

1 of the eye, or by an optometrist, whichever the person may
2 select; (13) other diagnostic, screening, preventive, and
3 rehabilitative services; (14) transportation and such other
4 expenses as may be necessary; (15) medical treatment of
5 sexual assault survivors, as defined in Section 1a of the
6 Sexual Assault Survivors Emergency Treatment Act, for
7 injuries sustained as a result of the sexual assault,
8 including examinations and laboratory tests to discover
9 evidence which may be used in criminal proceedings arising
10 from the sexual assault; (16) the diagnosis and treatment of
11 sickle cell anemia; and (17) any other medical care, and any
12 other type of remedial care recognized under the laws of this
13 State, but not including abortions, or induced miscarriages
14 or premature births, unless, in the opinion of a physician,
15 such procedures are necessary for the preservation of the
16 life of the woman seeking such treatment, or except an
17 induced premature birth intended to produce a live viable
18 child and such procedure is necessary for the health of the
19 mother or her unborn child. The Illinois Department, by rule,
20 shall prohibit any physician from providing medical
21 assistance to anyone eligible therefor under this Code where
22 such physician has been found guilty of performing an
23 abortion procedure in a wilful and wanton manner upon a woman
24 who was not pregnant at the time such abortion procedure was
25 performed. The term "any other type of remedial care" shall
26 include nursing care and nursing home service for persons who
27 rely on treatment by spiritual means alone through prayer for
28 healing.

29 Notwithstanding any other provision of this Section, a
30 comprehensive tobacco use cessation program that includes
31 purchasing prescription drugs or prescription medical devices
32 approved by the Food and Drug administration shall be covered
33 under the medical assistance program under this Article for
34 persons who are otherwise eligible for assistance under this

1 Article.

2 Notwithstanding any other provision of this Code, the
3 Illinois Department may not require, as a condition of
4 payment for any laboratory test authorized under this
5 Article, that a physician's handwritten signature appear on
6 the laboratory test order form. The Illinois Department may,
7 however, impose other appropriate requirements regarding
8 laboratory test order documentation.

9 The Illinois Department of Public Aid shall provide the
10 following services to persons eligible for assistance under
11 this Article who are participating in education, training or
12 employment programs operated by the Department of Human
13 Services as successor to the Department of Public Aid:

14 (1) dental services, which shall include but not be
15 limited to prosthodontics; and

16 (2) eyeglasses prescribed by a physician skilled in
17 the diseases of the eye, or by an optometrist, whichever
18 the person may select.

19 The Illinois Department, by rule, may distinguish and
20 classify the medical services to be provided only in
21 accordance with the classes of persons designated in Section
22 5-2.

23 The Illinois Department shall authorize the provision of,
24 and shall authorize payment for, screening by low-dose
25 mammography for the presence of occult breast cancer for
26 women 35 years of age or older who are eligible for medical
27 assistance under this Article, as follows: a baseline
28 mammogram for women 35 to 39 years of age and an annual
29 mammogram for women 40 years of age or older. All screenings
30 shall include a physical breast exam, instruction on
31 self-examination and information regarding the frequency of
32 self-examination and its value as a preventative tool. As
33 used in this Section, "low-dose mammography" means the x-ray
34 examination of the breast using equipment dedicated

1 specifically for mammography, including the x-ray tube,
2 filter, compression device, image receptor, and cassettes,
3 with an average radiation exposure delivery of less than one
4 rad mid-breast, with 2 views for each breast.

5 Any medical or health care provider shall immediately
6 recommend, to any pregnant woman who is being provided
7 prenatal services and is suspected of drug abuse or is
8 addicted as defined in the Alcoholism and Other Drug Abuse
9 and Dependency Act, referral to a local substance abuse
10 treatment provider licensed by the Department of Human
11 Services or to a licensed hospital which provides substance
12 abuse treatment services. The Department of Public Aid shall
13 assure coverage for the cost of treatment of the drug abuse
14 or addiction for pregnant recipients in accordance with the
15 Illinois Medicaid Program in conjunction with the Department
16 of Human Services.

17 All medical providers providing medical assistance to
18 pregnant women under this Code shall receive information from
19 the Department on the availability of services under the Drug
20 Free Families with a Future or any comparable program
21 providing case management services for addicted women,
22 including information on appropriate referrals for other
23 social services that may be needed by addicted women in
24 addition to treatment for addiction.

25 The Illinois Department, in cooperation with the
26 Departments of Human Services (as successor to the Department
27 of Alcoholism and Substance Abuse) and Public Health, through
28 a public awareness campaign, may provide information
29 concerning treatment for alcoholism and drug abuse and
30 addiction, prenatal health care, and other pertinent programs
31 directed at reducing the number of drug-affected infants born
32 to recipients of medical assistance.

33 Neither the Illinois Department of Public Aid nor the
34 Department of Human Services shall sanction the recipient

1 solely on the basis of her substance abuse.

2 The Illinois Department shall establish such regulations
3 governing the dispensing of health services under this
4 Article as it shall deem appropriate. In formulating these
5 regulations the Illinois Department shall consult with and
6 give substantial weight to the recommendations offered by the
7 Citizens Assembly/Council on Public Aid. The Department
8 should seek the advice of formal professional advisory
9 committees appointed by the Director of the Illinois
10 Department for the purpose of providing regular advice on
11 policy and administrative matters, information dissemination
12 and educational activities for medical and health care
13 providers, and consistency in procedures to the Illinois
14 Department.

15 The Illinois Department may develop and contract with
16 Partnerships of medical providers to arrange medical services
17 for persons eligible under Section 5-2 of this Code.
18 Implementation of this Section may be by demonstration
19 projects in certain geographic areas. The Partnership shall
20 be represented by a sponsor organization. The Department, by
21 rule, shall develop qualifications for sponsors of
22 Partnerships. Nothing in this Section shall be construed to
23 require that the sponsor organization be a medical
24 organization.

25 The sponsor must negotiate formal written contracts with
26 medical providers for physician services, inpatient and
27 outpatient hospital care, home health services, treatment for
28 alcoholism and substance abuse, and other services determined
29 necessary by the Illinois Department by rule for delivery by
30 Partnerships. Physician services must include prenatal and
31 obstetrical care. The Illinois Department shall reimburse
32 medical services delivered by Partnership providers to
33 clients in target areas according to provisions of this
34 Article and the Illinois Health Finance Reform Act, except

1 that:

2 (1) Physicians participating in a Partnership and
3 providing certain services, which shall be determined by
4 the Illinois Department, to persons in areas covered by
5 the Partnership may receive an additional surcharge for
6 such services.

7 (2) The Department may elect to consider and
8 negotiate financial incentives to encourage the
9 development of Partnerships and the efficient delivery of
10 medical care.

11 (3) Persons receiving medical services through
12 Partnerships may receive medical and case management
13 services above the level usually offered through the
14 medical assistance program.

15 Medical providers shall be required to meet certain
16 qualifications to participate in Partnerships to ensure the
17 delivery of high quality medical services. These
18 qualifications shall be determined by rule of the Illinois
19 Department and may be higher than qualifications for
20 participation in the medical assistance program. Partnership
21 sponsors may prescribe reasonable additional qualifications
22 for participation by medical providers, only with the prior
23 written approval of the Illinois Department.

24 Nothing in this Section shall limit the free choice of
25 practitioners, hospitals, and other providers of medical
26 services by clients. In order to ensure patient freedom of
27 choice, the Illinois Department shall immediately promulgate
28 all rules and take all other necessary actions so that
29 provided services may be accessed from therapeutically
30 certified optometrists to the full extent of the Illinois
31 Optometric Practice Act of 1987 without discriminating
32 between service providers.

33 The Department shall apply for a waiver from the United
34 States Health Care Financing Administration to allow for the

1 implementation of Partnerships under this Section.

2 The Illinois Department shall require health care
3 providers to maintain records that document the medical care
4 and services provided to recipients of Medical Assistance
5 under this Article. The Illinois Department shall require
6 health care providers to make available, when authorized by
7 the patient, in writing, the medical records in a timely
8 fashion to other health care providers who are treating or
9 serving persons eligible for Medical Assistance under this
10 Article. All dispensers of medical services shall be
11 required to maintain and retain business and professional
12 records sufficient to fully and accurately document the
13 nature, scope, details and receipt of the health care
14 provided to persons eligible for medical assistance under
15 this Code, in accordance with regulations promulgated by the
16 Illinois Department. The rules and regulations shall require
17 that proof of the receipt of prescription drugs, dentures,
18 prosthetic devices and eyeglasses by eligible persons under
19 this Section accompany each claim for reimbursement submitted
20 by the dispenser of such medical services. No such claims for
21 reimbursement shall be approved for payment by the Illinois
22 Department without such proof of receipt, unless the Illinois
23 Department shall have put into effect and shall be operating
24 a system of post-payment audit and review which shall, on a
25 sampling basis, be deemed adequate by the Illinois Department
26 to assure that such drugs, dentures, prosthetic devices and
27 eyeglasses for which payment is being made are actually being
28 received by eligible recipients. Within 90 days after the
29 effective date of this amendatory Act of 1984, the Illinois
30 Department shall establish a current list of acquisition
31 costs for all prosthetic devices and any other items
32 recognized as medical equipment and supplies reimbursable
33 under this Article and shall update such list on a quarterly
34 basis, except that the acquisition costs of all prescription

1 drugs shall be updated no less frequently than every 30 days
2 as required by Section 5-5.12.

3 The rules and regulations of the Illinois Department
4 shall require that a written statement including the required
5 opinion of a physician shall accompany any claim for
6 reimbursement for abortions, or induced miscarriages or
7 premature births. This statement shall indicate what
8 procedures were used in providing such medical services.

9 The Illinois Department shall require that all dispensers
10 of medical services, other than an individual practitioner or
11 group of practitioners, desiring to participate in the
12 Medical Assistance program established under this Article to
13 disclose all financial, beneficial, ownership, equity, surety
14 or other interests in any and all firms, corporations,
15 partnerships, associations, business enterprises, joint
16 ventures, agencies, institutions or other legal entities
17 providing any form of health care services in this State
18 under this Article.

19 The Illinois Department may require that all dispensers
20 of medical services desiring to participate in the medical
21 assistance program established under this Article disclose,
22 under such terms and conditions as the Illinois Department
23 may by rule establish, all inquiries from clients and
24 attorneys regarding medical bills paid by the Illinois
25 Department, which inquiries could indicate potential
26 existence of claims or liens for the Illinois Department.

27 Enrollment of a vendor that provides non-emergency
28 medical transportation, defined by the Department by rule,
29 shall be conditional for 180 days. During that time, the
30 Department of Public Aid may terminate the vendor's
31 eligibility to participate in the medical assistance program
32 without cause. That termination of eligibility is not
33 subject to the Department's hearing process.

34 The Illinois Department shall establish policies,

1 procedures, standards and criteria by rule for the
2 acquisition, repair and replacement of orthotic and
3 prosthetic devices and durable medical equipment. Such rules
4 shall provide, but not be limited to, the following services:
5 (1) immediate repair or replacement of such devices by
6 recipients without medical authorization; and (2) rental,
7 lease, purchase or lease-purchase of durable medical
8 equipment in a cost-effective manner, taking into
9 consideration the recipient's medical prognosis, the extent
10 of the recipient's needs, and the requirements and costs for
11 maintaining such equipment. Such rules shall enable a
12 recipient to temporarily acquire and use alternative or
13 substitute devices or equipment pending repairs or
14 replacements of any device or equipment previously authorized
15 for such recipient by the Department. Rules under clause (2)
16 above shall not provide for purchase or lease-purchase of
17 durable medical equipment or supplies used for the purpose of
18 oxygen delivery and respiratory care.

19 The Department shall execute, relative to the nursing
20 home prescreening project, written inter-agency agreements
21 with the Department of Human Services and the Department on
22 Aging, to effect the following: (i) intake procedures and
23 common eligibility criteria for those persons who are
24 receiving non-institutional services; and (ii) the
25 establishment and development of non-institutional services
26 in areas of the State where they are not currently available
27 or are undeveloped.

28 The Illinois Department shall develop and operate, in
29 cooperation with other State Departments and agencies and in
30 compliance with applicable federal laws and regulations,
31 appropriate and effective systems of health care evaluation
32 and programs for monitoring of utilization of health care
33 services and facilities, as it affects persons eligible for
34 medical assistance under this Code. The Illinois Department

1 shall report regularly the results of the operation of such
2 systems and programs to the Citizens Assembly/Council on
3 Public Aid to enable the Committee to ensure, from time to
4 time, that these programs are effective and meaningful.

5 The Illinois Department shall report annually to the
6 General Assembly, no later than the second Friday in April of
7 1979 and each year thereafter, in regard to:

8 (a) actual statistics and trends in utilization of
9 medical services by public aid recipients;

10 (b) actual statistics and trends in the provision
11 of the various medical services by medical vendors;

12 (c) current rate structures and proposed changes in
13 those rate structures for the various medical vendors;
14 and

15 (d) efforts at utilization review and control by
16 the Illinois Department.

17 The period covered by each report shall be the 3 years
18 ending on the June 30 prior to the report. The report shall
19 include suggested legislation for consideration by the
20 General Assembly. The filing of one copy of the report with
21 the Speaker, one copy with the Minority Leader and one copy
22 with the Clerk of the House of Representatives, one copy with
23 the President, one copy with the Minority Leader and one copy
24 with the Secretary of the Senate, one copy with the
25 Legislative Research Unit, such additional copies with the
26 State Government Report Distribution Center for the General
27 Assembly as is required under paragraph (t) of Section 7 of
28 the State Library Act and one copy with the Citizens
29 Assembly/Council on Public Aid or its successor shall be
30 deemed sufficient to comply with this Section.

31 (Source: P.A. 91-344, eff. 1-1-00; 91-462, eff. 8-6-99;
32 91-666, eff. 12-22-99; 92-16, eff. 6-28-01; revised
33 12-13-01.)

1 (305 ILCS 5/12-4.25) (from Ch. 23, par. 12-4.25)
2 Sec. 12-4.25. Medical assistance program; vendor
3 participation.

4 (A) The Illinois Department may deny, suspend or
5 terminate the eligibility of any person, firm, corporation,
6 association, agency, institution or other legal entity to
7 participate as a vendor of goods or services to recipients
8 under the medical assistance program under Article V, if
9 after reasonable notice and opportunity for a hearing the
10 Illinois Department finds:

11 (a) Such vendor is not complying with the
12 Department's policy or rules and regulations, or with the
13 terms and conditions prescribed by the Illinois
14 Department in its vendor agreement, which document shall
15 be developed by the Department as a result of
16 negotiations with each vendor category, including
17 physicians, hospitals, long term care facilities,
18 pharmacists, optometrists, podiatrists and dentists
19 setting forth the terms and conditions applicable to the
20 participation of each vendor group in the program; or

21 (b) Such vendor has failed to keep or make
22 available for inspection, audit or copying, after
23 receiving a written request from the Illinois Department,
24 such records regarding payments claimed for providing
25 services. This section does not require vendors to make
26 available patient records of patients for whom services
27 are not reimbursed under this Code; or

28 (c) Such vendor has failed to furnish any
29 information requested by the Department regarding
30 payments for providing goods or services; or

31 (d) Such vendor has knowingly made, or caused to be
32 made, any false statement or representation of a material
33 fact in connection with the administration of the medical
34 assistance program; or

1 (e) Such vendor has furnished goods or services to
2 a recipient which are (1) in excess of his or her needs,
3 (2) harmful to the recipient, or (3) of grossly inferior
4 quality, all of such determinations to be based upon
5 competent medical judgment and evaluations; or

6 (f) The vendor; a person with management
7 responsibility for a vendor; an officer or person owning,
8 either directly or indirectly, 5% or more of the shares
9 of stock or other evidences of ownership in a corporate
10 vendor; an owner of a sole proprietorship which is a
11 vendor; or a partner in a partnership which is a vendor,
12 either:

13 (1) was previously terminated from
14 participation in the Illinois medical assistance
15 program, or was terminated from participation in a
16 medical assistance program in another state that is
17 of the same kind as the program of medical
18 assistance provided under Article V of this Code; or

19 (2) was a person with management
20 responsibility for a vendor previously terminated
21 from participation in the Illinois medical
22 assistance program, or terminated from participation
23 in a medical assistance program in another state
24 that is of the same kind as the program of medical
25 assistance provided under Article V of this Code,
26 during the time of conduct which was the basis for
27 that vendor's termination; or

28 (3) was an officer, or person owning, either
29 directly or indirectly, 5% or more of the shares of
30 stock or other evidences of ownership in a corporate
31 vendor previously terminated from participation in
32 the Illinois medical assistance program, or
33 terminated from participation in a medical
34 assistance program in another state that is of the

1 same kind as the program of medical assistance
2 provided under Article V of this Code, during the
3 time of conduct which was the basis for that
4 vendor's termination; or

5 (4) was an owner of a sole proprietorship or
6 partner of a partnership previously terminated from
7 participation in the Illinois medical assistance
8 program, or terminated from participation in a
9 medical assistance program in another state that is
10 of the same kind as the program of medical
11 assistance provided under Article V of this Code,
12 during the time of conduct which was the basis for
13 that vendor's termination; or

14 (g) The vendor; a person with management
15 responsibility for a vendor; an officer or person owning,
16 either directly or indirectly, 5% or more of the shares
17 of stock or other evidences of ownership in a corporate
18 vendor; an owner of a sole proprietorship which is a
19 vendor; or a partner in a partnership which is a vendor,
20 either:

21 (1) has engaged in practices prohibited by
22 applicable federal or State law or regulation
23 relating to the medical assistance program; or

24 (2) was a person with management
25 responsibility for a vendor at the time that such
26 vendor engaged in practices prohibited by applicable
27 federal or State law or regulation relating to the
28 medical assistance program; or

29 (3) was an officer, or person owning, either
30 directly or indirectly, 5% or more of the shares of
31 stock or other evidences of ownership in a vendor at
32 the time such vendor engaged in practices prohibited
33 by applicable federal or State law or regulation
34 relating to the medical assistance program; or

1 (4) was an owner of a sole proprietorship or
2 partner of a partnership which was a vendor at the
3 time such vendor engaged in practices prohibited by
4 applicable federal or State law or regulation
5 relating to the medical assistance program; or;

6 (h) The direct or indirect ownership of the vendor
7 (including the ownership of a vendor that is a sole
8 proprietorship, a partner's interest in a vendor that is
9 a partnership, or ownership of 5% or more of the shares
10 of stock or other evidences of ownership in a corporate
11 vendor) has been transferred by an individual who is
12 terminated or barred from participating as a vendor to
13 the individual's spouse, child, brother, sister, parent,
14 grandparent, grandchild, uncle, aunt, niece, nephew,
15 cousin, or relative by marriage.

16 (A-5) The Illinois Department may deny, suspend, or
17 terminate the eligibility of any person, firm, corporation,
18 association, agency, institution, or other legal entity to
19 participate as a vendor of goods or services to recipients
20 under the medical assistance program under Article V if,
21 after reasonable notice and opportunity for a hearing, the
22 Illinois Department finds that the vendor; a person with
23 management responsibility for a vendor; an officer or person
24 owning, either directly or indirectly, 5% or more of the
25 shares of stock or other evidences of ownership in a
26 corporate vendor; an owner of a sole proprietorship that is a
27 vendor; or a partner in a partnership that is a vendor has
28 been convicted of a felony offense based on fraud or willful
29 misrepresentation related to any of the following:

30 (1) The medical assistance program under Article V
31 of this Code.

32 (2) A medical assistance program in another state
33 that is of the same kind as the program of medical
34 assistance provided under Article V of this Code.

1 (3) The Medicare program under Title XVIII of the
2 Social Security Act.

3 (4) The provision of health care services.

4 (B) The Illinois Department shall deny, suspend or
5 terminate the eligibility of any person, firm, corporation,
6 association, agency, institution or other legal entity to
7 participate as a vendor of goods or services to recipients
8 under the medical assistance program under Article V:

9 (1) if such vendor is not properly licensed;

10 (2) within 30 days of the date when such vendor's
11 professional license, certification or other
12 authorization has been refused renewal or has been
13 revoked, suspended or otherwise terminated; or

14 (3) if such vendor has been convicted of a
15 violation of this Code, as provided in Article VIII A.

16 (C) Upon termination of a vendor of goods or services
17 from participation in the medical assistance program
18 authorized by this Article, a person with management
19 responsibility for such vendor during the time of any conduct
20 which served as the basis for that vendor's termination is
21 barred from participation in the medical assistance program.

22 Upon termination of a corporate vendor, the officers and
23 persons owning, directly or indirectly, 5% or more of the
24 shares of stock or other evidences of ownership in the vendor
25 during the time of any conduct which served as the basis for
26 that vendor's termination are barred from participation in
27 the medical assistance program. A person who owns, directly
28 or indirectly, 5% or more of the shares of stock or other
29 evidences of ownership in a terminated corporate vendor may
30 not transfer his or her ownership interest in that vendor to
31 his or her spouse, child, brother, sister, parent,
32 grandparent, grandchild, uncle, aunt, niece, nephew, cousin,
33 or relative by marriage.

34 Upon termination of a sole proprietorship or partnership,

1 the owner or partners during the time of any conduct which
2 served as the basis for that vendor's termination are barred
3 from participation in the medical assistance program. The
4 owner of a terminated vendor that is a sole proprietorship,
5 and a partner in a terminated vendor that is a partnership,
6 may not transfer his or her ownership or partnership interest
7 in that vendor to his or her spouse, child, brother, sister,
8 parent, grandparent, grandchild, uncle, aunt, niece, nephew,
9 cousin, or relative by marriage.

10 Rules adopted by the Illinois Department to implement
11 these provisions shall specifically include a definition of
12 the term "management responsibility" as used in this Section.
13 Such definition shall include, but not be limited to, typical
14 job titles, and duties and descriptions which will be
15 considered as within the definition of individuals with
16 management responsibility for a provider.

17 (D) If a vendor has been suspended from the medical
18 assistance program under Article V of the Code, the Director
19 may require that such vendor correct any deficiencies which
20 served as the basis for the suspension. The Director shall
21 specify in the suspension order a specific period of time,
22 which shall not exceed one year from the date of the order,
23 during which a suspended vendor shall not be eligible to
24 participate. At the conclusion of the period of suspension
25 the Director shall reinstate such vendor, unless he finds
26 that such vendor has not corrected deficiencies upon which
27 the suspension was based.

28 If a vendor has been terminated from the medical
29 assistance program under Article V, such vendor shall be
30 barred from participation for at least one year, except that
31 if a vendor has been terminated based on a conviction of a
32 violation of Article VIII A or a conviction of a felony based
33 on fraud or a willful misrepresentation related to (i) the
34 medical assistance program under Article V, (ii) a medical

1 assistance program in another state that is of the kind
2 provided under Article V, (iii) the Medicare program under
3 Title XVIII of the Social Security Act, or (iv) the provision
4 of health care services, then the vendor shall be barred from
5 participation for 5 years or for the length of the vendor's
6 sentence for that conviction, whichever is longer. At the end
7 of one year a vendor who has been terminated may apply for
8 reinstatement to the program. Upon proper application to be
9 reinstated such vendor may be deemed eligible by the Director
10 providing that such vendor meets the requirements for
11 eligibility under this Code. If such vendor is deemed not
12 eligible for reinstatement, he shall be barred from again
13 applying for reinstatement for one year from the date his
14 application for reinstatement is denied.

15 A vendor whose termination from participation in the
16 Illinois medical assistance program under Article V was based
17 solely on an action by a governmental entity other than the
18 Illinois Department may, upon reinstatement by that
19 governmental entity or upon reversal of the termination,
20 apply for rescission of the termination from participation in
21 the Illinois medical assistance program. Upon proper
22 application for rescission, the vendor may be deemed eligible
23 by the Director if the vendor meets the requirements for
24 eligibility under this Code.

25 If a vendor has been terminated and reinstated to the
26 medical assistance program under Article V and the vendor is
27 terminated a second or subsequent time from the medical
28 assistance program, the vendor shall be barred from
29 participation for at least 2 years, except that if a vendor
30 has been terminated a second time based on a conviction of a
31 violation of Article VIIIA or a conviction of a felony based
32 on fraud or a willful misrepresentation related to (i) the
33 medical assistance program under Article V, (ii) a medical
34 assistance program in another state that is of the kind

1 provided under Article V, (iii) the Medicare program under
2 Title XVIII of the Social Security Act, or (iv) the provision
3 of health care services, then the vendor shall be barred from
4 participation for life. At the end of 2 years, a vendor who
5 has been terminated may apply for reinstatement to the
6 program. Upon application to be reinstated, the vendor may
7 be deemed eligible if the vendor meets the requirements for
8 eligibility under this Code. If the vendor is deemed not
9 eligible for reinstatement, the vendor shall be barred from
10 again applying for reinstatement for 2 years from the date
11 the vendor's application for reinstatement is denied.

12 (E) The Illinois Department may recover money improperly
13 or erroneously paid, or overpayments, either by setoff,
14 crediting against future billings or by requiring direct
15 repayment to the Illinois Department.

16 If the Department of Public Aid establishes through an
17 administrative hearing that the overpayments resulted from
18 the vendor willfully making, or causing to be made, a false
19 statement or misrepresentation of a material fact in
20 connection with billings and payments under the medical
21 assistance program under Article V, the Department may
22 recover interest on the amount of the overpayments at the
23 rate of 5% per annum. For purposes of this paragraph,
24 "willfully" means that a person makes a statement or
25 representation with actual knowledge that it was false, or
26 makes a statement or representation with knowledge of facts
27 or information that would cause one to be aware that the
28 statement or representation was false when made.

29 (F) The Illinois Department may withhold payments to any
30 vendor during the pendency of any proceeding under this
31 Section ~~except--that--if--a--final--administrative--decision--has~~
32 ~~not--been--issued--within--120--days--of--the--initiation--of--such~~
33 ~~proceedings,~~~~--unless--delay--has--been--caused--by--the--vendor,~~
34 ~~payments--can--no--longer--be--withheld,~~~~--provided,~~~~--however,~~~~--that~~

1 the--120--day--limit--may--be--extended--if--said--extension--is
2 mutually--agreed--to--by--the--Illinois--Department--and--the--vender.
3 The Illinois Department shall state by rule with as much
4 specificity as practicable the conditions under which
5 payments will not be withheld during the pendency of any
6 proceeding under this Section. Payments may be denied for
7 bills submitted with service dates occurring during the
8 pendency of a proceeding where the final administrative
9 decision is to terminate eligibility to participate in the
10 medical assistance program. The Illinois Department shall
11 state by rule with as much specificity as practicable the
12 conditions under which payments will not be denied for such
13 bills. The Department of Public Aid shall state by rule a
14 process and criteria by which a vendor may request full or
15 partial release of payments withheld under this subsection.
16 The Department must complete a proceeding under this Section
17 in a timely manner.

18 (F-5) The Illinois Department may temporarily withhold
19 payments to a vendor if any of the following individuals have
20 been indicted or otherwise charged under a law of the United
21 States or this or any other state with a felony offense that
22 is based on alleged fraud or willful misrepresentation on the
23 part of the individual related to (i) the medical assistance
24 program under Article V of this Code, (ii) a medical
25 assistance program provided in another state which is of the
26 kind provided under Article V of this Code, (iii) the
27 Medicare program under Title XVIII of the Social Security
28 Act, or (iv) the provision of health care services:

29 (1) If the vendor is a corporation: an officer of
30 the corporation or an individual who owns, either
31 directly or indirectly, 5% or more of the shares of stock
32 or other evidence of ownership of the corporation.

33 (2) If the vendor is a sole proprietorship: the
34 owner of the sole proprietorship.

1 (3) If the vendor is a partnership: a partner in
2 the partnership.

3 (4) If the vendor is any other business entity
4 authorized by law to transact business in this State: an
5 officer of the entity or an individual who owns, either
6 directly or indirectly, 5% or more of the evidences of
7 ownership of the entity.

8 If the Illinois Department withholds payments to a vendor
9 under this subsection, the Department shall not release those
10 payments to the vendor while any criminal proceeding related
11 to the indictment or charge is pending unless the Department
12 determines that there is good cause to release the payments
13 before completion of the proceeding. If the indictment or
14 charge results in the individual's conviction, the Illinois
15 Department shall retain all withheld payments, which shall be
16 considered forfeited to the Department. If the indictment or
17 charge does not result in the individual's conviction, the
18 Illinois Department shall release to the vendor all withheld
19 payments.

20 (G) The provisions of the Administrative Review Law, as
21 now or hereafter amended, and the rules adopted pursuant
22 thereto, shall apply to and govern all proceedings for the
23 judicial review of final administrative decisions of the
24 Illinois Department under this Section. The term
25 "administrative decision" is defined as in Section 3-101 of
26 the Code of Civil Procedure.

27 (G-5) Non-emergency transportation.

28 (1) Notwithstanding any other provision in this
29 Section, for non-emergency transportation vendors, the
30 Department may terminate the vendor from participation in
31 the medical assistance program prior to an evidentiary
32 hearing but after reasonable notice and opportunity to
33 respond as established by the Department by rule.

34 (2) Vendors of non-emergency medical transportation

1 services, as defined by the Department by rule, shall
2 submit to a fingerprint-based criminal background check
3 on current and future information available in the State
4 system and current information available through the
5 Federal Bureau of Investigation's system by submitting
6 all necessary fees and information in the form and manner
7 prescribed by the Department of State Police. The
8 following individuals shall be subject to the check:

9 (A) In the case of a vendor that is a
10 corporation, every shareholder who owns, directly or
11 indirectly, 5% or more of the outstanding shares of
12 the corporation.

13 (B) In the case of a vendor that is a
14 partnership, every partner.

15 (C) In the case of a vendor that is a sole
16 proprietorship, the sole proprietor.

17 (D) Each officer or manager of the vendor.

18 Each such vendor shall be responsible for payment of
19 the cost of the criminal background check.

20 (3) Vendors of non-emergency medical transportation
21 services may be required to post a surety bond. The
22 Department shall establish, by rule, the criteria and
23 requirements for determining when a surety bond must be
24 posted and the value of the bond.

25 (4) The Department, or its agents, may refuse to
26 accept requests for non-emergency transportation
27 authorizations, including prior-approval and
28 post-approval requests, for a specific non-emergency
29 transportation vendor if:

30 (A) the Department has initiated a notice of
31 termination of the vendor from participation in the
32 medical assistance program; or

33 (B) the Department has issued notification of
34 its withholding of payments pursuant to subsection

1 (F-5) of this Section; or

2 (C) the Department has issued a notification
3 of its withholding of payments due to reliable
4 evidence of fraud or willful misrepresentation
5 pending investigation.

6 (H) Nothing contained in this Code shall in any way
7 limit or otherwise impair the authority or power of any State
8 agency responsible for licensing of vendors.

9 (I) Based on a finding of noncompliance on the part of a
10 nursing home with any requirement for certification under
11 Title XVIII or XIX of the Social Security Act (42 U.S.C. Sec.
12 1395 et seq. or 42 U.S.C. Sec. 1396 et seq.), the Illinois
13 Department may impose one or more of the following remedies
14 after notice to the facility:

15 (1) Termination of the provider agreement.

16 (2) Temporary management.

17 (3) Denial of payment for new admissions.

18 (4) Civil money penalties.

19 (5) Closure of the facility in emergency situations
20 or transfer of residents, or both.

21 (6) State monitoring.

22 (7) Denial of all payments when the Health Care
23 Finance Administration has imposed this sanction.

24 The Illinois Department shall by rule establish criteria
25 governing continued payments to a nursing facility subsequent
26 to termination of the facility's provider agreement if, in
27 the sole discretion of the Illinois Department, circumstances
28 affecting the health, safety, and welfare of the facility's
29 residents require those continued payments. The Illinois
30 Department may condition those continued payments on the
31 appointment of temporary management, sale of the facility to
32 new owners or operators, or other arrangements that the
33 Illinois Department determines best serve the needs of the
34 facility's residents.

1 Except in the case of a facility that has a right to a
2 hearing on the finding of noncompliance before an agency of
3 the federal government, a facility may request a hearing
4 before a State agency on any finding of noncompliance within
5 60 days after the notice of the intent to impose a remedy.
6 Except in the case of civil money penalties, a request for a
7 hearing shall not delay imposition of the penalty. The
8 choice of remedies is not appealable at a hearing. The level
9 of noncompliance may be challenged only in the case of a
10 civil money penalty. The Illinois Department shall provide by
11 rule for the State agency that will conduct the evidentiary
12 hearings.

13 The Illinois Department may collect interest on unpaid
14 civil money penalties.

15 The Illinois Department may adopt all rules necessary to
16 implement this subsection (I).

17 (Source: P.A. 92-327, eff. 1-1-02; revised 9-18-01.)

18 Section 99. Effective date. This Act takes effect upon
19 becoming law."