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IN THE HONORABLE SENATE OF THE STATE OF ILLINOIS
FOR THE NINETY-SIXTH GENERAL ASSEMBLY
SITTING AS AN IMPEACHMENT TRIBUNAL

JAN 21 PM 4:42

SECRETARY
OF THE
SENATE

In re)
Impeachment of)
Governor ROD R. BLAGOJEVICH)

**HOUSE PROSECUTOR'S
MOTION FOR ADDITIONAL DOCUMENTS OR MATERIALS**

House Prosecutor David W. Ellis, pursuant to Senate Impeachment Rule 15(b)(2), moves for the admission of additional documents into evidence and, in support thereof, states as follows:

1. The House Prosecutor seeks to admit a document similar to a document included in Exhibit 67, Pages 4, 16, and 17, namely communications made and memoranda prepared by the Department of Healthcare and Family Services prior to the adoption of the FamilyCare Rules, at the Impeachment Trial.

2. A copy of this document is attached to this Motion.

3. This document will be introduced during the live testimony of Representative Lou Lang as a demonstrative exhibit.

4. This document is relevant and material because it demonstrates the Department's strategy, motive, and directive with regard to the Governor's unilateral expansion of a state program as provided in paragraph 9 of the Article of Impeachment.

5. This document is not redundant because it does not exist in the proposed form and will be used for demonstrative purposes.

6. Moreover, although some evidence related to this issue is contained in the House impeachment record, under Senate Impeachment Rule 15(g), the evidence is not deemed redundant simply because it relates to material already in the record.

WHEREFORE, the House Prosecutor respectfully moves for the admission of communications made and memoranda prepared by the Department of Healthcare and Family Services prior to the adoption of the FamilyCare Rules at the Impeachment Trial.

Respectfully submitted,

**DAVID W. ELLIS,
HOUSE PROSECUTOR**



One of his attorneys

David W. Ellis
House Prosecutor
Illinois House of Representatives
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Tamara Hoffman - Re: FamilyCare to 400% FPL - rule draft

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From: JACQUETTA ELLINGER

To:

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SENATE

JACQUETTA.ELLINGER@Illinois.gov, Michael P. Casey@Illinois.gov, Michael Moss@Illinois.gov, Gia Shelton@Illinois.gov, Joe Holler@Illinois.gov
Date: Fri, Oct 12, 2007 2:42 PM
Subject: Re: FamilyCare to 400% FPL - rule draft

Gia and Finance Guys,

I goofed again by not attaching the draft - but that was good because we probably do need two slightly versions of this rule.

If we go with regular rulemaking to take FamilyCare to 400% FPL, then the first draft attached should work.

If we're filing FamilyCare as an emergency AND we have to have someone covered immediately and we proceed before any system changes can be made, then the second version - rapid start - should work. I've marked in blue highlighting the language we need for a quick start.

My head is spinning.

Jacqui

Jacquetta Ellinger
Deputy Administrator
Division of Medical Programs
Illinois Department of Healthcare and Family Services
312-793-1984
>>> JACQUETTA ELLINGER 10/12/07 1:08 PM >>>
Gia and Finance Guys:

This version takes FamilyCare to 400% FPL. It may be filed as an emergency or maybe regular rulemaking - I don't think we know which yet - but we will need to be ready either way.

The budget impact here needs to match whatever has been said for the Gov's initiatives - and if we decide moving parents off SCHIP is not zero impact for the other version - that amount would have to be added here as well. That's because this version makes the change for parents up to 185% fpl as well as expanding up to 200% FPL.

You can ignore the yellow highlighting. That's just there in case we need it to show AMM and others the changes we've made since they last saw this.

Jacqui

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DRAFT

**FamilyCare Expansion Implementation Plan
October 19, 2007**

DRAFT

11. Eligibility will have to be determined manually (as only minimum system changes are being made for interim period). Central automated notices will be suppressed and manual disposition notices will have to be used instead. This will require more staff time per case as the All Kids unit will have to manually track the cases for premium billing, case coordination and cancellations. The likelihood for increased backlog / waiting period for application processing is high.
12. Until such time as they cancel their coverage, parents will have to keep their premium payments current as well as their children's to preserve the children's coverage. Any payment received will be applied to the oldest debt of record per state accounting policy. This is similar to private credit card company practice.

Minimum data system requirements

DHS's system must create a new code (MANG P value) to pass to HFS's MMIS to identify these parents to allow proper claims payment and to make certain their costs are not included in the federal claim.

The centrally generated denial notices must be changed to account for the All Kids unit's review for parents with income over 185% FPL.

MMIS must be modified to recognize the new code identifying these cases and to handle claims processing and reporting correctly.

HFS's accounting system (PAAS) will have to be modified to receive premium obligation information run manually by the Bureau of All Kids and combine it with the automatically generated information about kids' premiums coming from DHS to generate accurate premium invoices and statements.

Staffing Requirements:

HFS needs a total of 106 new staff. These must be added to FY08 budgeted headcount. Most of these would be application processors or customer service positions but we will need other key positions added in Medical and other supporting units.

HFS will also need assistance to release pending PAR's to permit filling positions that will support this effort.

Caveats to this approach:

1. HFS must file emergency rules to maintain coverage of parents with income from 133% to 185% of poverty due to the Congress's failure to override the President's veto of the SCHIP reauthorization yesterday. We will also need a rule for the expansion from 186%-400% of poverty. JCAR has said they will call an emergency session and vote a suspension of any emergency rule dealing with eligibility.

DRAFT

**FamilyCare Expansion Implementation Plan
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DRAFT

An alternative to this would be to file emergency peremptory rulemaking, based on Congress's failure to override the President's veto of the SCHIP reauthorization, to move coverage of parents up to 185% FPL under the authority of the Public Aid Code. This is likely to put JCAR in a very tough position because failure to accept this action would mean denying benefits to about 130,000 people currently enrolled. Once this rulemaking survives the committee, we would have laid the legal basis for expanding eligibility for parents, by regular rulemaking under the Public Aid Code. If JCAR ignores the law and suspends or prohibits a peremptory rule of this nature, the state would arguably be in a good position to challenge JCAR's authority. This theory should be reviewed by Governor's legal counsel or outside counsel.

2. During the interim period, the lowest income parents (186-200% FPL) will be paying considerably more than we had originally planned to charge them. (\$80/month compared to a max of \$15/month). Parents with income 300-400% FPL will be paying considerably less. (\$80 compared to \$140)
3. Manual work will also increase the possibility of errors. For example, kids may be cancelled for non-payment of premiums while their parents continue on the program.
4. Parent's renewal dates may vary from that of their kids.
5. There may be a lot of clean up required down the road when the system catches up.
6. We will need to file rules twice. When we have a firm start date for the system changes, we would revise the rules to adopt the original proposed premium structure:

185% - 200% FPL	Parents pay the same as kids - \$15-\$40 per family
201% - 300% FPL	Parents pay \$80 per person per month
301% - 400% FPL	Parents pay \$140 per person per month