department,  
3 including but not limited to the failure to keep an  
4 appointment, attend a meeting, or produce proof or  
5 verification of eligibility or need, the grant shall be  
6 reinstated in full, retroactive to the date of the change in  
7 or termination of the grant, provided that within 10 working  
8 days after the first day the financial aid would have been  
9 available, the recipient cooperates with the Department and  
10 is not otherwise ineligible for benefits for the period in  
11 question. This subsection (b) does not apply to sanctions  
12 imposed for the failure of any recipient to participate as  
13 required in the child support enforcement program or in any  
14 educational, training, or employment program under this Code  
15 or any other sanction under Section 4-21, nor does this  
16 subsection (b) apply to any cancellation, revocation,  
17 reduction, termination, or sanction imposed for the failure  
18 of any recipient to cooperate in the monthly reporting  
19 process or the quarterly reporting process.

20 (Source: P.A. 90-17, eff. 7-1-97; 91-357, eff. 7-29-99.)

21 (305 ILCS 5/12-3) (from Ch. 23, par. 12-3)

22 Sec. 12-3. Local governmental units. As provided in  
23 Article VI, local governmental units shall provide funds for  
24 and administer the programs provided in that Article subject,  
25 where so provided, to the supervision of the Illinois  
26 Department. Local governmental units shall also provide the  
27 social services and utilize the rehabilitative facilities  
28 authorized in Article IX for persons served through Article  
29 VI, and shall discharge such other duties as may be required  
30 by this Code or other laws of this State.

31 In counties not under township organization, the county  
32 shall provide funds for and administer such programs.

33 In counties under township organization (including any

1 such counties in which the governing authority is a board of  
2 commissioners) the various towns other than those towns lying  
3 entirely within the corporate limits of any city, village or  
4 incorporated town having a population of more than 500,000  
5 inhabitants shall provide funds for and administer such  
6 programs.

7 Cities, villages, and incorporated towns having a  
8 population of more than 500,000 inhabitants shall provide  
9 funds for public aid purposes under Article VI but the  
10 Department of Human Services shall administer the program for  
11 such municipality. For the fiscal year beginning July 1,  
12 2003, however, the municipality shall decrease by \$5,000,000  
13 the amount of funds it provides for public aid purposes under  
14 Article VI. For each fiscal year thereafter, the  
15 municipality shall decrease the amount of funds it provides  
16 for public aid purposes under Article VI in that fiscal year  
17 by an additional amount equal to (i) \$5,000,000 or (ii) the  
18 amount provided by the municipality in the preceding fiscal  
19 year, whichever is less, until the municipality does not  
20 provide any funds for public aid purposes under Article VI.

21 Incorporated towns which have superseded civil townships  
22 shall provide funds for and administer the public aid program  
23 provided by Article VI.

24 In counties of less than 3 million population having a  
25 County Veterans Assistance Commission in which there has been  
26 levied a tax as authorized by Section 5-2006 of the Counties  
27 Code for the purpose of providing assistance to military  
28 veterans and their families, the County Veterans Assistance  
29 Commission shall administer the programs provided by Article  
30 VI for such military veterans and their families as seek aid  
31 through the County Veterans Assistance Commission.

32 (Source: P.A. 92-111, eff. 1-1-02.)

1 (Section scheduled to be repealed on August 31, 2002)

2 Sec. 12-4.34. Services to noncitizens.

3 (a) Subject to specific appropriation for this purpose  
4 and notwithstanding Sections 1-11 and 3-1 of this Code, the  
5 Department of Human Services is authorized to provide  
6 services to legal immigrants, including but not limited to  
7 naturalization and nutrition services and financial  
8 assistance. The nature of these services, payment levels,  
9 and eligibility conditions shall be determined by rule.

10 (b) The Illinois Department is authorized to lower the  
11 payment levels established under this subsection or take such  
12 other actions during the fiscal year as are necessary to  
13 ensure that payments under this subsection do not exceed the  
14 amounts appropriated for this purpose. These changes may be  
15 accomplished by emergency rule under Section 5-45 of the  
16 Illinois Administrative Procedure Act, except that the  
17 limitation on the number of emergency rules that may be  
18 adopted in a 24-month period shall not apply.

19 ~~(c) -- This Section is repealed on August 31, 2002.~~

20 (Source: P.A. 91-24, eff. 7-1-99; 91-712, eff. 7-1-00; 92-10,  
21 eff. 6-11-01.)

22 (305 ILCS 5/12-10.5)

23 Sec. 12-10.5. Medical Special Purposes Trust Fund.

24 (a) The Medical Special Purposes Trust Fund ("the Fund")  
25 is created. Any grant, gift, donation, or legacy of money or  
26 securities that the Department of Public Aid is authorized to  
27 receive under Section 12-4.18 or Section 12-4.19, and that is  
28 dedicated for functions connected with the administration of  
29 any medical program administered by the Department, shall be  
30 deposited into the Fund. All federal moneys received by the  
31 Department as reimbursement for disbursements authorized to  
32 be made from the Fund shall also be deposited into the Fund.  
33 In addition, federal moneys received on account of State

1 expenditures made in connection with obtaining compliance  
2 with the federal Health Insurance Portability and  
3 Accountability Act (HIPAA) shall be deposited into the Fund.

4 (b) No moneys received from a service provider or a  
5 governmental or private entity that is enrolled with the  
6 Department as a provider of medical services shall be  
7 deposited into the Fund.

8 (c) Disbursements may be made from the Fund for the  
9 purposes connected with the grants, gifts, donations, or  
10 legacies deposited into the Fund, including, but not limited  
11 to, medical quality assessment projects, eligibility  
12 population studies, medical information systems evaluations,  
13 and other administrative functions that assist the Department  
14 in fulfilling its health care mission under the Illinois  
15 Public Aid Code and the Children's Health Insurance Program  
16 Act.

17 (Source: P.A. 92-37, eff. 7-1-01.)

18 (305 ILCS 5/12-13.05)

19 Sec. 12-13.05. Rules for Temporary Assistance for Needy  
20 Families. All rules regulating the Temporary Assistance for  
21 Needy Families program and all other rules regulating the  
22 amendatory changes to this Code made by this amendatory Act  
23 of 1997 shall be promulgated pursuant to this Section. All  
24 rules regulating the Temporary Assistance for Needy Families  
25 program and all other rules regulating the amendatory changes  
26 to this Code made by this amendatory Act of 1997 are repealed  
27 on July 1 2006 ~~January-17-2003~~. On and after July 1, 2006  
28 ~~January--17--2003~~, the Illinois Department may not promulgate  
29 any rules regulating the Temporary Assistance for Needy  
30 Families program or regulating the amendatory changes to this  
31 Code made by this amendatory Act of 1997.

32 (Source: P.A. 91-5, eff. 5-27-99; 92-111, eff. 1-1-02.)

1 Section 85. The Senior Citizens and Disabled Persons  
2 Property Tax Relief and Pharmaceutical Assistance Act is  
3 amended by changing Section 3.16 as follows:

4 (320 ILCS 25/3.16) (from Ch. 67 1/2, par. 403.16)

5 Sec. 3.16. "Reasonable cost" means Average Wholesale  
6 Price (AWP) minus 10% for products provided by authorized  
7 pharmacies plus a professional dispensing fee determined by  
8 the Department in accordance with its findings in a survey of  
9 professional pharmacy dispensing fees conducted at least  
10 every 12 months. For the purpose of this Act, AWP shall be  
11 determined from the latest publication of the Blue Book, a  
12 universally subscribed pharmacist reference guide annually  
13 published by the Hearst Corporation. AWP may also be derived  
14 electronically from the drug pricing database synonymous with  
15 the latest publication of the Blue Book and furnished in the  
16 National Drug Data File (NDDF) by First Data Bank (FDB), a  
17 service of the Hearst Corporation. The elements of such fees  
18 and methodology of such survey shall be promulgated as an  
19 administrative rule. Effective July 1, 1986, the  
20 professional dispensing fee shall be \$3.60 per prescription  
21 and such amount shall be adjusted on July 1st of each year  
22 thereafter in accordance with a survey of professional  
23 pharmacy dispensing fees. The Department may establish  
24 maximum acquisition costs from time to time based upon  
25 information as to the cost at which covered products may be  
26 readily acquired by authorized pharmacies. In no case shall  
27 the reasonable cost of any given pharmacy exceed the price  
28 normally charged to the general public by that pharmacy. In  
29 the event that generic equivalents for covered prescription  
30 drugs are available at lower cost, the Department shall  
31 establish the maximum acquisition costs for such covered  
32 prescription drugs at the lower generic cost unless, pursuant  
33 to the conditions described in subsection (f) of Section 4, a

1 non-generic drug may be substituted.

2 Effective July 1, 2002, the rates paid for products  
3 provided by authorized pharmacies and a professional  
4 dispensing fee shall be determined by the Department by rule.

5 (Source: P.A. 91-699, eff. 1-1-01.)

6 Section 99. Effective date. This Act takes effect upon  
7 becoming law, except that Sections 25, 26, 45, 60, and 65  
8 take effect on July 1, 2002.