Rod R. Blagojevich, Governor

Carol L. Adams, Ph.D., Secretary

100 South Grand Avenue, East • Springfield, Illinois 62762 401 South Clinton Street • Chicago, Illinois 60607

July 8, 2004

The Honorable Barbara Flynn Currie

State Representative 300 State Capitol Building Springfield, Illinois 62706

The Honorable Mattie Hunter

State Senator 611C Capitol Building Springfield, Illinois 62706

The Honorable Rosemary Mulligan

State Representative 218N Stratton Office Building Springfield, Illinois 62706

The Honorable Dale Righter

State Senator M103E Capitol Building Springfield, Illinois 62706

Dear Senators and Representatives:

As you are aware, the Department of Human Services (DHS) intends to begin the conversion to a fee-for-service payment method in fiscal year 2005 for a significant number of our providers. As part of that planning effort, DHS has been working in cooperation with the House Special Committee on Fee-For-Service Initiatives and the Governor's Office to develop a series of Memorandums of Understanding (MOUs).

DHS believes that providers converted from a grant to a fee-for-service post payment system will be entitled to prompt payment as defined in the State Prompt Payment Act (30 ILCS 540/0.01 *et seq*), subject to the rules and policies promulgated by the Comptroller and the Department of Central Management Services.

Sincerely,

Carol L. Adams, Ph.D.

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Secretary