



101ST GENERAL ASSEMBLY

State of Illinois

2019 and 2020

HB2637

by Rep. Sara Feigenholtz

SYNOPSIS AS INTRODUCED:

305 ILCS 5/5-5.01a
305 ILCS 5/5-5e

Amends the Medical Assistance Article of the Illinois Public Aid Code. Removes language providing that Medicaid rates for supportive living facilities effective on July 1, 2018 must be equal to the rates in effect for supportive living facilities on June 30, 2018. Provides that the Medicaid rates for supportive living services on and after July 1, 2019 must be equal to 60% of the average total nursing facility services per diem for the geographic areas defined by the Department of Healthcare and Family Services. Provides that for supportive living facilities specializing in dementia care, the rate must be 72% instead of 60%. Requires the Medicaid rates for supportive living services to be updated whenever the total nursing facility service per diems are updated. Requires the Department to delink the per diem rate paid for supportive living facility services from the per diem rate paid for nursing facility services, effective for services provided on or after May 1, 2011 through June 30, 2019 (rather than effective for services provided on or after May 1, 2011). Effective immediately.

LRB101 11107 KTG 56324 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning 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 Sections 5-5.01a and 5-5e as follows:

6 (305 ILCS 5/5-5.01a)

7 Sec. 5-5.01a. Supportive living facilities program.

8 (a) The Department shall establish and provide oversight
9 for a program of supportive living facilities that seek to
10 promote resident independence, dignity, respect, and
11 well-being in the most cost-effective manner.

12 A supportive living facility is (i) a free-standing
13 facility or (ii) a distinct physical and operational entity
14 within a mixed-use building that meets the criteria established
15 in subsection (d). A supportive living facility integrates
16 housing with health, personal care, and supportive services and
17 is a designated setting that offers residents their own
18 separate, private, and distinct living units.

19 Sites for the operation of the program shall be selected by
20 the Department based upon criteria that may include the need
21 for services in a geographic area, the availability of funding,
22 and the site's ability to meet the standards.

23 (b) Beginning July 1, 2014, subject to federal approval,

1 the Medicaid rates for supportive living facilities shall be
2 equal to the supportive living facility Medicaid rate effective
3 on June 30, 2014 increased by 8.85%. Once the assessment
4 imposed at Article V-G of this Code is determined to be a
5 permissible tax under Title XIX of the Social Security Act, the
6 Department shall increase the Medicaid rates for supportive
7 living facilities effective on July 1, 2014 by 9.09%. The
8 Department shall apply this increase retroactively to coincide
9 with the imposition of the assessment in Article V-G of this
10 Code in accordance with the approval for federal financial
11 participation by the Centers for Medicare and Medicaid
12 Services.

13 The Medicaid rates for supportive living facilities
14 effective on July 1, 2017 must be equal to the rates in effect
15 for supportive living facilities on June 30, 2017 increased by
16 2.8%.

17 ~~The Medicaid rates for supportive living facilities~~
18 ~~effective on July 1, 2018 must be equal to the rates in effect~~
19 ~~for supportive living facilities on June 30, 2018.~~

20 The Medicaid rates for supportive living services on and
21 after July 1, 2019 must be equal to 60% of the average total
22 nursing facility services per diem for the geographic areas
23 defined by the Department. For supportive living facilities
24 specializing in dementia care, the rate must be 72% instead of
25 60%. The Medicaid rates for supportive living services must be
26 updated whenever the total nursing facility service per diems

1 are updated.

2 (c) The Department may adopt rules to implement this
3 Section. Rules that establish or modify the services,
4 standards, and conditions for participation in the program
5 shall be adopted by the Department in consultation with the
6 Department on Aging, the Department of Rehabilitation
7 Services, and the Department of Mental Health and Developmental
8 Disabilities (or their successor agencies).

9 (d) Subject to federal approval by the Centers for Medicare
10 and Medicaid Services, the Department shall accept for
11 consideration of certification under the program any
12 application for a site or building where distinct parts of the
13 site or building are designated for purposes other than the
14 provision of supportive living services, but only if:

15 (1) those distinct parts of the site or building are
16 not designated for the purpose of providing assisted living
17 services as required under the Assisted Living and Shared
18 Housing Act;

19 (2) those distinct parts of the site or building are
20 completely separate from the part of the building used for
21 the provision of supportive living program services,
22 including separate entrances;

23 (3) those distinct parts of the site or building do not
24 share any common spaces with the part of the building used
25 for the provision of supportive living program services;
26 and

1 (4) those distinct parts of the site or building do not
2 share staffing with the part of the building used for the
3 provision of supportive living program services.

4 (e) Facilities or distinct parts of facilities which are
5 selected as supportive living facilities and are in good
6 standing with the Department's rules are exempt from the
7 provisions of the Nursing Home Care Act and the Illinois Health
8 Facilities Planning Act.

9 (Source: P.A. 100-23, eff. 7-6-17; 100-583, eff. 4-6-18;
10 100-587, eff. 6-4-18.)

11 (305 ILCS 5/5-5e)

12 Sec. 5-5e. Adjusted rates of reimbursement.

13 (a) Rates or payments for services in effect on June 30,
14 2012 shall be adjusted and services shall be affected as
15 required by any other provision of Public Act 97-689. In
16 addition, the Department shall do the following:

17 (1) Delink the per diem rate paid for supportive living
18 facility services from the per diem rate paid for nursing
19 facility services, effective for services provided on or
20 after May 1, 2011 through June 30, 2019.

21 (2) Cease payment for bed reserves in nursing
22 facilities and specialized mental health rehabilitation
23 facilities; for purposes of therapeutic home visits for
24 individuals scoring as TBI on the MDS 3.0, beginning June
25 1, 2015, the Department shall approve payments for bed

1 reserves in nursing facilities and specialized mental
2 health rehabilitation facilities that have at least a 90%
3 occupancy level and at least 80% of their residents are
4 Medicaid eligible. Payment shall be at a daily rate of 75%
5 of an individual's current Medicaid per diem and shall not
6 exceed 10 days in a calendar month.

7 (2.5) Cease payment for bed reserves for purposes of
8 inpatient hospitalizations to intermediate care facilities
9 for persons with development disabilities, except in the
10 instance of residents who are under 21 years of age.

11 (3) Cease payment of the \$10 per day add-on payment to
12 nursing facilities for certain residents with
13 developmental disabilities.

14 (b) After the application of subsection (a),
15 notwithstanding any other provision of this Code to the
16 contrary and to the extent permitted by federal law, on and
17 after July 1, 2012, the rates of reimbursement for services and
18 other payments provided under this Code shall further be
19 reduced as follows:

20 (1) Rates or payments for physician services, dental
21 services, or community health center services reimbursed
22 through an encounter rate, and services provided under the
23 Medicaid Rehabilitation Option of the Illinois Title XIX
24 State Plan shall not be further reduced, except as provided
25 in Section 5-5b.1.

26 (2) Rates or payments, or the portion thereof, paid to

1 a provider that is operated by a unit of local government
2 or State University that provides the non-federal share of
3 such services shall not be further reduced, except as
4 provided in Section 5-5b.1.

5 (3) Rates or payments for hospital services delivered
6 by a hospital defined as a Safety-Net Hospital under
7 Section 5-5e.1 of this Code shall not be further reduced,
8 except as provided in Section 5-5b.1.

9 (4) Rates or payments for hospital services delivered
10 by a Critical Access Hospital, which is an Illinois
11 hospital designated as a critical care hospital by the
12 Department of Public Health in accordance with 42 CFR 485,
13 Subpart F, shall not be further reduced, except as provided
14 in Section 5-5b.1.

15 (5) Rates or payments for Nursing Facility Services
16 shall only be further adjusted pursuant to Section 5-5.2 of
17 this Code.

18 (6) Rates or payments for services delivered by long
19 term care facilities licensed under the ID/DD Community
20 Care Act or the MC/DD Act and developmental training
21 services shall not be further reduced.

22 (7) Rates or payments for services provided under
23 capitation rates shall be adjusted taking into
24 consideration the rates reduction and covered services
25 required by Public Act 97-689.

26 (8) For hospitals not previously described in this

1 subsection, the rates or payments for hospital services
2 shall be further reduced by 3.5%, except for payments
3 authorized under Section 5A-12.4 of this Code.

4 (9) For all other rates or payments for services
5 delivered by providers not specifically referenced in
6 paragraphs (1) through (8), rates or payments shall be
7 further reduced by 2.7%.

8 (c) Any assessment imposed by this Code shall continue and
9 nothing in this Section shall be construed to cause it to
10 cease.

11 (d) Notwithstanding any other provision of this Code to the
12 contrary, subject to federal approval under Title XIX of the
13 Social Security Act, for dates of service on and after July 1,
14 2014, rates or payments for services provided for the purpose
15 of transitioning children from a hospital to home placement or
16 other appropriate setting by a children's community-based
17 health care center authorized under the Alternative Health Care
18 Delivery Act shall be \$683 per day.

19 (e) Notwithstanding any other provision of this Code to the
20 contrary, subject to federal approval under Title XIX of the
21 Social Security Act, for dates of service on and after July 1,
22 2014, rates or payments for home health visits shall be \$72.

23 (f) Notwithstanding any other provision of this Code to the
24 contrary, subject to federal approval under Title XIX of the
25 Social Security Act, for dates of service on and after July 1,
26 2014, rates or payments for the certified nursing assistant

1 component of the home health agency rate shall be \$20.

2 (Source: P.A. 98-104, eff. 7-22-13; 98-651, eff. 6-16-14;
3 98-1166, eff. 6-1-15; 99-2, eff. 3-26-15; 99-180, eff. 7-29-15;
4 99-642, eff. 7-28-16.)

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