

1 AN ACT in relation to public aid.

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

4 Section 5. The Illinois Public Aid Code is amended by
5 changing Section 5-5.4 as follows:

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) Provides for the determination of a facility's
12 payment for skilled nursing and intermediate care services on
13 a prospective basis. The amount of the payment rate for all
14 nursing facilities certified under the medical assistance
15 program shall be prospectively established annually on the
16 basis of historical, financial, and statistical data
17 reflecting actual costs from prior years, which shall be
18 applied to the current rate year and updated for inflation,
19 except that the capital cost element for newly constructed
20 facilities shall be based upon projected budgets. The
21 annually established payment rate shall take effect on July 1
22 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, 2002 2001, 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

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

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

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

30 Rates established effective each July 1 shall govern
31 payment for services rendered throughout that fiscal year,
32 except that rates established on July 1, 1996 shall be
33 increased by 6.8% for services provided on or after January
34 1, 1997. Such rates will be based upon the rates calculated

1 for the year beginning July 1, 1990, and for subsequent years
2 thereafter shall be based on the facility cost reports for
3 the facility fiscal year ending at any point in time during
4 the previous calendar year, updated to the midpoint of the
5 rate year. The cost report shall be on file with the
6 Department no later than April 1 of the current rate year.
7 Should the cost report not be on file by April 1, the
8 Department shall base the rate on the latest cost report
9 filed by each skilled care facility and intermediate care
10 facility, updated to the midpoint of the current rate year.
11 In determining rates for services rendered on and after July
12 1, 1985, fixed time shall not be computed at less than zero.
13 The Department shall not make any alterations of regulations
14 which would reduce any component of the Medicaid rate to a
15 level below what that component would have been utilizing in
16 the rate effective on July 1, 1984.

17 (2) Shall take into account the actual costs incurred by
18 facilities in providing services for recipients of skilled
19 nursing and intermediate care services under the medical
20 assistance program.

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

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

29 The Department of Public Aid shall develop precise
30 standards for payments to reimburse nursing facilities for
31 any utilization of appropriate rehabilitative personnel for
32 the provision of rehabilitative services which is authorized
33 by federal regulations, including reimbursement for services
34 provided by qualified therapists or qualified assistants, and

1 which is in accordance with accepted professional practices.
2 Reimbursement also may be made for utilization of other
3 supportive personnel under appropriate supervision.

4 (Source: P.A. 90-9, eff. 7-1-97; 90-588, eff. 7-1-98; 91-24,
5 eff. 7-1-99; 91-712, eff. 7-1-00.)

6 Section 99. Effective date. This Act takes effect upon
7 becoming law.