

1 AMENDMENT TO HOUSE BILL 4580

2 AMENDMENT NO. _____. Amend House Bill 4580 by replacing
3 the title with the following:

4 "AN ACT in relation to budget implementation."; and

5 by replacing everything after the enacting clause with the
6 following:

7 "Section 1. Short title. This Act may be cited as the
8 FY2003 Budget Implementation Act.

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

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

14 (5 ILCS 100/5-45) (from Ch. 127, par. 1005-45)

15 Sec. 5-45. Emergency rulemaking.

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

19 (b) If any agency finds that an emergency exists that

1 requires adoption of a rule upon fewer days than is required
2 by Section 5-40 and states in writing its reasons for that
3 finding, the agency may adopt an emergency rule without prior
4 notice or hearing upon filing a notice of emergency
5 rulemaking with the Secretary of State under Section 5-70.
6 The notice shall include the text of the emergency rule and
7 shall be published in the Illinois Register. Consent orders
8 or other court orders adopting settlements negotiated by an
9 agency may be adopted under this Section. Subject to
10 applicable constitutional or statutory provisions, an
11 emergency rule becomes effective immediately upon filing
12 under Section 5-65 or at a stated date less than 10 days
13 thereafter. The agency's finding and a statement of the
14 specific reasons for the finding shall be filed with the
15 rule. The agency shall take reasonable and appropriate
16 measures to make emergency rules known to the persons who may
17 be affected by them.

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

33 (d) In order to provide for the expeditious and timely
34 implementation of the State's fiscal year 1999 budget,

1 emergency rules to implement any provision of Public Act
2 90-587 or 90-588 or any other budget initiative for fiscal
3 year 1999 may be adopted in accordance with this Section by
4 the agency charged with administering that provision or
5 initiative, except that the 24-month limitation on the
6 adoption of emergency rules and the provisions of Sections
7 5-115 and 5-125 do not apply to rules adopted under this
8 subsection (d). The adoption of emergency rules authorized
9 by this subsection (d) shall be deemed to be necessary for
10 the public interest, safety, and welfare.

11 (e) In order to provide for the expeditious and timely
12 implementation of the State's fiscal year 2000 budget,
13 emergency rules to implement any provision of this amendatory
14 Act of the 91st General Assembly or any other budget
15 initiative for fiscal year 2000 may be adopted in accordance
16 with this Section by the agency charged with administering
17 that provision or initiative, except that the 24-month
18 limitation on the adoption of emergency rules and the
19 provisions of Sections 5-115 and 5-125 do not apply to rules
20 adopted under this subsection (e). The adoption of emergency
21 rules authorized by this subsection (e) shall be deemed to be
22 necessary for the public interest, safety, and welfare.

23 (f) In order to provide for the expeditious and timely
24 implementation of the State's fiscal year 2001 budget,
25 emergency rules to implement any provision of this amendatory
26 Act of the 91st General Assembly or any other budget
27 initiative for fiscal year 2001 may be adopted in accordance
28 with this Section by the agency charged with administering
29 that provision or initiative, except that the 24-month
30 limitation on the adoption of emergency rules and the
31 provisions of Sections 5-115 and 5-125 do not apply to rules
32 adopted under this subsection (f). The adoption of emergency
33 rules authorized by this subsection (f) shall be deemed to be
34 necessary for the public interest, safety, and welfare.

1 (g) In order to provide for the expeditious and timely
 2 implementation of the State's fiscal year 2002 budget,
 3 emergency rules to implement any provision of this amendatory
 4 Act of the 92nd General Assembly or any other budget
 5 initiative for fiscal year 2002 may be adopted in accordance
 6 with this Section by the agency charged with administering
 7 that provision or initiative, except that the 24-month
 8 limitation on the adoption of emergency rules and the
 9 provisions of Sections 5-115 and 5-125 do not apply to rules
 10 adopted under this subsection (g). The adoption of emergency
 11 rules authorized by this subsection (g) shall be deemed to be
 12 necessary for the public interest, safety, and welfare.

13 (h) In order to provide for the expeditious and timely
 14 implementation of the State's fiscal year 2003 budget,
 15 emergency rules to implement any provision of this amendatory
 16 Act of the 92nd General Assembly or any other budget
 17 initiative for fiscal year 2003 may be adopted in accordance
 18 with this Section by the agency charged with administering
 19 that provision or initiative, except that the 24-month
 20 limitation on the adoption of emergency rules and the
 21 provisions of Sections 5-115 and 5-125 do not apply to rules
 22 adopted under this subsection (h). The adoption of emergency
 23 rules authorized by this subsection (h) shall be deemed to be
 24 necessary for the public interest, safety, and welfare.

25 (Source: P.A. 91-24, eff. 7-1-99; 91-357, eff. 7-29-99;
 26 91-712, eff. 7-1-00; 92-10, eff. 6-11-01.)

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

29 (20 ILCS 105/4.02) (from Ch. 23, par. 6104.02)

30 Sec. 4.02. The Department shall establish a program of
 31 services to prevent unnecessary institutionalization of
 32 persons age 60 and older in need of long term care or who are

1 established as persons who suffer from Alzheimer's disease or
2 a related disorder under the Alzheimer's Disease Assistance
3 Act, thereby enabling them to remain in their own homes or in
4 other living arrangements. Such preventive services, which
5 may be coordinated with other programs for the aged and
6 monitored by area agencies on aging in cooperation with the
7 Department, may include, but are not limited to, any or all
8 of the following:

- 9 (a) home health services;
- 10 (b) home nursing services;
- 11 (c) homemaker services;
- 12 (d) chore and housekeeping services;
- 13 (e) day care services;
- 14 (f) home-delivered meals;
- 15 (g) education in self-care;
- 16 (h) personal care services;
- 17 (i) adult day health services;
- 18 (j) habilitation services;
- 19 (k) respite care;
- 20 (l) other nonmedical social services that may
21 enable the person to become self-supporting; or
- 22 (m) clearinghouse for information provided by
23 senior citizen home owners who want to rent rooms to or
24 share living space with other senior citizens.

25 The Department shall establish eligibility standards for
26 such services taking into consideration the unique economic
27 and social needs of the target population for whom they are
28 to be provided. Such eligibility standards shall be based on
29 the recipient's ability to pay for services; provided,
30 however, that in determining the amount and nature of
31 services for which a person may qualify, consideration shall
32 not be given to the value of cash, property or other assets
33 held in the name of the person's spouse pursuant to a written
34 agreement dividing marital property into equal but separate

1 shares or pursuant to a transfer of the person's interest in
2 a home to his spouse, provided that the spouse's share of the
3 marital property is not made available to the person seeking
4 such services.

5 Beginning July 1, 2002, the Department shall require as a
6 condition of eligibility that all applicants and recipients
7 apply for medical assistance under Article V of the Illinois
8 Public Aid Code in accordance with rules promulgated by the
9 Department.

10 The Department shall, in conjunction with the Department
11 of Public Aid, seek appropriate amendments under Sections
12 1915 and 1924 of the Social Security Act. The purpose of the
13 amendments shall be to extend eligibility for home and
14 community based services under Sections 1915 and 1924 of the
15 Social Security Act to persons who transfer to or for the
16 benefit of a spouse those amounts of income and resources
17 allowed under Section 1924 of the Social Security Act.
18 Subject to the approval of such amendments, the Department
19 shall extend the provisions of Section 5-4 of the Illinois
20 Public Aid Code to persons who, but for the provision of home
21 or community-based services, would require the level of care
22 provided in an institution, as is provided for in federal
23 law. Those persons no longer found to be eligible for
24 receiving noninstitutional services due to changes in the
25 eligibility criteria shall be given 60 days notice prior to
26 actual termination. Those persons receiving notice of
27 termination may contact the Department and request the
28 determination be appealed at any time during the 60 day
29 notice period. With the exception of the lengthened notice
30 and time frame for the appeal request, the appeal process
31 shall follow the normal procedure. In addition, each person
32 affected regardless of the circumstances for discontinued
33 eligibility shall be given notice and the opportunity to
34 purchase the necessary services through the Community Care

1 Program. If the individual does not elect to purchase
2 services, the Department shall advise the individual of
3 alternative services. The target population identified for
4 the purposes of this Section are persons age 60 and older
5 with an identified service need. Priority shall be given to
6 those who are at imminent risk of institutionalization. The
7 services shall be provided to eligible persons age 60 and
8 older to the extent that the cost of the services together
9 with the other personal maintenance expenses of the persons
10 are reasonably related to the standards established for care
11 in a group facility appropriate to the person's condition.
12 These non-institutional services, pilot projects or
13 experimental facilities may be provided as part of or in
14 addition to those authorized by federal law or those funded
15 and administered by the Department of Human Services. The
16 Departments of Human Services, Public Aid, Public Health,
17 Veterans' Affairs, and Commerce and Community Affairs and
18 other appropriate agencies of State, federal and local
19 governments shall cooperate with the Department on Aging in
20 the establishment and development of the non-institutional
21 services. The Department shall require an annual audit from
22 all chore/housekeeping and homemaker vendors contracting with
23 the Department under this Section. The annual audit shall
24 assure that each audited vendor's procedures are in
25 compliance with Department's financial reporting guidelines
26 requiring a 27% administrative cost split and a 73% employee
27 wages and benefits cost split. The audit is a public record
28 under the Freedom of Information Act. The Department shall
29 execute, relative to the nursing home prescreening project,
30 written inter-agency agreements with the Department of Human
31 Services and the Department of Public Aid, to effect the
32 following: (1) intake procedures and common eligibility
33 criteria for those persons who are receiving
34 non-institutional services; and (2) the establishment and

1 development of non-institutional services in areas of the
2 State where they are not currently available or are
3 undeveloped. On and after July 1, 1996, all nursing home
4 prescreenings for individuals 60 years of age or older shall
5 be conducted by the Department.

6 The Department is authorized to establish a system of
7 recipient copayment for services provided under this Section,
8 such copayment to be based upon the recipient's ability to
9 pay but in no case to exceed the actual cost of the services
10 provided. Additionally, any portion of a person's income
11 which is equal to or less than the federal poverty standard
12 shall not be considered by the Department in determining the
13 copayment. The level of such copayment shall be adjusted
14 whenever necessary to reflect any change in the officially
15 designated federal poverty standard.

16 The Department, or the Department's authorized
17 representative, shall recover the amount of moneys expended
18 for services provided to or in behalf of a person under this
19 Section by a claim against the person's estate or against the
20 estate of the person's surviving spouse, but no recovery may
21 be had until after the death of the surviving spouse, if any,
22 and then only at such time when there is no surviving child
23 who is under age 21, blind, or permanently and totally
24 disabled. This paragraph, however, shall not bar recovery,
25 at the death of the person, of moneys for services provided
26 to the person or in behalf of the person under this Section
27 to which the person was not entitled; provided that such
28 recovery shall not be enforced against any real estate while
29 it is occupied as a homestead by the surviving spouse or
30 other dependent, if no claims by other creditors have been
31 filed against the estate, or, if such claims have been filed,
32 they remain dormant for failure of prosecution or failure of
33 the claimant to compel administration of the estate for the
34 purpose of payment. This paragraph shall not bar recovery

1 from the estate of a spouse, under Sections 1915 and 1924 of
2 the Social Security Act and Section 5-4 of the Illinois
3 Public Aid Code, who precedes a person receiving services
4 under this Section in death. All moneys for services paid to
5 or in behalf of the person under this Section shall be
6 claimed for recovery from the deceased spouse's estate.
7 "Homestead", as used in this paragraph, means the dwelling
8 house and contiguous real estate occupied by a surviving
9 spouse or relative, as defined by the rules and regulations
10 of the Illinois Department of Public Aid, regardless of the
11 value of the property.

12 The Department shall develop procedures to enhance
13 availability of services on evenings, weekends, and on an
14 emergency basis to meet the respite needs of caregivers.
15 Procedures shall be developed to permit the utilization of
16 services in successive blocks of 24 hours up to the monthly
17 maximum established by the Department. Workers providing
18 these services shall be appropriately trained.

19 Beginning on the effective date of this Amendatory Act of
20 1991, no person may perform chore/housekeeping and homemaker
21 services under a program authorized by this Section unless
22 that person has been issued a certificate of pre-service to
23 do so by his or her employing agency. Information gathered
24 to effect such certification shall include (i) the person's
25 name, (ii) the date the person was hired by his or her
26 current employer, and (iii) the training, including dates and
27 levels. Persons engaged in the program authorized by this
28 Section before the effective date of this amendatory Act of
29 1991 shall be issued a certificate of all pre- and in-service
30 training from his or her employer upon submitting the
31 necessary information. The employing agency shall be
32 required to retain records of all staff pre- and in-service
33 training, and shall provide such records to the Department
34 upon request and upon termination of the employer's contract

1 with the Department. In addition, the employing agency is
2 responsible for the issuance of certifications of in-service
3 training completed to their employees.

4 The Department is required to develop a system to ensure
5 that persons working as homemakers and chore housekeepers
6 receive increases in their wages when the federal minimum
7 wage is increased by requiring vendors to certify that they
8 are meeting the federal minimum wage statute for homemakers
9 and chore housekeepers. An employer that cannot ensure that
10 the minimum wage increase is being given to homemakers and
11 chore housekeepers shall be denied any increase in
12 reimbursement costs.

13 The Department on Aging and the Department of Human
14 Services shall cooperate in the development and submission of
15 an annual report on programs and services provided under this
16 Section. Such joint report shall be filed with the Governor
17 and the General Assembly on or before September 30 each year.

18 The requirement for reporting to the General Assembly
19 shall be satisfied by filing copies of the report with the
20 Speaker, the Minority Leader and the Clerk of the House of
21 Representatives and the President, the Minority Leader and
22 the Secretary of the Senate and the Legislative Research
23 Unit, as required by Section 3.1 of the General Assembly
24 Organization Act and filing such additional copies with the
25 State Government Report Distribution Center for the General
26 Assembly as is required under paragraph (t) of Section 7 of
27 the State Library Act.

28 Those persons previously found eligible for receiving
29 non-institutional services whose services were discontinued
30 under the Emergency Budget Act of Fiscal Year 1992, and who
31 do not meet the eligibility standards in effect on or after
32 July 1, 1992, shall remain ineligible on and after July 1,
33 1992. Those persons previously not required to cost-share
34 and who were required to cost-share effective March 1, 1992,

1 shall continue to meet cost-share requirements on and after
2 July 1, 1992. Beginning July 1, 1992, all clients will be
3 required to meet eligibility, cost-share, and other
4 requirements and will have services discontinued or altered
5 when they fail to meet these requirements.

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

7 Section 20. The Mental Health and Developmental
8 Disabilities Administrative Act is amended by adding Section
9 18.4 as follows:

10 (20 ILCS 1705/18.4 new)

11 Sec. 18.4. Community Mental Health Medicaid Trust Fund;
12 reimbursement.

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

15 (b) Any funds paid to the State by the federal
16 government under Title XIX or Title XXI of the Social
17 Security Act for services delivered by community mental
18 health services providers, and any interest earned thereon,
19 shall be deposited directly into the Community Mental Health
20 Medicaid Trust Fund.

21 (c) The Department shall reimburse community mental
22 health services providers for Medicaid-reimbursed mental
23 health services provided to eligible individuals. Moneys in
24 the Community Mental Health Medicaid Trust Fund may be used
25 for that purpose.

26 (d) As used in this Section:

27 "Medicaid-reimbursed mental health services" means
28 services provided by a community mental health provider under
29 an agreement with the Department that is eligible for
30 reimbursement under the federal Title XIX program or Title
31 XXI program.

32 "Provider" means a community agency that is funded by the

1 Department to provide a Medicaid-reimbursed service.

2 "Services" means mental health services provided under
3 one of the following programs:

- 4 (1) Medicaid Clinic Option;
- 5 (2) Medicaid Rehabilitation Option;
- 6 (3) Targeted Case Management.

7 Section 25. The Illinois Health Finance Reform Act is
8 amended by changing Sections 2-1, 4-1, 4-2, and 4-4 as
9 follows:

10 (20 ILCS 2215/2-1) (from Ch. 111 1/2, par. 6502-1)

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

26 ~~The--members-of-the-Council-shall-be-appointed-for-3-year~~
27 ~~terms.~~

28 ~~No-more-than-7-members-may-be--from--the--same--political~~
29 ~~party.~~

30 ~~Members--shall--be--appointed--within--30--days-after-the~~
31 ~~effective-date-of-this-Act.--The-additional-members-appointed~~
32 ~~under-the-amendatory-Act-of-the-91st-General-Assembly-must-be~~

1 appointed-within-30-days-after-the--effective--date--of--this
 2 amendatory--Act--of-the-91st-General-Assembly.-The-members-of
 3 the-Council--shall--receive--reimbursement--of--their--actual
 4 expenses--incurred--in--connection--with--their--service;-in
 5 addition,-each-member--shall-receive-compensation-of-\$150-a
 6 day-for-each-day-served-at-regular-or-special-meetings-of-the
 7 Council,-except--that--such--compensation--shall--not--exceed
 8 \$20,000--in--any--one-year-for-any-member.-The-Council-shall
 9 elect-a-Chairman-from-among-its-members,-and-shall--have--the
 10 power--to--organize-and-appoint-such-other-officers-as-it-may
 11 deem-necessary.

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

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

15 (20 ILCS 2215/4-1) (from Ch. 111 1/2, par. 6504-1)

16 Sec. 4-1. Illinois Health Finance Data Collection. The
 17 General Assembly finds that public sector and private sector
 18 purchasers of health care need health care cost and
 19 utilization data to enable them to make informed choices
 20 among health care providers in the market place. The General
 21 Assembly finds it necessary to create a mandated uniform
 22 system in Illinois for the collection, analysis, and
 23 distribution of health care cost and utilization data.

24 The purpose of this Article is to insure that data are
 25 available to make valid comparisons among health care
 26 providers of prices and utilization of services provided and
 27 to support ongoing analysis of the health care delivery
 28 system so-that-the-Council-can-fulfill-its-mandate.

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

30 (20 ILCS 2215/4-2) (from Ch. 111 1/2, par. 6504-2)

31 Sec. 4-2. Powers and duties.

32 (a) (Blank). The-Illinois-Health-Care-Cost-Containment

1 Council may enter into any agreement with any corporation,
 2 association or other entity it deems appropriate to undertake
 3 the process described in this Article for the compilation and
 4 analysis of data collected by the Council and to conduct or
 5 contract for studies on health-related questions carried out
 6 in pursuance of the purposes of this Article. The agreement
 7 may provide for the corporation, association or entity to
 8 prepare and distribute or make available data to health care
 9 providers, health care subscribers, third party payers,
 10 government and the general public, in accordance with the
 11 rules of confidentiality and review to be developed under
 12 this Act.

13 (b) (Blank). The input data collected by and furnished
 14 to the Council or designated corporation, association or
 15 entity pursuant to this Section shall not be a public record
 16 under the Illinois Freedom of Information Act. It is the
 17 intent of this Act and of the regulations written pursuant to
 18 it to protect the confidentiality of individual patient
 19 information and the proprietary information of commercial
 20 insurance carriers and health care providers. Data specified
 21 in subsections (e) and (e-5) shall be released on a hospital
 22 specific and licensed ambulatory surgical treatment center
 23 specific basis to facilitate comparisons among hospitals and
 24 licensed ambulatory surgical treatment centers by purchasers.

25 (c) (Blank). The Council shall require the Departments
 26 of Public Health and Public Aid and hospitals located in the
 27 State to assist the Council in gathering and submitting the
 28 following hospital specific financial information, and the
 29 Council is authorized to share this data with both
 30 Departments to reduce the burden on hospitals by avoiding
 31 duplicate data collection:

32 OPERATING REVENUES

33 (1) Net patient service revenue

34 (2) Other revenue

1 (3)--Total-operating-revenue

2 OPERATING-EXPENSES

3 (4)--Bad-debt-expense

4 (5)--Total-operating-expenses

5 NON-OPERATING-GAINS/LOSSES

6 (6)--Total-non-operating-gains

7 (7)--Total-non-operating-losses

8 PATIENT-CARE-REVENUES

9 (8)--Gross-inpatient-revenue

10 (9)--Gross-outpatient-revenue

11 (10)--Other-Patient-care-revenue

12 (11)--Total-patient-revenue

13 (12)--Total-gross-patient-care-revenue

14 (13)--Medicare-gross-revenue

15 (14)--Medicaid-gross-revenue

16 (15)--Total-other-gross-revenue

17 DEDUCTIONS-FROM-REVENUE

18 (16)--Charity-care

19 (17)--Medicare-allowance

20 (18)--Medicaid-allowance

21 (19)--Other-contractual-allowances

22 (20)--Other-allowances

23 (21)--Total-Deductions

24 ASSETS

25 (22)--Operating-cash-and-short-term-investments

26 (23)--Estimated-patient-accounts-receivable

27 (24)--Other-current-assets

28 (25)--Total-current-assets

29 (26)--Total-other-assets

30 (27)--Total-Assets

31 LIABILITIES-AND-FUND-BALANCES

1 ~~{28}--Total-current-liabilities~~

2 ~~{29}--Long-Term-Debt~~

3 ~~{30}--Other-liabilities~~

4 ~~{31}--Total-liabilities~~

5 ~~{32}--Total-liabilities-and-fund-balances~~

6 ~~All-financial-data-collected-by-the-Council-from-publicly~~
7 ~~available-sources-such-as--the--HCFA--is--releasable--by--the~~
8 ~~Council-on-a-hospital-specific-basis-when-appropriate.~~

9 (d) Uniform Provider Utilization and Charge Information.

10 ~~The-Council-shall-require-that:~~

11 (1) The Department of Public Health shall require
12 that hospitals licensed to operate in the State of
13 Illinois adopt a uniform system for submitting patient
14 charges for payment from public and private payors
15 effective January 1, 1985. This system shall be based
16 upon adoption of the uniform hospital billing form
17 (UB-92) or its successor form developed by the National
18 Uniform Billing Committee.

19 (2) (Blank).

20 (3) The Department of Insurance shall require all
21 third-party payors, including but not limited to,
22 licensed insurers, medical and hospital service
23 corporations, health maintenance organizations, and
24 self-funded employee health plans, to accept the uniform
25 billing form, without attachment as submitted by
26 hospitals pursuant to paragraph (1) of subsection (d)
27 above, effective January 1, 1985; provided, however,
28 nothing shall prevent all such third party payors from
29 requesting additional information necessary to determine
30 eligibility for benefits or liability for reimbursement
31 for services provided.

32 (e) (Blank). ~~The-Council,7-in-cooperation-with-the--State~~
33 ~~Departments--of--Public--Aid,7--Insurance,7--and-Public-Health,7~~
34 ~~shall-establish-a-system-for-the-collection-of-the--following~~

1 information--from--hospitals-utilizing-the-raw-data-available
 2 on-the-uniform-billing-forms.--Such-data--shall--include--the
 3 following--elements--and--other--elements--contained--on--the
 4 uniform--billing--form--or--its--successor-form-determined-as
 5 necessary-by-the-Council:

- 6 (1)--Patient-date-of-birth
- 7 (2)--Patient-sex
- 8 (3)--Patient-zip-code
- 9 (4)--Third-party-coverage
- 10 (5)--Date-of-admission
- 11 (6)--Source-of-admission
- 12 (7)--Type-of-admission
- 13 (8)--Discharge-date
- 14 (9)--Principal-and-up-to-8-other-diagnoses
- 15 (10)--Principal-procedure-and-date
- 16 (11)--Patient-status
- 17 (12)--Other-procedures-and-dates
- 18 (13)--Total-charges-and-components-of-those-charges
- 19 (14)--Attending-and-consulting--physician--identification
- 20 numbers
- 21 (15)--Hospital-identification-number
- 22 (16)--An--alphanumeric-number-based-on-the-information-to
- 23 identify-the-payer
- 24 (17)--Principal-source-of-payment.

25 (e-5)--The-Council,--in-cooperation-with-the-Department-of
 26 Public-Aid,--the-Department-of-Insurance,--and--the--Department
 27 of-Public-Health,--shall-establish-a-system-for-the-collection
 28 of--the--following--information--for--each-outpatient-surgery
 29 performed--at--hospitals--and--licensed--ambulatory--surgical
 30 treatment-centers-using-the-raw-data-available-on--outpatient
 31 billing--forms-submitted-by-hospitals-and-licensed-ambulatory
 32 surgical-treatment-centers-to-payers.--The-data-must--include
 33 the--following--elements,--if-available-on-the-billing-forms,
 34 and-other-elements-contained-on-the-billing--forms--that--the

1 Council-determines-are-necessary;

2 (1)--patient-date-of-birth;

3 (2)--patient-sex;

4 (3)--patient-zip-code;

5 (4)--third-party-coverage;

6 (5)--date-of-admission;

7 (6)--source-of-admission;

8 (7)--type-of-admission;

9 (8)--discharge-date;

10 (9)--principal---diagnosis---and---up---to---8---other

11 diagnoses;

12 (10)--principal--procedure--and--the--date--of---the

13 procedure;

14 (11)--patient-status;

15 (12)--other---procedures--and--the--dates--of--those

16 procedures;

17 (13)--attending-----and-----consulting-----physician

18 identification-numbers;

19 (14)--hospital--or--licensed--ambulatory---surgical

20 treatment-center-identification-number;

21 (15)--an---alphanumeric---number---based---on---the

22 information-needed-to-identify-the-payer;-and

23 (16)--principal-source-of-payment.

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

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

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

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

28 Council.

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

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

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

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

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

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

1 licensed-ambulatory-surgical-treatment-centers--according--to
2 rules--adopted-by-the-Council-and-submitted-to-the-Council-or
3 a-corporation,--association,--or--entity--designated--by--the
4 Council.--Electronic--submissions--shall--be-encouraged.--For
5 licensed-ambulatory--surgical--treatment--centers--unable--to
6 submit--extracts--in--an--electronic--format-the-Council-must
7 determine-an-alternate-method-for-submission-of-data.

8 (g)--Under-no-circumstances-shall-patient-name-and-social
9 security-number-appear-on-the-extracts.

10 (h)--Hospitals-and-licensed-ambulatory-surgical-treatment
11 centers-shall-be-assigned-a-standard-identification-number-by
12 the-Council-to-be-used-in-the-submission-of-all-data.

13 (i)--The-Council-shall-collect-a--100%--inpatient--sample
14 from--hospitals--annually.--The--Council--shall--require--each
15 hospital-in-the-State--to--submit--the--UB-92--data--extracts
16 required--in--subsection--(e)--to--the--Council,--except--that
17 hospitals-with-fewer-than-50-beds--may--be--exempted--by--the
18 Council--from--the--filing--requirements--if--they--prove--to--the
19 Council's-satisfaction--that--the--requirements--would--impose
20 undue--economic--hardship--and--if--the--Council--determines--that
21 the-data-submitted-from-these-hospitals-are-not-essential--to
22 its-data-base-and-its-concomitant-health-care-cost-comparison
23 efforts.

24 (i-5)--The--Council-shall-collect-up-to-a-100%-outpatient
25 sample--annually--from--hospitals--and--licensed--ambulatory
26 surgical--treatment--centers.--The-Council-shall-require--each
27 hospital-and-licensed-ambulatory-surgical-treatment-center-in
28 the--State--to--submit--the--data--extracts--required--under
29 subsection--(e-5)--to--the--Council,--except--that--hospitals-and
30 licensed--ambulatory--surgical--treatment--centers--may--be
31 exempted--by--the-Council--from--the--filing--requirements--if--the
32 hospitals-or-licensed-ambulatory-surgical--treatment--centers
33 prove--to--the--Council's--satisfaction--that--the--requirements
34 would-impose-undue--economic--hardship--and--if--the--Council

1 determines--that--the--data--submitted--from--those--hospitals--and
2 licensed--ambulatory--surgical--treatment--centers--are--not
3 essential--to--the--Council's--database--and--its--concomitant
4 health-care-comparison-efforts.

5 (i-10)--The--outpatient--data--shall--be--collected--by--the
6 Council--on--a--phase-in-and-trial-basis--for--a--one-year-period
7 beginning--on--January--1,--2001.--The--Council--shall--implement
8 outpatient--data--collection--for--reporting--purposes--beginning
9 on--January--1,--2002.

10 (j)--The--information--submitted--to--the--Council--pursuant--to
11 subsections--(e)--and--(e-5)--shall--be--reported--for--each--primary
12 payer--category,--including--Medicare,--Medicaid,--other
13 government--programs,--private--insurance,--health-maintenance
14 organizations,--self-insured,--private-pay--patients,--and
15 others.--Preferred-provider-organization-reimbursement--shall
16 also--be--reported--for--each--primary--third-party-payer--category.

17 (k)--The--Council--shall--require--and--the--designated
18 corporation,--association--or--entity,--if--applicable,--shall
19 prepare--quarterly--basic--reports--in--the--aggregate--on--health
20 care--cost--and--utilization--trends--in--Illinois.--The--Council
21 shall--provide--these--reports--to--the--public,--if--requested.
22 These--shall--include,--but--not--be--limited--to,--comparative
23 information--on--average--charges,--total--and--ancillary--charge
24 components,--length--of--stay--on--diagnosis-specific--and
25 procedure-specific--cases,--and--number--of--discharges,--compiled
26 in--aggregate--by--hospital--and--licensed--ambulatory--surgical
27 treatment--center,--by--diagnosis,--and--by--primary--payer
28 category.

29 (l)--The--Council--shall,--from--information--submitted
30 pursuant--to--subsection--(e),--prepare--an--annual--report--in--the
31 aggregate--by--hospital--containing--the--following:

32 (1)--the--ratio--of--caesarean-section-deliveries--to
33 total-deliveries;

34 (2)--the--average--length--of--stay--for--patients--who

1 undergo caesarean sections;

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

4 (4) -- the average total charges for patients who
5 deliver by caesarean section.

6 The Council shall provide this report to the public, if
7 requested.

8 (1-5) -- (Blank).

9 (m) -- Prior to the release or dissemination of these
10 reports, the Council or the designated corporation shall
11 permit providers the opportunity to verify the accuracy of
12 any information pertaining to the provider. The providers
13 may submit to the Council any corrections or errors in the
14 compilation of the data with any supporting evidence and
15 documents the providers may submit. The Council or
16 corporation shall correct data found to be in error and
17 include additional commentary as requested by the provider
18 for major deviations in the charges from the average charges.
19 For purposes of this subsection (m), "providers" includes
20 physicians licensed to practice medicine in all of its
21 branches.

22 (n) -- In addition to the reports indicated above, the
23 Council shall respond to requests by agencies of government
24 and organizations in the private sector for data products,
25 special studies and analysis of data collected pursuant to
26 this Section. Such reports shall be undertaken only by the
27 agreement of a majority of the members of the Council who
28 shall designate the form in which the information shall be
29 made available. The Council or the corporation, association
30 or entity in consultation with the Council shall also
31 determine a fee to be charged to the requesting agency or
32 private sector organization to cover the direct and indirect
33 costs for producing such a report, and shall permit affected
34 providers the rights to review the accuracy of the report

1 ~~before-it-is-released.--Such-reports--shall-not-be-subject-to~~
2 ~~The-Freedom-of-Information-Act.~~

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

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

5 Sec. 4-4. (a) Hospitals shall make available to
6 prospective patients information on the normal charge
7 incurred for any procedure or operation the prospective
8 patient is considering.

9 (b) The Department of Public Health Council shall
10 require hospitals to post in letters no more than one inch in
11 height the established charges for services, where
12 applicable, including but not limited to the hospital's
13 private room charge, semi-private room charge, charge for a
14 room with 3 or more beds, intensive care room charges,
15 emergency room charge, operating room charge,
16 electrocardiogram charge, anesthesia charge, chest x-ray
17 charge, blood sugar charge, blood chemistry charge, tissue
18 exam charge, blood typing charge and Rh factor charge. The
19 definitions of each charge to be posted shall be determined
20 by the Department Council.

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

22 (20 ILCS 2215/1-2 rep.)

23 (20 ILCS 2215/2-2 rep.)

24 (20 ILCS 2215/2-3 rep.)

25 (20 ILCS 2215/2-4 rep.)

26 (20 ILCS 2215/2-5 rep.)

27 (20 ILCS 2215/2-6 rep.)

28 (20 ILCS 2215/4-3 rep.)

29 (20 ILCS 2215/4-5 rep.)

30 (20 ILCS 2215/5-2 rep.)

31 Section 26. The Illinois Health Finance Reform Act is
32 amended by repealing Sections 1-2, 2-2, 2-3, 2-4, 2-5, 2-6,

1 4-3, 4-5, and 5-2.

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

5 (20 ILCS 2310/2310-57 new)

6 Sec. 2310-57. Collecting information regarding hospital
7 discharges and surgery. The Department of Public Health
8 shall establish a system for the collection of data regarding
9 hospital discharges and inpatient and outpatient surgery
10 performed at hospitals and licensed ambulatory surgical
11 treatment centers.

12 The Department may establish a system to provide data to
13 hospitals required for accreditation, including data required
14 by the Joint Commission on Accreditation of Healthcare
15 Organizations.

16 The Department may adopt any rules necessary to carry out
17 this function, including reasonable fees for providing
18 accreditation data. The Department may contract with a
19 vendor to collect any data required to be submitted to the
20 Department under this Section.

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

23 (20 ILCS 3305/5) (from Ch. 127, par. 1055)

24 Sec. 5. Illinois Emergency Management Agency.

25 (a) There is created within the executive branch of the
26 State Government an Illinois Emergency Management Agency and
27 a Director of the Illinois Emergency Management Agency,
28 herein called the "Director" who shall be the head thereof.
29 The Director shall be appointed by the Governor, with the
30 advice and consent of the Senate, and shall serve for a term

1 of 2 years beginning on the third Monday in January of the
2 odd-numbered year, and until a successor is appointed and has
3 qualified; except that the term of the first Director
4 appointed under this Act shall expire on the third Monday in
5 January, 1989. The Director shall not hold any other
6 remunerative public office. The Director shall receive an
7 annual salary as set by the Governor from time to time or the
8 amount set by the Compensation Review Board, whichever is
9 higher. If set by the Governor, the Director's annual salary
10 may not exceed 85% of the Governor's annual salary.

11 (b) The Illinois Emergency Management Agency shall
12 obtain, under the provisions of the Personnel Code,
13 technical, clerical, stenographic and other administrative
14 personnel, and may make expenditures within the appropriation
15 therefor as may be necessary to carry out the purpose of this
16 Act. The agency created by this Act is intended to be a
17 successor to the agency created under the Illinois Emergency
18 Services and Disaster Agency Act of 1975 and the personnel,
19 equipment, records, and appropriations of that agency are
20 transferred to the successor agency as of the effective date
21 of this Act.

22 (c) The Director, subject to the direction and control
23 of the Governor, shall be the executive head of the Illinois
24 Emergency Management Agency and the State Emergency Response
25 Commission and shall be responsible under the direction of
26 the Governor, for carrying out the program for emergency
27 management of this State. The Director shall also maintain
28 liaison and cooperate with the emergency management
29 organizations of this State and other states and of the
30 federal government.

31 (d) The Illinois Emergency Management Agency shall take
32 an integral part in the development and revision of political
33 subdivision emergency operations plans prepared under
34 paragraph (f) of Section 10. To this end it shall employ or

1 otherwise secure the services of professional and technical
2 personnel capable of providing expert assistance to the
3 emergency services and disaster agencies. These personnel
4 shall consult with emergency services and disaster agencies
5 on a regular basis and shall make field examinations of the
6 areas, circumstances, and conditions that particular
7 political subdivision emergency operations plans are intended
8 to apply.

9 (e) The Illinois Emergency Management Agency and
10 political subdivisions shall be encouraged to form an
11 emergency management advisory committee composed of private
12 and public personnel representing the emergency management
13 phases of mitigation, preparedness, response, and recovery.
14 The Local Emergency Planning Committee, as created under the
15 Illinois Emergency Planning and Community Right to Know Act,
16 shall serve as an advisory committee to the emergency
17 services and disaster agency or agencies serving within the
18 boundaries of that Local Emergency Planning Committee
19 planning district for:

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

22 (2) the assessment of emergency response
23 capabilities related to hazardous chemical emergencies.

24 (f) The Illinois Emergency Management Agency shall:

25 (1) Coordinate the overall emergency management
26 program of the State.

27 (2) Cooperate with local governments, the federal
28 government and any public or private agency or entity in
29 achieving any purpose of this Act and in implementing
30 emergency management programs for mitigation,
31 preparedness, response, and recovery.

32 (2.5) Cooperate with the Department of Nuclear
33 Safety in development of the comprehensive emergency
34 preparedness and response plan for any nuclear accident

1 in accordance with Section 2005-65 of the Department of
2 Nuclear Safety Law of the Civil Administrative Code of
3 Illinois and in development of the Illinois Nuclear
4 Safety Preparedness program in accordance with Section 8
5 of the Illinois Nuclear Safety Preparedness Act.

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

9 (4) Promulgate rules and requirements for political
10 subdivision emergency operations plans that are not
11 inconsistent with and are at least as stringent as
12 applicable federal laws and regulations.

13 (5) Review and approve, in accordance with Illinois
14 Emergency Management Agency rules, emergency operations
15 plans for those political subdivisions required to have
16 an emergency services and disaster agency pursuant to
17 this Act.

18 (5.5) Promulgate rules and requirements for the
19 political subdivision emergency management exercises,
20 including, but not limited to, exercises of the emergency
21 operations plans.

22 (5.10) Review, evaluate, and approve, in accordance
23 with Illinois Emergency Management Agency rules,
24 political subdivision emergency management exercises for
25 those political subdivisions required to have an
26 emergency services and disaster agency pursuant to this
27 Act.

28 (6) Determine requirements of the State and its
29 political subdivisions for food, clothing, and other
30 necessities in event of a disaster.

31 (7) Establish a register of persons with types of
32 emergency management training and skills in mitigation,
33 preparedness, response, and recovery.

34 (8) Establish a register of government and private

1 response resources available for use in a disaster.

2 (9) Expand the Earthquake Awareness Program and its
3 efforts to distribute earthquake preparedness materials
4 to schools, political subdivisions, community groups,
5 civic organizations, and the media. Emphasis will be
6 placed on those areas of the State most at risk from an
7 earthquake. Maintain the list of all school districts,
8 hospitals, airports, power plants, including nuclear
9 power plants, lakes, dams, emergency response facilities
10 of all types, and all other major public or private
11 structures which are at the greatest risk of damage from
12 earthquakes under circumstances where the damage would
13 cause subsequent harm to the surrounding communities and
14 residents.

15 (10) Disseminate all information, completely and
16 without delay, on water levels for rivers and streams and
17 any other data pertaining to potential flooding supplied
18 by the Division of Water Resources within the Department
19 of Natural Resources to all political subdivisions to the
20 maximum extent possible.

21 (11) Develop agreements, if feasible, with medical
22 supply and equipment firms to supply resources as are
23 necessary to respond to an earthquake or any other
24 disaster as defined in this Act. These resources will be
25 made available upon notifying the vendor of the disaster.
26 Payment for the resources will be in accordance with
27 Section 7 of this Act. The Illinois Department of Public
28 Health shall determine which resources will be required
29 and requested.

30 (12) Out of funds appropriated for these purposes,
31 award capital and non-capital grants to Illinois
32 hospitals or health care facilities located outside of a
33 city with a population in excess of 1,000,000 to be used
34 for purposes that include, but are not limited to,

1 preparing to respond to mass casualties and disasters,
 2 maintaining and improving patient safety and quality of
 3 care, and protecting the confidentiality of patient
 4 information. No single grant for a capital expenditure
 5 shall exceed \$300,000. No single grant for a non-capital
 6 expenditure shall exceed \$100,000. In awarding such
 7 grants, preference shall be given to hospitals that serve
 8 a significant number of Medicaid recipients, but do not
 9 qualify for disproportionate share hospital adjustment
 10 payments under the Illinois Public Aid Code. To receive
 11 such a grant, a hospital or health care facility must
 12 provide funding of at least 50% of the cost of the
 13 project for which the grant is being requested. In
 14 awarding such grants the Illinois Emergency Management
 15 Agency shall consider the recommendations of the Illinois
 16 Hospital Association.

17 (13) (12) Do all other things necessary, incidental
 18 or appropriate for the implementation of this Act.

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

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

24 (30 ILCS 105/5.198) (from Ch. 127, par. 141.198)

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

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

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

30 (30 ILCS 105/5.570 new)

31 Sec. 5.570. The Illinois Student Assistance Commission

1 Contracts and Grants Fund.

2 (30 ILCS 105/5.571 new)

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

4 (30 ILCS 105/6z-12) (from Ch. 127, par. 142z-12)

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

6 Sec. 6z-12. Funds received by the Illinois Health Care
7 Cost Containment Council for special studies pursuant to the
8 Illinois Health Finance Reform Act shall be deposited in the
9 Illinois Health Care Cost Containment Council Special Studies
10 Fund. The General Assembly shall from time to time make
11 appropriations from the Illinois Health Care Cost Containment
12 Council Special Studies Fund for the payment of the direct
13 and indirect costs of special studies. The Illinois Health
14 Care Cost Containment Council shall by rule, adopted pursuant
15 to the Illinois Administrative Procedure Act, provide for the
16 allocation of the direct and indirect costs of producing
17 special studies pursuant to the Illinois Health Finance
18 Reform Act.

19 In addition to any other permitted use of moneys in the
20 Fund, moneys in the Illinois Health Care Cost Containment
21 Council Special Studies Fund may be used by the Council,
22 subject to appropriation, to provide services to the Illinois
23 Health Care Reform Task Force created under Section 6-4 of
24 the Medicaid Revenue Act and to support Council operations.

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

29 This Section is repealed on October 15, 2002.

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

31 (30 ILCS 105/6z-43)

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

2 (a) There is created in the State Treasury a special
3 fund to be known as the Tobacco Settlement Recovery Fund,
4 into which shall be deposited all monies paid to the State
5 pursuant to (1) the Master Settlement Agreement entered in
6 the case of People of the State of Illinois v. Philip Morris,
7 et al. (Circuit Court of Cook County, No. 96-L13146) and (2)
8 any settlement with or judgment against any tobacco product
9 manufacturer other than one participating in the Master
10 Settlement Agreement in satisfaction of any released claim as
11 defined in the Master Settlement Agreement, as well as any
12 other monies as provided by law. All earnings on Fund
13 investments shall be deposited into the Fund. Upon the
14 creation of the Fund, the State Comptroller shall order the
15 State Treasurer to transfer into the Fund any monies paid to
16 the State as described in item (1) or (2) of this Section
17 before the creation of the Fund plus any interest earned on
18 the investment of those monies. The Treasurer may invest the
19 moneys in the Fund in the same manner, in the same types of
20 investments, and subject to the same limitations provided in
21 the Illinois Pension Code for the investment of pension funds
22 other than those established under Article 3 or 4 of the
23 Code.

24 (b) As soon as may be practical after June 30, 2001,
25 upon notification from and at the direction of the Governor,
26 the State Comptroller shall direct and the State Treasurer
27 shall transfer the unencumbered balance in the Tobacco
28 Settlement Recovery Fund as of June 30, 2001, as determined
29 by the Governor, into the Budget Stabilization Fund. The
30 Treasurer may invest the moneys in the Budget Stabilization
31 Fund in the same manner, in the same types of investments,
32 and subject to the same limitations provided in the Illinois
33 Pension Code for the investment of pension funds other than
34 those established under Article 3 or 4 of the Code.

1 (c) All federal financial participation moneys received
2 pursuant to expenditures from the Fund shall be deposited
3 into the Fund.

4 (Source: P.A. 91-646, eff. 11-19-99; 91-704, eff. 7-1-00;
5 91-797, eff. 6-9-00; 92-11, eff. 6-11-01; 92-16, eff.
6 6-28-01.)

7 (30 ILCS 105/6z-55)

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

9 (a) The Statewide Economic Development Fund is created as a
10 special fund in the State treasury. Moneys in the Fund shall
11 be used, subject to appropriation, for the purpose of
12 statewide economic development activities or by the Illinois
13 Emergency Management Agency for awarding grants to Illinois
14 hospitals and health care facilities to provide for the
15 health and security of Illinois residents.

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

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

19 (105 ILCS 5/14-7.03) (from Ch. 122, par. 14-7.03)

20 Sec. 14-7.03. Special Education Classes for Children from
21 Orphanages, Foster Family Homes, Children's Homes, or in
22 State Housing Units. If a school district maintains special
23 education classes on the site of orphanages and children's
24 homes, or if children from the orphanages, children's homes,
25 foster family homes, other State agencies, or State
26 residential units for children attend classes for children
27 with disabilities in which the school district is a
28 participating member of a joint agreement, or if the children
29 from the orphanages, children's homes, foster family homes,
30 other State agencies, or State residential units attend
31 classes for the children with disabilities maintained by the

1 school district, then reimbursement shall be paid to eligible
2 districts in accordance with the provisions of this Section
3 by the Comptroller as directed by the State Superintendent of
4 Education.

5 The amount of tuition for such children shall be
6 determined by the actual cost of maintaining such classes,
7 using the per capita cost formula set forth in Section
8 14-7.01, such program and cost to be pre-approved by the
9 State Superintendent of Education.

10 On forms prepared by the State Superintendent of
11 Education, the district shall certify to the regional
12 superintendent the following:

13 (1) The name of the home or State residential unit
14 with the name of the owner or proprietor and address of
15 those maintaining it;

16 (2) That no service charges or other payments
17 authorized by law were collected in lieu of taxes
18 therefrom or on account thereof during either of the
19 calendar years included in the school year for which
20 claim is being made;

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

24 (4) The number of children attending special
25 education classes for children with disabilities in which
26 the district is a participating member of a special
27 education joint agreement;

28 (5) The number of children attending special
29 education classes for children with disabilities
30 maintained by the district;

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

34 If a school district makes a claim for reimbursement

1 under Section 18-3 or 18-4 of this Act it shall not include
2 in any claim filed under this Section a claim for such
3 children. Payments authorized by law, including State or
4 federal grants for education of children included in this
5 Section, shall be deducted in determining the tuition amount.

6 Nothing in this Act shall be construed so as to prohibit
7 reimbursement for the tuition of children placed in for
8 profit facilities. Private facilities shall provide adequate
9 space at the facility for special education classes provided
10 by a school district or joint agreement for children with
11 disabilities who are residents of the facility at no cost to
12 the school district or joint agreement upon request of the
13 school district or joint agreement. If such a private
14 facility provides space at no cost to the district or joint
15 agreement for special education classes provided to children
16 with disabilities who are residents of the facility, the
17 district or joint agreement shall not include any costs for
18 the use of those facilities in its claim for reimbursement.

19 Reimbursement for tuition may include the cost of
20 providing summer school programs for children with severe and
21 profound disabilities served under this Section. Claims for
22 that reimbursement shall be filed by November 1 and shall be
23 paid on or before December 15 from appropriations made for
24 the purposes of this Section.

25 The State Board of Education shall establish such rules
26 and regulations as may be necessary to implement the
27 provisions of this Section.

28 Claims filed on behalf of programs operated under this
29 Section housed in a jail or detention center shall be on an
30 individual student basis only for eligible students with
31 disabilities. These claims shall be in accordance with
32 applicable rules.

33 Each district claiming reimbursement for a program
34 operated as a group program shall have an approved budget on

1 file with the State Board of Education prior to the
2 initiation of the program's operation. On September 30,
3 December 31, and March 31, the State Board of Education shall
4 voucher payments to group programs based upon the approved
5 budget during the year of operation. Final claims for group
6 payments shall be filed on or before July 15. Final claims
7 for group programs received at the State Board of Education
8 on or before June 15 shall be vouchered by June 30. Final
9 claims received at the State Board of Education between June
10 16 and July 15 shall be vouchered by August 30. Claims for
11 group programs received after July 15 shall not be honored.

12 Each district claiming reimbursement for individual
13 students shall have the eligibility of those students
14 verified by the State Board of Education. On September 30,
15 December 31, and March 31, the State Board of Education shall
16 voucher payments for individual students based upon an
17 estimated cost calculated from the prior year's claim. Final
18 claims for individual students for the regular school term
19 must be received at the State Board of Education by July 15.
20 Claims for individual students received after July 15 shall
21 not be honored. Final claims for individual students shall be
22 vouchered by August 30.

23 Reimbursement shall be made based upon approved group
24 programs or individual students. The State Superintendent of
25 Education shall direct the Comptroller to pay a specified
26 amount to the district by the 30th day of September,
27 December, March, June, or August, respectively. However,
28 notwithstanding any other provisions of this Section or the
29 School Code, beginning with fiscal year 1994 and each fiscal
30 year thereafter through fiscal year 2002, if the amount
31 appropriated for any fiscal year is less than the amount
32 required for purposes of this Section, the amount required to
33 eliminate any insufficient reimbursement for each district
34 claim under this Section shall be reimbursed on August 30 of

1 the next fiscal year, and the payments required to eliminate
2 any insufficiency for prior fiscal year claims shall be made
3 before any claims are paid for the current fiscal year.
4 Notwithstanding any other provision of this Section or this
5 Code, beginning with fiscal year 2003, total reimbursement
6 under this Section in any fiscal year is limited to the
7 amount appropriated for that purpose for that fiscal year,
8 and if the amount appropriated for any fiscal year is less
9 than the amount required for purposes of this Section, the
10 insufficiency shall be apportioned pro rata among the school
11 districts seeking reimbursement.

12 The claim of a school district otherwise eligible to be
13 reimbursed in accordance with Section 14-12.01 for the
14 1976-77 school year but for this amendatory Act of 1977 shall
15 not be paid unless the district ceases to maintain such
16 classes for one entire school year.

17 If a school district's current reimbursement payment for
18 the 1977-78 school year only is less than the prior year's
19 reimbursement payment owed, the district shall be paid the
20 amount of the difference between the payments in addition to
21 the current reimbursement payment, and the amount so paid
22 shall be subtracted from the amount of prior year's
23 reimbursement payment owed to the district.

24 Regional superintendents may operate special education
25 classes for children from orphanages, foster family homes,
26 children's homes or State housing units located within the
27 educational services region upon consent of the school board
28 otherwise so obligated. In electing to assume the powers and
29 duties of a school district in providing and maintaining such
30 a special education program, the regional superintendent may
31 enter into joint agreements with other districts and may
32 contract with public or private schools or the orphanage,
33 foster family home, children's home or State housing unit for
34 provision of the special education program. The regional

1 superintendent exercising the powers granted under this
2 Section shall claim the reimbursement authorized by this
3 Section directly from the State Board of Education.

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

9 Commencing July 1, 1992, for each disabled student who is
10 placed residentially by a State agency or the courts for care
11 or custody or both care and custody, welfare, medical or
12 mental health treatment or both medical and mental health
13 treatment, rehabilitation, and protection, whether placed
14 there on, before, or after July 1, 1992, the costs for
15 educating the student are eligible for reimbursement under
16 this Section providing the placing agency or court has
17 notified the appropriate school district authorities of the
18 status of student residency where applicable prior to or upon
19 placement.

20 The district of residence of the parent, guardian, or
21 disabled student as defined in Sections 14-1.11 and 14-1.11a
22 is responsible for the actual costs of the student's special
23 education program and is eligible for reimbursement under
24 this Section when placement is made by a State agency or the
25 courts. Payments shall be made by the resident district to
26 the district wherein the facility is located no less than
27 once per quarter unless otherwise agreed to in writing by the
28 parties.

29 When a dispute arises over the determination of the
30 district of residence, the district or districts may appeal
31 the decision in writing to the State Superintendent of
32 Education. The decision of the State Superintendent of
33 Education shall be final.

34 In the event a district does not make a tuition payment

1 to another district that is providing the special education
 2 program and services, the State Board of Education shall
 3 immediately withhold 125% of the then remaining annual
 4 tuition cost from the State aid or categorical aid payment
 5 due to the school district that is determined to be the
 6 resident school district. All funds withheld by the State
 7 Board of Education shall immediately be forwarded to the
 8 school district where the student is being served.

9 When a child eligible for services under this Section
 10 14-7.03 must be placed in a nonpublic facility, that facility
 11 shall meet the programmatic requirements of Section 14-7.02
 12 and its regulations, and the educational services shall be
 13 funded only in accordance with this Section 14-7.03.

14 (Source: P.A. 89-235, eff. 8-4-95; 89-397, eff. 8-20-95;
 15 89-698, eff. 1-14-97; 90-463, eff. 8-17-97; 90-644, eff.
 16 7-24-98.)

17 (105 ILCS 5/18-3) (from Ch. 122, par. 18-3)
 18 Sec. 18-3. Tuition of children from orphanages and
 19 children's homes.

20 When the children from any home for orphans, dependent,
 21 abandoned or maladjusted children maintained by any
 22 organization or association admitting to such home children
 23 from the State in general or when children residing in a
 24 school district wherein the State of Illinois maintains and
 25 operates any welfare or penal institution on property owned
 26 by the State of Illinois, which contains houses, housing
 27 units or housing accommodations within a school district,
 28 attend grades kindergarten through 12 of the public schools
 29 maintained by that school district, the State Superintendent
 30 of Education shall direct the State Comptroller to pay a
 31 specified amount sufficient to pay the annual tuition cost of
 32 such children who attended such public schools during the
 33 regular school year ending on June 30 or the summer term for

1 that school year, and the Comptroller shall pay the amount
2 after receipt of a voucher submitted by the State
3 Superintendent of Education.

4 The amount of the tuition for such children attending the
5 public schools of the district shall be determined by the
6 State Superintendent of Education by multiplying the number
7 of such children in average daily attendance in such schools
8 by 1.2 times the total annual per capita cost of
9 administering the schools of the district. Such total annual
10 per capita cost shall be determined by totaling all expenses
11 of the school district in the educational, operations and
12 maintenance, bond and interest, transportation, Illinois
13 municipal retirement, and rent funds for the school year
14 preceding the filing of such tuition claims less expenditures
15 not applicable to the regular K-12 program, less offsetting
16 revenues from State sources except those from the common
17 school fund, less offsetting revenues from federal sources
18 except those from federal impaction aid, less student and
19 community service revenues, plus a depreciation allowance;
20 and dividing such total by the average daily attendance for
21 the year.

22 Annually on or before June 30 the superintendent of the
23 district upon forms prepared by the State Superintendent of
24 Education shall certify to the regional superintendent the
25 following:

- 26 1. The name of the home and of the organization or
27 association maintaining it; or the legal description of
28 the real estate upon which the house, housing units, or
29 housing accommodations are located and that no taxes or
30 service charges or other payments authorized by law to be
31 made in lieu of taxes were collected therefrom or on
32 account thereof during either of the calendar years
33 included in the school year for which claim is being
34 made;

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

4 3. The total number of children attending the
5 schools of the district;

6 4. The per capita tuition charge of the district;
7 and

8 5. The computed amount of the tuition payment
9 claimed as due.

10 Whenever the persons in charge of such home for orphans,
11 dependent, abandoned or maladjusted children have received
12 from the parent or guardian of any such child or by virtue of
13 an order of court a specific allowance for educating such
14 child, such persons shall pay to the school board in the
15 district where the child attends school such amount of the
16 allowance as is necessary to pay the tuition required by such
17 district for the education of the child. If the allowance is
18 insufficient to pay the tuition in full the State
19 Superintendent of Education shall direct the Comptroller to
20 pay to the district the difference between the total tuition
21 charged and the amount of the allowance.

22 Whenever the facilities of a school district in which
23 such house, housing units or housing accommodations are
24 located, are limited, pupils may be assigned by that district
25 to the schools of any adjacent district to the limit of the
26 facilities of the adjacent district to properly educate such
27 pupils as shall be determined by the school board of the
28 adjacent district, and the State Superintendent of Education
29 shall direct the Comptroller to pay a specified amount
30 sufficient to pay the annual tuition of the children so
31 assigned to and attending public schools in the adjacent
32 districts and the Comptroller shall draw his warrant upon the
33 State Treasurer for the payment of such amount for the
34 benefit of the adjacent school districts in the same manner

1 as for districts in which the houses, housing units or
2 housing accommodations are located.

3 The school district shall certify to the State
4 Superintendent of Education the report of claims due for such
5 tuition payments on or before July 31. Failure on the part of
6 the school board to certify its claim on July 31 shall
7 constitute a forfeiture by the district of its right to the
8 payment of any such tuition claim for the school year. The
9 State Superintendent of Education shall direct the
10 Comptroller to pay to the district, on or before August 15,
11 the amount due the district for the school year in accordance
12 with the calculation of the claim as set forth in this
13 Section.

14 Claims for tuition for children from any home for orphans
15 or dependent, abandoned, or maladjusted children beginning
16 with the 1993-1994 school year shall be paid on a current
17 year basis. On September 30, December 31, and March 31, the
18 State Board of Education shall voucher payments for districts
19 with those students based on an estimated cost calculated
20 from the prior year's claim. Final claims for those students
21 for the regular school term and summer term must be received
22 at the State Board of Education by July 31 following the end
23 of the regular school year. Final claims for those students
24 shall be vouchered by August 15. During fiscal year 1994
25 both the 1992-1993 school year and the 1993-1994 school year
26 shall be paid in order to change the cycle of payment from a
27 reimbursement basis to a current year funding basis of
28 payment. However, notwithstanding any other provisions of
29 this Section or the School Code, beginning with fiscal year
30 1994 and each fiscal year thereafter through fiscal year
31 2002, if the amount appropriated for any fiscal year is less
32 than the amount required for purposes of this Section, the
33 amount required to eliminate any insufficient reimbursement
34 for each district claim under this Section shall be

1 reimbursed on August 30 of the next fiscal year, and the-
2 payments required to eliminate any insufficiency for prior
3 fiscal year claims shall be made before any claims are paid
4 for the current fiscal year. Notwithstanding any other
5 provision of this Section or this Code, beginning with fiscal
6 year 2003, total reimbursement under this Section in any
7 fiscal year is limited to the amount appropriated for that
8 purpose for that fiscal year, and if the amount appropriated
9 for any fiscal year is less than the amount required for
10 purposes of this Section, the insufficiency shall be
11 apportioned pro rata among the school districts seeking
12 reimbursement.

13 If a school district makes a claim for reimbursement
14 under Section 18-4 or 14-7.03 it shall not include in any
15 claim filed under this Section children residing on the
16 property of State institutions included in its claim under
17 Section 18-4 or 14-7.03.

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

23 In order to provide services appropriate to allow a
24 student under the legal guardianship or custodianship of the
25 State to participate in local school district educational
26 programs, costs may be incurred in appropriate cases by the
27 district that are in excess of 1.2 times the district per
28 capita tuition charge allowed under the provisions of this
29 Section. In the event such excess costs are incurred, they
30 must be documented in accordance with cost rules established
31 under the authority of this Section and may then be claimed
32 for reimbursement under this Section.

33 Planned services for students eligible for this funding
34 must be a collaborative effort between the appropriate State

1 agency or the student's group home or institution and the
2 local school district.

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

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

7 (105 ILCS 235/15-10)

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

9 Sec. 15-10. Annual budget; recommendation. The Governor
10 shall include a Common School Fund recommendation to the
11 State Board of Education in the fiscal year 1999 through 2003
12 ~~2002~~ annual Budgets sufficient to fund (i) the General State
13 Aid Formula set forth in subsection (E) (Computation of
14 General State Aid) and subsection (H) (Supplemental General
15 State Aid) of Section 18-8.05 of the School Code and (ii) the
16 supplementary payments for school districts set forth in
17 subsection (J) (Supplementary Grants in Aid) of Section
18 18-8.05 of the School Code.

19 (Source: P.A. 92-7, eff. 6-29-01.)

20 (105 ILCS 235/15-15)

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

22 Sec. 15-15. State Aid Formula; Funding. The General
23 Assembly shall annually make Common School Fund
24 appropriations to the State Board of Education in fiscal
25 years 1999 through 2003 ~~2002~~ sufficient to fund (i) the
26 General State Aid Formula set forth in subsection (E)
27 (Computation of General State Aid) and subsection (H)
28 (Supplemental General State Aid) of Section 18-8.05 of the
29 School Code and (ii) the supplementary payments for school
30 districts set forth in subsection (J) (Supplementary Grants
31 in Aid) of Section 18-8.05 of the School Code.

1 (Source: P.A. 92-7, eff. 6-29-01.)

2 (105 ILCS 235/15-25)

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

4 Sec. 15-25. Repeal. This Article is repealed June 30,
5 2003. Section 15-20 of this Article is repealed June 30,
6 2002.

7 (Source: P.A. 92-7, eff. 6-29-01.)

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

10 (110 ILCS 805/2-16.07 new)

11 Sec. 2-16.07. Career and Technical Education Fund. The
12 Career and Technical Education Fund is created as a special
13 fund in the State treasury. The Comptroller shall order
14 transferred and the State Treasurer shall transfer from the
15 Federal Department of Education Fund into the Career and
16 Technical Education Fund such amounts as may be directed in
17 writing by the State Board of Education. All moneys so
18 deposited into the Career and Technical Education Fund may be
19 used, subject to appropriation, by the State Board for
20 operational expenses associated with the administration of
21 Career and Technical Education, for payment of Career and
22 Technical Education grants to colleges, and for payment of
23 costs relating to State leadership activities, as provided by
24 the United States Department of Education.

25 Section 60. The Higher Education Student Assistance
26 Act is amended by adding Sections 65.56 and 77 as
27 follows:

28 (110 ILCS 947/65.56 new)

29 Sec. 65.56. Illinois Teachers and Child Care Providers

1 Loan Repayment Program.

2 (a) In order to encourage academically talented Illinois
3 students to enter and continue teaching in Illinois schools
4 in low-income areas and to encourage students to enter the
5 early child care profession and serve low-income areas, the
6 Commission shall, each year, receive and consider
7 applications for loan repayment assistance under this
8 Section. This program shall be known as the Illinois Teachers
9 and Child Care Providers Loan Repayment Program. The
10 Commission shall administer the program and shall make all
11 necessary and proper rules not inconsistent with this Section
12 for the program's effective implementation. The Commission
13 may use up to 5% of the appropriation for this program for
14 administration and promotion of teacher incentive programs.

15 (b) Beginning January 1, 2003, subject to a separate
16 appropriation made for such purposes, the Commission shall
17 award a grant to each qualified applicant in an amount equal
18 to the amount of educational loans forgiven on behalf of the
19 qualified applicant pursuant to Sections 424 and 425 of Title
20 IV of the Higher Education Amendments of 1998 (20 U.S.C.
21 1078-10 and 1078-11), up to a maximum of \$5,000. The
22 Commission shall encourage the recipient of a grant under
23 this Section to use the grant amount awarded to pay off his
24 or her educational loans.

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

27 (1) The person is a United States citizen or
28 eligible noncitizen.

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

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

34 (4) The person has fulfilled the obligations set

1 forth by Sections 424 and 425 of Title IV of the Higher
2 Education Amendments of 1998 in this State.

3 (d) All applications for grant assistance under this
4 Section shall be made to the Commission. The form of
5 application and the information required to be set forth in
6 the application shall be determined by the Commission, and
7 the Commission shall require applicants to submit with their
8 applications such supporting documents as the Commission
9 deems necessary.

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

14 (110 ILCS 947/77 new)

15 Sec. 77. Illinois Student Assistance Commission
16 Contracts and Grants Fund.

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

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

24 (110 ILCS 947/65.57 rep.)

25 Section 65. The Higher Education Student Assistance Act
26 is amended by repealing Section 65.57.

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

29 (215 ILCS 105/3) (from Ch. 73, par. 1303)

30 Sec. 3. Operation of the Plan.

1 a. There is hereby created an Illinois Comprehensive
2 Health Insurance Plan.

3 b. The Plan shall operate subject to the supervision and
4 control of the board. The board is created as a political
5 subdivision and body politic and corporate and, as such, is
6 not a State agency. The board shall consist of 10 public
7 members, appointed by the Governor with the advice and
8 consent of the Senate.

9 Initial members shall be appointed to the Board by the
10 Governor as follows: 2 members to serve until July 1, 1988,
11 and until their successors are appointed and qualified; 2
12 members to serve until July 1, 1989, and until their
13 successors are appointed and qualified; 3 members to serve
14 until July 1, 1990, and until their successors are appointed
15 and qualified; and 3 members to serve until July 1, 1991, and
16 until their successors are appointed and qualified. As terms
17 of initial members expire, their successors shall be
18 appointed for terms to expire the first day in July 3 years
19 thereafter, and until their successors are appointed and
20 qualified.

21 Any vacancy in the Board occurring for any reason other
22 than the expiration of a term shall be filled for the
23 unexpired term in the same manner as the original
24 appointment.

25 Any member of the Board may be removed by the Governor
26 for neglect of duty, misfeasance, malfeasance, or nonfeasance
27 in office.

28 In addition, a representative of the Bureau of the Budget
29 Illinois---Health---Care---Cost---Containment---Council, a
30 representative of the Office of the Attorney General and the
31 Director or the Director's designated representative shall be
32 members of the board. Four members of the General Assembly,
33 one each appointed by the President and Minority Leader of
34 the Senate and by the Speaker and Minority Leader of the

1 House of Representatives, shall serve as nonvoting members of
2 the board. At least 2 of the public members shall be
3 individuals reasonably expected to qualify for coverage under
4 the Plan, the parent or spouse of such an individual, or a
5 surviving family member of an individual who could have
6 qualified for the plan during his lifetime. The Director or
7 Director's representative shall be the chairperson of the
8 board. Members of the board shall receive no compensation,
9 but shall be reimbursed for reasonable expenses incurred in
10 the necessary performance of their duties.

11 c. The board shall make an annual report in September
12 and shall file the report with the Secretary of the Senate
13 and the Clerk of the House of Representatives. The report
14 shall summarize the activities of the Plan in the preceding
15 calendar year, including net written and earned premiums, the
16 expense of administration, the paid and incurred losses for
17 the year and other information as may be requested by the
18 General Assembly. The report shall also include analysis and
19 recommendations regarding utilization review, quality
20 assurance and access to cost effective quality health care.

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

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

24 (2) Establish procedures for the operation of the
25 board.

26 (3) Create a Plan fund, under management of the
27 board, to fund administrative, claim, and other expenses
28 of the Plan.

29 (4) Establish procedures for the handling and
30 accounting of assets and monies of the Plan.

31 (5) Develop and implement a program to publicize
32 the existence of the Plan, the eligibility requirements
33 and procedures for enrollment and to maintain public
34 awareness of the Plan.

1 (6) Establish procedures under which applicants and
2 participants may have grievances reviewed by a grievance
3 committee appointed by the board. The grievances shall
4 be reported to the board immediately after completion of
5 the review. The Department and the board shall retain
6 all written complaints regarding the Plan for at least 3
7 years. Oral complaints shall be reduced to written form
8 and maintained for at least 3 years.

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

12 e. No later than 5 years after the Plan is operative the
13 board and the Department shall conduct cooperatively a study
14 of the Plan and the persons insured by the Plan to determine:
15 (1) claims experience including a breakdown of medical
16 conditions for which claims were paid; (2) whether
17 availability of the Plan affected employment opportunities
18 for participants; (3) whether availability of the Plan
19 affected the receipt of medical assistance benefits by Plan
20 participants; (4) whether a change occurred in the number of
21 personal bankruptcies due to medical or other health related
22 costs; (5) data regarding all complaints received about the
23 Plan including its operation and services; (6) and any other
24 significant observations regarding utilization of the Plan.
25 The study shall culminate in a written report to be presented
26 to the Governor, the President of the Senate, the Speaker of
27 the House and the chairpersons of the House and Senate
28 Insurance Committees. The report shall be filed with the
29 Secretary of the Senate and the Clerk of the House of
30 Representatives. The report shall also be available to
31 members of the general public upon request.

32 f. The board may:

33 (1) Prepare and distribute certificate of
34 eligibility forms and enrollment instruction forms to

1 insurance producers and to the general public in this
2 State.

3 (2) Provide for reinsurance of risks incurred by
4 the Plan and enter into reinsurance agreements with
5 insurers to establish a reinsurance plan for risks of
6 coverage described in the Plan, or obtain commercial
7 reinsurance to reduce the risk of loss through the Plan.

8 (3) Issue additional types of health insurance
9 policies to provide optional coverages as are otherwise
10 permitted by this Act including a Medicare supplement
11 policy designed to supplement Medicare.

12 (4) Provide for and employ cost containment
13 measures and requirements including, but not limited to,
14 preadmission certification, second surgical opinion,
15 concurrent utilization review programs, and individual
16 case management for the purpose of making the pool more
17 cost effective.

18 (5) Design, utilize, contract, or otherwise arrange
19 for the delivery of cost effective health care services,
20 including establishing or contracting with preferred
21 provider organizations, health maintenance organizations,
22 and other limited network provider arrangements.

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

26 (7) Administer separate pools, separate accounts,
27 or other plans or arrangements as required by this Act to
28 separate federally eligible individuals or groups of
29 federally eligible individuals who qualify for plan
30 coverage under Section 15 of this Act from eligible
31 persons or groups of eligible persons who qualify for
32 plan coverage under Section 7 of this Act and apportion
33 the costs of the administration among such separate
34 pools, separate accounts, or other plans or arrangements.

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

5 h. The board is not liable for any obligation of the
 6 Plan. There is no liability on the part of any member or
 7 employee of the board or the Department, and no cause of
 8 action of any nature may arise against them, for any action
 9 taken or omission made by them in the performance of their
 10 powers and duties under this Act, unless the action or
 11 omission constitutes willful or wanton misconduct. The board
 12 may provide in its bylaws or rules for indemnification of,
 13 and legal representation for, its members and employees.

14 i. There is no liability on the part of any insurance
 15 producer for the failure of any applicant to be accepted by
 16 the Plan unless the failure of the applicant to be accepted
 17 by the Plan is due to an act or omission by the insurance
 18 producer which constitutes willful or wanton misconduct.

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

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

22 (215 ILCS 106/20)

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

24 Sec. 20. Eligibility.

25 (a) To be eligible for this Program, a person must be a
 26 person who has a child eligible under this Act and who is
 27 eligible under a waiver of federal requirements pursuant to
 28 an application made pursuant to subdivision (a)(1) of Section
 29 40 of this Act or who is a child who:

30 (1) is a child who is not eligible for medical
 31 assistance;

32 (2) is a child whose annual household income, as

1 determined by the Department, is above 133% of the
2 federal poverty level and at or below 185% of the federal
3 poverty level;

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

5 (4) is a child who is either a United States
6 citizen or included in one of the following categories of
7 non-citizens:

8 (A) unmarried dependent children of either a
9 United States Veteran honorably discharged or a
10 person on active military duty;

11 (B) refugees under Section 207 of the
12 Immigration and Nationality Act;

13 (C) asylees under Section 208 of the
14 Immigration and Nationality Act;

15 (D) persons for whom deportation has been
16 withheld under Section 243(h) of the Immigration
17 and Nationality Act;

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

21 (F) persons lawfully admitted for permanent
22 residence under the Immigration and Nationality Act;
23 and

24 (G) parolees, for at least one year, under
25 Section 212(d)(5) of the Immigration and Nationality
26 Act.

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

32 (b) A child who is determined to be eligible for
33 assistance ~~may shall~~ remain eligible for 12 months, provided
34 the child maintains his or her residence in the State, has

1 not yet attained 19 years of age, and is not excluded
 2 pursuant to subsection (c). A child who has been determined
 3 to be eligible for assistance must reapply or otherwise
 4 establish eligibility Eligibility-shall-be--re-determined--by
 5 the-Department at least annually. An eligible child shall be
 6 required, as determined by the Department by rule, to report
 7 promptly those changes in income and other circumstances that
 8 affect eligibility. The eligibility of a child may be
 9 redetermined based on the information reported or may be
 10 terminated based on the failure to report or failure to
 11 report accurately. A child's responsible relative or
 12 caretaker may also be held liable to the Department for any
 13 payments made by the Department on such child's behalf that
 14 were inappropriate. An applicant shall be provided with
 15 notice of these obligations.

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

18 (1) the premium required pursuant to Section 30 of
 19 this Act has not been paid. If the required premiums are
 20 not paid the liability of the Program shall be limited to
 21 benefits incurred under the Program for the time period
 22 for which premiums had been paid. If the required
 23 monthly premium is not paid, the child shall be
 24 ineligible for re-enrollment for a minimum period of 3
 25 months. Re-enrollment shall be completed prior to the
 26 next covered medical visit and the first month's required
 27 premium shall be paid in advance of the next covered
 28 medical visit. The Department shall promulgate rules
 29 regarding grace periods, notice requirements, and hearing
 30 procedures pursuant to this subsection;

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

33 (3) the child is a member of a family that is
 34 eligible for health benefits covered under the State of

1 Illinois health benefits plan on the basis of a member's
2 employment with a public agency.
3 (Source: P.A. 90-736, eff. 8-12-98.)

4 (215 ILCS 106/40)
5 (Section scheduled to be repealed on July 1, 2002)
6 Sec. 40. Waivers.

7 (a) The Department shall request any necessary waivers
8 of federal requirements in order to allow receipt of federal
9 funding for:

10 (1) the coverage of families with eligible children
11 under this Act; and

12 (2) for the coverage of children who would
13 otherwise be eligible under this Act, but who have health
14 insurance.

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

20 (c) Eligibility of a person under an approved waiver due
21 to the relationship with a child pursuant to Article V of the
22 Illinois Public Aid Code or this Act shall be limited to such
23 a person whose countable income is determined by the
24 Department to be at or below 65% of the federal poverty
25 level. Such persons who are determined to be eligible must
26 reapply, or otherwise establish eligibility, at least
27 annually. An eligible person shall be required, as
28 determined by the Department by rule, to report promptly
29 those changes in income and other circumstances that affect
30 eligibility. The eligibility of a person may be redetermined
31 based on the information reported or may be terminated based
32 on the failure to report or failure to report accurately. A
33 person may also be held liable to the Department for any

1 payments made by the Department on such person's behalf that
2 were inappropriate. An applicant shall be provided with
3 notice of these obligations.

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

5 (215 ILCS 106/97)

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

7 Sec. 97. Repealer. This Act is repealed on July 1, 2003
8 2002.

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

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

13 (305 ILCS 5/5-2) (from Ch. 23, par. 5-2)

14 Sec. 5-2. Classes of Persons Eligible. Medical
15 assistance under this Article shall be available to any of
16 the following classes of persons in respect to whom a plan
17 for coverage has been submitted to the Governor by the
18 Illinois Department and approved by him:

19 1. Recipients of basic maintenance grants under Articles
20 III and IV.

21 2. Persons otherwise eligible for basic maintenance
22 under Articles III and IV but who fail to qualify thereunder
23 on the basis of need, and who have insufficient income and
24 resources to meet the costs of necessary medical care,
25 including but not limited to the following:

26 (a) All persons otherwise eligible for basic
27 maintenance under Article III but who fail to qualify
28 under that Article on the basis of need and who meet
29 either of the following requirements:

30 (i) their income, as determined by the
31 Illinois Department in accordance with any federal

1 requirements, is equal to or less than 70% in fiscal
2 year 2001, equal to or less than 85% in fiscal year
3 2002 and until a date to be determined by the
4 Department by rule, and equal to or less than 100%
5 beginning on the date determined by the Department
6 by rule, ~~in-fiscal-year-2003-and-thereafter~~ of the
7 nonfarm income official poverty line, as defined by
8 the federal Office of Management and Budget and
9 revised annually in accordance with Section 673(2)
10 of the Omnibus Budget Reconciliation Act of 1981,
11 applicable to families of the same size; or

12 (ii) their income, after the deduction of
13 costs incurred for medical care and for other types
14 of remedial care, is equal to or less than 70% in
15 fiscal year 2001, equal to or less than 85% in
16 fiscal year 2002 and until a date to be determined
17 by the Department by rule, and equal to or less than
18 100% beginning on the date determined by the
19 Department by rule, ~~in--fiscal--year--2003--and~~
20 ~~thereafter~~ of the nonfarm income official poverty
21 line, as defined in item (i) of this subparagraph
22 (a).

23 (b) All persons who would be determined eligible
24 for such basic maintenance under Article IV by
25 disregarding the maximum earned income permitted by
26 federal law.

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

29 4. Persons not eligible under any of the preceding
30 paragraphs who fall sick, are injured, or die, not having
31 sufficient money, property or other resources to meet the
32 costs of necessary medical care or funeral and burial
33 expenses.

34 5. (a) Women during pregnancy, after the fact of

1 pregnancy has been determined by medical diagnosis, and
2 during the 60-day period beginning on the last day of the
3 pregnancy, together with their infants and children born
4 after September 30, 1983, whose income and resources are
5 insufficient to meet the costs of necessary medical care
6 to the maximum extent possible under Title XIX of the
7 Federal Social Security Act.

8 (b) The Illinois Department and the Governor shall
9 provide a plan for coverage of the persons eligible under
10 paragraph 5(a) by April 1, 1990. Such plan shall provide
11 ambulatory prenatal care to pregnant women during a
12 presumptive eligibility period and establish an income
13 eligibility standard that is equal to 133% of the nonfarm
14 income official poverty line, as defined by the federal
15 Office of Management and Budget and revised annually in
16 accordance with Section 673(2) of the Omnibus Budget
17 Reconciliation Act of 1981, applicable to families of the
18 same size, provided that costs incurred for medical care
19 are not taken into account in determining such income
20 eligibility.

21 (c) The Illinois Department may conduct a
22 demonstration in at least one county that will provide
23 medical assistance to pregnant women, together with their
24 infants and children up to one year of age, where the
25 income eligibility standard is set up to 185% of the
26 nonfarm income official poverty line, as defined by the
27 federal Office of Management and Budget. The Illinois
28 Department shall seek and obtain necessary authorization
29 provided under federal law to implement such a
30 demonstration. Such demonstration may establish resource
31 standards that are not more restrictive than those
32 established under Article IV of this Code.

33 6. Persons under the age of 18 who fail to qualify as
34 dependent under Article IV and who have insufficient income

1 and resources to meet the costs of necessary medical care to
2 the maximum extent permitted under Title XIX of the Federal
3 Social Security Act.

4 7. Persons who are 18 years of age or younger and would
5 qualify as disabled as defined under the Federal Supplemental
6 Security Income Program, provided medical service for such
7 persons would be eligible for Federal Financial
8 Participation, and provided the Illinois Department
9 determines that:

10 (a) the person requires a level of care provided by
11 a hospital, skilled nursing facility, or intermediate
12 care facility, as determined by a physician licensed to
13 practice medicine in all its branches;

14 (b) it is appropriate to provide such care outside
15 of an institution, as determined by a physician licensed
16 to practice medicine in all its branches;

17 (c) the estimated amount which would be expended
18 for care outside the institution is not greater than the
19 estimated amount which would be expended in an
20 institution.

21 8. Persons who become ineligible for basic maintenance
22 assistance under Article IV of this Code in programs
23 administered by the Illinois Department due to employment
24 earnings and persons in assistance units comprised of adults
25 and children who become ineligible for basic maintenance
26 assistance under Article VI of this Code due to employment
27 earnings. The plan for coverage for this class of persons
28 shall:

29 (a) extend the medical assistance coverage for up
30 to 12 months following termination of basic maintenance
31 assistance; and

32 (b) offer persons who have initially received 6
33 months of the coverage provided in paragraph (a) above,
34 the option of receiving an additional 6 months of

1 coverage, subject to the following:

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

4 (ii) such coverage shall include all services
5 covered while the person was eligible for basic
6 maintenance assistance;

7 (iii) no premium shall be charged for such
8 coverage; and

9 (iv) such coverage shall be suspended in the
10 event of a person's failure without good cause to
11 file in a timely fashion reports required for this
12 coverage under the Social Security Act and coverage
13 shall be reinstated upon the filing of such reports
14 if the person remains otherwise eligible.

15 9. Persons with acquired immunodeficiency syndrome
16 (AIDS) or with AIDS-related conditions with respect to whom
17 there has been a determination that but for home or
18 community-based services such individuals would require the
19 level of care provided in an inpatient hospital, skilled
20 nursing facility or intermediate care facility the cost of
21 which is reimbursed under this Article. Assistance shall be
22 provided to such persons to the maximum extent permitted
23 under Title XIX of the Federal Social Security Act.

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

28 11. Persons with disabilities who are employed and
29 eligible for Medicaid, pursuant to Section
30 1902(a)(10)(A)(ii)(xv) of the Social Security Act, as
31 provided by the Illinois Department by rule.

32 12. Subject to federal approval, persons who are
33 eligible for medical assistance coverage under applicable
34 provisions of the federal Social Security Act and the federal

1 Breast and Cervical Cancer Prevention and Treatment Act of
2 2000. Those eligible persons are defined to include, but not
3 be limited to, the following persons:

4 (1) persons who have been screened for breast or
5 cervical cancer under the U.S. Centers for Disease
6 Control and Prevention Breast and Cervical Cancer Program
7 established under Title XV of the federal Public Health
8 Services Act in accordance with the requirements of
9 Section 1504 of that Act as administered by the Illinois
10 Department of Public Health; and

11 (2) persons whose screenings under the above
12 program were funded in whole or in part by funds
13 appropriated to the Illinois Department of Public Health
14 for breast or cervical cancer screening.

15 "Medical assistance" under this paragraph 12 shall be
16 identical to the benefits provided under the State's approved
17 plan under Title XIX of the Social Security Act. The
18 Department must request federal approval of the coverage
19 under this paragraph 12 within 30 days after the effective
20 date of this amendatory Act of the 92nd General Assembly.

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

24 The eligibility of any such person for medical assistance
25 under this Article is not affected by the payment of any
26 grant under the Senior Citizens and Disabled Persons Property
27 Tax Relief and Pharmaceutical Assistance Act or any
28 distributions or items of income described under subparagraph
29 (X) of paragraph (2) of subsection (a) of Section 203 of the
30 Illinois Income Tax Act. The Department shall by rule
31 establish the amounts of assets to be disregarded in
32 determining eligibility for medical assistance, which shall
33 at a minimum equal the amounts to be disregarded under the
34 Federal Supplemental Security Income Program. The amount of

1 assets of a single person to be disregarded shall not be less
2 than \$2,000, and the amount of assets of a married couple to
3 be disregarded shall not be less than \$3,000.

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

8 The eligibility of any person for medical assistance
9 under this Article shall not be affected by the receipt by
10 the person of donations or benefits from fundraisers held for
11 the person in cases of serious illness, as long as neither
12 the person nor members of the person's family have actual
13 control over the donations or benefits or the disbursement of
14 the donations or benefits.

15 (Source: P.A. 91-676, eff. 12-23-99; 91-699, eff. 7-1-00;
16 91-712, eff. 7-1-00; 92-16, eff. 6-28-01; 92-47, eff.
17 7-3-01.)

18 (305 ILCS 5/5-4.1) (from Ch. 23, par. 5-4.1)

19 Sec. 5-4.1. Co-payments. The Department may by rule
20 provide that recipients under any Article of this Code (~~other~~
21 ~~than--group--care--recipients~~) shall pay a fee as a co-payment
22 for services. Co-payments may not exceed \$3 for brand name
23 drugs, \$1 one-dollar for other pharmacy services, and \$2 for
24 physicians services, dental services, optical services and
25 supplies, chiropractic services, podiatry services, and
26 encounter rate clinic services. Co-payments may not exceed
27 \$3 three-dollars for hospital outpatient and clinic services.
28 Provided, however, that any such rule must provide that no
29 co-payment requirement can exist for renal dialysis,
30 radiation therapy, cancer chemotherapy, or insulin, and other
31 products necessary on a recurring basis, the absence of which
32 would be life threatening, or where co-payment expenditures
33 for required services and/or medications for chronic diseases

1 that the Illinois Department shall by rule designate shall
2 cause an extensive financial burden on the recipient, and
3 provided no co-payment shall exist for emergency room
4 encounters which are for medical emergencies.

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

6 (305 ILCS 5/5-5.4) (from Ch. 23, par. 5-5.4)

7 Sec. 5-5.4. Standards of Payment - Department of Public
8 Aid. The Department of Public Aid shall develop standards of
9 payment of skilled nursing and intermediate care services in
10 facilities providing such services under this Article which:

11 (1) Provide Provides for the determination of a
12 facility's payment for skilled nursing and intermediate care
13 services on a prospective basis. The amount of the payment
14 rate for all nursing facilities certified under the medical
15 assistance program shall be prospectively established
16 annually on the basis of historical, financial, and
17 statistical data reflecting actual costs from prior years,
18 which shall be applied to the current rate year and updated
19 for inflation, except that the capital cost element for newly
20 constructed facilities shall be based upon projected budgets.
21 The annually established payment rate shall take effect on
22 July 1 in 1984 and subsequent years. Rate increases shall be
23 provided annually thereafter on July 1 in 1984 and on each
24 subsequent July 1 in the following years, except that no rate
25 increase and no update for inflation shall be provided on or
26 after July 1, 1994 and before July 1, 2003 2002, unless
27 specifically provided for in this Section.

28 For facilities licensed by the Department of Public
29 Health under the Nursing Home Care Act as Intermediate Care
30 for the Developmentally Disabled facilities or Long Term Care
31 for Under Age 22 facilities, the rates taking effect on July
32 1, 1998 shall include an increase of 3%. For facilities
33 licensed by the Department of Public Health under the Nursing

1 Home Care Act as Skilled Nursing facilities or Intermediate
2 Care facilities, the rates taking effect on July 1, 1998
3 shall include an increase of 3% plus \$1.10 per resident-day,
4 as defined by the Department.

5 For facilities licensed by the Department of Public
6 Health under the Nursing Home Care Act as Intermediate Care
7 for the Developmentally Disabled facilities or Long Term Care
8 for Under Age 22 facilities, the rates taking effect on July
9 1, 1999 shall include an increase of 1.6% plus \$3.00 per
10 resident-day, as defined by the Department. For facilities
11 licensed by the Department of Public Health under the Nursing
12 Home Care Act as Skilled Nursing facilities or Intermediate
13 Care facilities, the rates taking effect on July 1, 1999
14 shall include an increase of 1.6% and, for services provided
15 on or after October 1, 1999, shall be increased by \$4.00 per
16 resident-day, as defined by the Department.

17 For facilities licensed by the Department of Public
18 Health under the Nursing Home Care Act as Intermediate Care
19 for the Developmentally Disabled facilities or Long Term Care
20 for Under Age 22 facilities, the rates taking effect on July
21 1, 2000 shall include an increase of 2.5% per resident-day,
22 as defined by the Department. For facilities licensed by the
23 Department of Public Health under the Nursing Home Care Act
24 as Skilled Nursing facilities or Intermediate Care
25 facilities, the rates taking effect on July 1, 2000 shall
26 include an increase of 2.5% per resident-day, as defined by
27 the Department.

28 For facilities licensed by the Department of Public
29 Health under the Nursing Home Care Act as Intermediate Care
30 for the Developmentally Disabled facilities or Long Term Care
31 for Under Age 22 facilities, the rates taking effect on March
32 1, 2001 shall include a statewide increase of 7.85%, as
33 defined by the Department.

34 For facilities licensed by the Department of Public

1 Health under the Nursing Home Care Act as Intermediate Care
2 for the Developmentally Disabled facilities or Long Term Care
3 for Under Age 22 facilities, the rates taking effect on April
4 1, 2002 shall include a statewide increase of 2.0%, as
5 defined by the Department. This increase terminates on July
6 1, 2002; beginning July 1, 2002 these rates are reduced to
7 the level of the rates in effect on March 31, 2002, as
8 defined by the Department.

9 For facilities licensed by the Department of Public
10 Health under the Nursing Home Care Act as skilled nursing
11 facilities or intermediate care facilities, the rates taking
12 effect on July 1, 2001, and each subsequent year thereafter,
13 shall be computed using the most recent cost reports on file
14 with the Department of Public Aid no later than April 1,
15 2000, updated for inflation to January 1, 2001. For rates
16 effective July 1, 2001 only, rates shall be the greater of
17 the rate computed for July 1, 2001 or the rate effective on
18 June 30, 2001.

19 Notwithstanding any other provision of this Section, for
20 facilities licensed by the Department of Public Health under
21 the Nursing Home Care Act as skilled nursing facilities or
22 intermediate care facilities, the Illinois Department shall
23 determine by rule the rates taking effect on July 1, 2002,
24 which shall be 5.9% less than the rates in effect on June 30,
25 2002.

26 Rates established effective each July 1 shall govern
27 payment for services rendered throughout that fiscal year,
28 except that rates established on July 1, 1996 shall be
29 increased by 6.8% for services provided on or after January
30 1, 1997. Such rates will be based upon the rates calculated
31 for the year beginning July 1, 1990, and for subsequent years
32 thereafter until June 30, 2001 shall be based on the facility
33 cost reports for the facility fiscal year ending at any point
34 in time during the previous calendar year, updated to the

1 midpoint of the rate year. The cost report shall be on file
2 with the Department no later than April 1 of the current rate
3 year. Should the cost report not be on file by April 1, the
4 Department shall base the rate on the latest cost report
5 filed by each skilled care facility and intermediate care
6 facility, updated to the midpoint of the current rate year.
7 In determining rates for services rendered on and after July
8 1, 1985, fixed time shall not be computed at less than zero.
9 The Department shall not make any alterations of regulations
10 which would reduce any component of the Medicaid rate to a
11 level below what that component would have been utilizing in
12 the rate effective on July 1, 1984.

13 (2) Shall take into account the actual costs incurred by
14 facilities in providing services for recipients of skilled
15 nursing and intermediate care services under the medical
16 assistance program.

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

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

25 The Department of Public Aid shall develop precise
26 standards for payments to reimburse nursing facilities for
27 any utilization of appropriate rehabilitative personnel for
28 the provision of rehabilitative services which is authorized
29 by federal regulations, including reimbursement for services
30 provided by qualified therapists or qualified assistants, and
31 which is in accordance with accepted professional practices.
32 Reimbursement also may be made for utilization of other
33 supportive personnel under appropriate supervision.

34 (Source: P.A. 91-24, eff. 7-1-99; 91-712, eff. 7-1-00; 92-10,

1 eff. 6-11-01; 92-31, eff. 6-28-01; revised 12-13-01.)

2 (305 ILCS 5/5-5.12) (from Ch. 23, par. 5-5.12)

3 Sec. 5-5.12. Pharmacy payments.

4 (a) Every request submitted by a pharmacy for
5 reimbursement under this Article for prescription drugs
6 provided to a recipient of aid under this Article shall
7 include the name of the prescriber or an acceptable
8 identification number as established by the Department.

9 (b) Pharmacies providing prescription drugs under this
10 Article shall be reimbursed at a rate which shall include a
11 professional dispensing fee as determined by the Illinois
12 Department, plus the current acquisition cost of the
13 prescription drug dispensed. The Illinois Department shall
14 update its information on the acquisition costs of all
15 prescription drugs no less frequently than every 30 days.
16 However, the Illinois Department may set the rate of
17 reimbursement for the acquisition cost, by rule, at a
18 percentage of the current average wholesale acquisition cost.

19 (c) Reimbursement under this Article for prescription
20 drugs shall be limited to reimbursement for 4 brand-name
21 prescription drugs per patient per month. This subsection
22 applies only if (i) the brand-name drug was not prescribed
23 for an acute or urgent condition, (ii) the brand-name drug
24 was not prescribed for Alzheimer's disease, arthritis,
25 diabetes, HIV/AIDS, a mental health condition, or respiratory
26 disease, and (iii) a therapeutically equivalent generic
27 medication has been approved by the federal Food and Drug
28 Administration.

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

30 (305 ILCS 5/11-16) (from Ch. 23, par. 11-16)

31 Sec. 11-16. Changes in grants; cancellations,
32 revocations, suspensions.

1 (a) All grants of financial aid under this Code shall be
2 considered as frequently as may be required by the rules of
3 the Illinois Department. The Department of Public Aid shall
4 consider grants of financial aid to children who are eligible
5 under Article V of this Code at least annually and shall take
6 into account those reports filed, or required to be filed,
7 pursuant to Sections 11-18 and 11-19. After such
8 investigation as may be necessary, the amount and manner of
9 giving aid may be changed or the aid may be entirely
10 withdrawn if the County Department, local governmental unit,
11 or Illinois Department finds that the recipient's
12 circumstances have altered sufficiently to warrant such
13 action. Financial aid may at any time be canceled or revoked
14 for cause or suspended for such period as may be proper.

15 (b) Whenever any such grant of financial aid is
16 cancelled, revoked, reduced, or terminated because of the
17 failure of the recipient to cooperate with the Department,
18 including but not limited to the failure to keep an
19 appointment, attend a meeting, or produce proof or
20 verification of eligibility or need, the grant shall be
21 reinstated in full, retroactive to the date of the change in
22 or termination of the grant, provided that within 10 working
23 days after the first day the financial aid would have been
24 available, the recipient cooperates with the Department and
25 is not otherwise ineligible for benefits for the period in
26 question. This subsection (b) does not apply to sanctions
27 imposed for the failure of any recipient to participate as
28 required in the child support enforcement program or in any
29 educational, training, or employment program under this Code
30 or any other sanction under Section 4-21, nor does this
31 subsection (b) apply to any cancellation, revocation,
32 reduction, termination, or sanction imposed for the failure
33 of any recipient to cooperate in the monthly reporting
34 process or the quarterly reporting process.

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

2 (305 ILCS 5/12-3) (from Ch. 23, par. 12-3)

3 Sec. 12-3. Local governmental units. As provided in
4 Article VI, local governmental units shall provide funds for
5 and administer the programs provided in that Article subject,
6 where so provided, to the supervision of the Illinois
7 Department. Local governmental units shall also provide the
8 social services and utilize the rehabilitative facilities
9 authorized in Article IX for persons served through Article
10 VI, and shall discharge such other duties as may be required
11 by this Code or other laws of this State.

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

14 In counties under township organization (including any
15 such counties in which the governing authority is a board of
16 commissioners) the various towns other than those towns lying
17 entirely within the corporate limits of any city, village or
18 incorporated town having a population of more than 500,000
19 inhabitants shall provide funds for and administer such
20 programs.

21 Cities, villages, and incorporated towns having a
22 population of more than 500,000 inhabitants shall provide
23 funds for public aid purposes under Article VI but the
24 Department of Human Services shall administer the program for
25 such municipality. For the fiscal year beginning July 1,
26 2003, however, the municipality shall decrease by \$5,000,000
27 the amount of funds it provides for public aid purposes under
28 Article VI. For each fiscal year thereafter, the
29 municipality shall decrease the amount of funds it provides
30 for public aid purposes under Article VI in that fiscal year
31 by an additional amount equal to (i) \$5,000,000 or (ii) the
32 amount provided by the municipality in the preceding fiscal
33 year, whichever is less, until the municipality does not

1 provide any funds for public aid purposes under Article VI.

2 Incorporated towns which have superseded civil townships
3 shall provide funds for and administer the public aid program
4 provided by Article VI.

5 In counties of less than 3 million population having a
6 County Veterans Assistance Commission in which there has been
7 levied a tax as authorized by Section 5-2006 of the Counties
8 Code for the purpose of providing assistance to military
9 veterans and their families, the County Veterans Assistance
10 Commission shall administer the programs provided by Article
11 VI for such military veterans and their families as seek aid
12 through the County Veterans Assistance Commission.

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

14 (305 ILCS 5/12-4.34)

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

16 Sec. 12-4.34. Services to noncitizens.

17 (a) Subject to specific appropriation for this purpose
18 and notwithstanding Sections 1-11 and 3-1 of this Code, the
19 Department of Human Services is authorized to provide
20 services to legal immigrants, including but not limited to
21 naturalization and nutrition services and financial
22 assistance. The nature of these services, payment levels,
23 and eligibility conditions shall be determined by rule.

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

33 ~~(e) -- This Section is repealed on August 31, 2002.~~

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

3 (305 ILCS 5/12-10.5)

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

5 (a) The Medical Special Purposes Trust Fund ("the Fund")
6 is created. Any grant, gift, donation, or legacy of money or
7 securities that the Department of Public Aid is authorized to
8 receive under Section 12-4.18 or Section 12-4.19, and that is
9 dedicated for functions connected with the administration of
10 any medical program administered by the Department, shall be
11 deposited into the Fund. All federal moneys received by the
12 Department as reimbursement for disbursements authorized to
13 be made from the Fund shall also be deposited into the Fund.
14 In addition, federal moneys received on account of State
15 expenditures made in connection with obtaining compliance
16 with the federal Health Insurance Portability and
17 Accountability Act (HIPAA) shall be deposited into the Fund.

18 (b) No moneys received from a service provider or a
19 governmental or private entity that is enrolled with the
20 Department as a provider of medical services shall be
21 deposited into the Fund.

22 (c) Disbursements may be made from the Fund for the
23 purposes connected with the grants, gifts, donations, or
24 legacies deposited into the Fund, including, but not limited
25 to, medical quality assessment projects, eligibility
26 population studies, medical information systems evaluations,
27 and other administrative functions that assist the Department
28 in fulfilling its health care mission under the Illinois
29 Public Aid Code and the Children's Health Insurance Program
30 Act.

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

32 (305 ILCS 5/12-13.05)

1 Sec. 12-13.05. Rules for Temporary Assistance for Needy
2 Families. All rules regulating the Temporary Assistance for
3 Needy Families program and all other rules regulating the
4 amendatory changes to this Code made by this amendatory Act
5 of 1997 shall be promulgated pursuant to this Section. All
6 rules regulating the Temporary Assistance for Needy Families
7 program and all other rules regulating the amendatory changes
8 to this Code made by this amendatory Act of 1997 are repealed
9 on July 1 2006 ~~January-17-2003~~. On and after July 1, 2006
10 ~~January--17--2003~~, the Illinois Department may not promulgate
11 any rules regulating the Temporary Assistance for Needy
12 Families program or regulating the amendatory changes to this
13 Code made by this amendatory Act of 1997.

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

15 Section 85. The Senior Citizens and Disabled Persons
16 Property Tax Relief and Pharmaceutical Assistance Act is
17 amended by changing Section 3.16 as follows:

18 (320 ILCS 25/3.16) (from Ch. 67 1/2, par. 403.16)

19 Sec. 3.16. "Reasonable cost" means Average Wholesale
20 Price (AWP) minus 10% for products provided by authorized
21 pharmacies plus a professional dispensing fee determined by
22 the Department in accordance with its findings in a survey of
23 professional pharmacy dispensing fees conducted at least
24 every 12 months. For the purpose of this Act, AWP shall be
25 determined from the latest publication of the Blue Book, a
26 universally subscribed pharmacist reference guide annually
27 published by the Hearst Corporation. AWP may also be derived
28 electronically from the drug pricing database synonymous with
29 the latest publication of the Blue Book and furnished in the
30 National Drug Data File (NDDF) by First Data Bank (FDB), a
31 service of the Hearst Corporation. The elements of such fees
32 and methodology of such survey shall be promulgated as an

1 administrative rule. Effective July 1, 1986, the
2 professional dispensing fee shall be \$3.60 per prescription
3 and such amount shall be adjusted on July 1st of each year
4 thereafter in accordance with a survey of professional
5 pharmacy dispensing fees. The Department may establish
6 maximum acquisition costs from time to time based upon
7 information as to the cost at which covered products may be
8 readily acquired by authorized pharmacies. In no case shall
9 the reasonable cost of any given pharmacy exceed the price
10 normally charged to the general public by that pharmacy. In
11 the event that generic equivalents for covered prescription
12 drugs are available at lower cost, the Department shall
13 establish the maximum acquisition costs for such covered
14 prescription drugs at the lower generic cost unless, pursuant
15 to the conditions described in subsection (f) of Section 4, a
16 non-generic drug may be substituted.

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

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

21 Section 99. Effective date. This Act takes effect upon
22 becoming law, except that Sections 25, 26, 45, 60, and 65
23 take effect on July 1, 2002."