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1 AMENDMENT TO SENATE BILL 998

2 AMENDMENT NO. _____. Amend Senate Bill 998, AS AMENDED, by
3 replacing everything after the enacting clause with the
4 following:

5 "Section 1. Short title. This Act may be cited as the
6 FY2006 Budget Implementation (Human Services) Act.

7 Section 5. Purpose. It is the purpose of this Act to
8 implement the Governor's FY2006 budget recommendations
9 concerning human services.

10 Section 10. The Illinois Administrative Procedure Act is
11 amended by changing Section 5-45 as follows:

12 (5 ILCS 100/5-45) (from Ch. 127, par. 1005-45)

13 Sec. 5-45. Emergency rulemaking.

14 (a) "Emergency" means the existence of any situation that
15 any agency finds reasonably constitutes a threat to the public
16 interest, safety, or welfare.

17 (b) If any agency finds that an emergency exists that
18 requires adoption of a rule upon fewer days than is required by
19 Section 5-40 and states in writing its reasons for that
20 finding, the agency may adopt an emergency rule without prior
21 notice or hearing upon filing a notice of emergency rulemaking
22 with the Secretary of State under Section 5-70. The notice

1 shall include the text of the emergency rule and shall be
2 published in the Illinois Register. Consent orders or other
3 court orders adopting settlements negotiated by an agency may
4 be adopted under this Section. Subject to applicable
5 constitutional or statutory provisions, an emergency rule
6 becomes effective immediately upon filing under Section 5-65 or
7 at a stated date less than 10 days thereafter. The agency's
8 finding and a statement of the specific reasons for the finding
9 shall be filed with the rule. The agency shall take reasonable
10 and appropriate measures to make emergency rules known to the
11 persons who may be affected by them.

12 (c) An emergency rule may be effective for a period of not
13 longer than 150 days, but the agency's authority to adopt an
14 identical rule under Section 5-40 is not precluded. No
15 emergency rule may be adopted more than once in any 24 month
16 period, except that this limitation on the number of emergency
17 rules that may be adopted in a 24 month period does not apply
18 to (i) emergency rules that make additions to and deletions
19 from the Drug Manual under Section 5-5.16 of the Illinois
20 Public Aid Code or the generic drug formulary under Section
21 3.14 of the Illinois Food, Drug and Cosmetic Act, (ii)
22 emergency rules adopted by the Pollution Control Board before
23 July 1, 1997 to implement portions of the Livestock Management
24 Facilities Act, ~~or~~ or (iii) emergency rules adopted by the
25 Illinois Department of Public Health under subsections (a)
26 through (i) of Section 2 of the Department of Public Health Act
27 when necessary to protect the public's health. Two or more
28 emergency rules having substantially the same purpose and
29 effect shall be deemed to be a single rule for purposes of this
30 Section.

31 (d) In order to provide for the expeditious and timely
32 implementation of the State's fiscal year 1999 budget,
33 emergency rules to implement any provision of Public Act 90-587
34 or 90-588 or any other budget initiative for fiscal year 1999

1 may be adopted in accordance with this Section by the agency
2 charged with administering that provision or initiative,
3 except that the 24-month limitation on the adoption of
4 emergency rules and the provisions of Sections 5-115 and 5-125
5 do not apply to rules adopted under this subsection (d). The
6 adoption of emergency rules authorized by this subsection (d)
7 shall be deemed to be necessary for the public interest,
8 safety, and welfare.

9 (e) In order to provide for the expeditious and timely
10 implementation of the State's fiscal year 2000 budget,
11 emergency rules to implement any provision of this amendatory
12 Act of the 91st General Assembly or any other budget initiative
13 for fiscal year 2000 may be adopted in accordance with this
14 Section by the agency charged with administering that provision
15 or initiative, except that the 24-month limitation on the
16 adoption of emergency rules and the provisions of Sections
17 5-115 and 5-125 do not apply to rules adopted under this
18 subsection (e). The adoption of emergency rules authorized by
19 this subsection (e) shall be deemed to be necessary for the
20 public interest, safety, and welfare.

21 (f) In order to provide for the expeditious and timely
22 implementation of the State's fiscal year 2001 budget,
23 emergency rules to implement any provision of this amendatory
24 Act of the 91st General Assembly or any other budget initiative
25 for fiscal year 2001 may be adopted in accordance with this
26 Section by the agency charged with administering that provision
27 or initiative, except that the 24-month limitation on the
28 adoption of emergency rules and the provisions of Sections
29 5-115 and 5-125 do not apply to rules adopted under this
30 subsection (f). The adoption of emergency rules authorized by
31 this subsection (f) shall be deemed to be necessary for the
32 public interest, safety, and welfare.

33 (g) In order to provide for the expeditious and timely
34 implementation of the State's fiscal year 2002 budget,

1 emergency rules to implement any provision of this amendatory
2 Act of the 92nd General Assembly or any other budget initiative
3 for fiscal year 2002 may be adopted in accordance with this
4 Section by the agency charged with administering that provision
5 or initiative, except that the 24-month limitation on the
6 adoption of emergency rules and the provisions of Sections
7 5-115 and 5-125 do not apply to rules adopted under this
8 subsection (g). The adoption of emergency rules authorized by
9 this subsection (g) shall be deemed to be necessary for the
10 public interest, safety, and welfare.

11 (h) In order to provide for the expeditious and timely
12 implementation of the State's fiscal year 2003 budget,
13 emergency rules to implement any provision of this amendatory
14 Act of the 92nd General Assembly or any other budget initiative
15 for fiscal year 2003 may be adopted in accordance with this
16 Section by the agency charged with administering that provision
17 or initiative, except that the 24-month limitation on the
18 adoption of emergency rules and the provisions of Sections
19 5-115 and 5-125 do not apply to rules adopted under this
20 subsection (h). The adoption of emergency rules authorized by
21 this subsection (h) shall be deemed to be necessary for the
22 public interest, safety, and welfare.

23 (i) In order to provide for the expeditious and timely
24 implementation of the State's fiscal year 2004 budget,
25 emergency rules to implement any provision of this amendatory
26 Act of the 93rd General Assembly or any other budget initiative
27 for fiscal year 2004 may be adopted in accordance with this
28 Section by the agency charged with administering that provision
29 or initiative, except that the 24-month limitation on the
30 adoption of emergency rules and the provisions of Sections
31 5-115 and 5-125 do not apply to rules adopted under this
32 subsection (i). The adoption of emergency rules authorized by
33 this subsection (i) shall be deemed to be necessary for the
34 public interest, safety, and welfare.

1 (j) In order to provide for the expeditious and timely
2 implementation of the provisions of the State's fiscal year
3 2005 budget as provided under the Fiscal Year 2005 Budget
4 Implementation (Human Services) Act, emergency rules to
5 implement any provision of the Fiscal Year 2005 Budget
6 Implementation (Human Services) Act may be adopted in
7 accordance with this Section by the agency charged with
8 administering that provision, except that the 24-month
9 limitation on the adoption of emergency rules and the
10 provisions of Sections 5-115 and 5-125 do not apply to rules
11 adopted under this subsection (j). The Department of Public Aid
12 may also adopt rules under this subsection (j) necessary to
13 administer the Illinois Public Aid Code and the Children's
14 Health Insurance Program Act. The adoption of emergency rules
15 authorized by this subsection (j) shall be deemed to be
16 necessary for the public interest, safety, and welfare.

17 (k) In order to provide for the expeditious and timely
18 implementation of the provisions of the State's fiscal year
19 2006 budget, emergency rules to implement any provision of this
20 amendatory Act of the 94th General Assembly or any other budget
21 initiative for fiscal year 2006 may be adopted in accordance
22 with this Section by the agency charged with administering that
23 provision or initiative, except that the 24-month limitation on
24 the adoption of emergency rules and the provisions of Sections
25 5-115 and 5-125 do not apply to rules adopted under this
26 subsection (k). The Department of Public Aid may also adopt
27 rules under this subsection (k) necessary to administer the
28 Illinois Public Aid Code, the Senior Citizens and Disabled
29 Persons Property Tax Relief and Pharmaceutical Assistance Act,
30 the Senior Citizens and Disabled Persons Prescription Drug
31 Discount Program Act, and the Children's Health Insurance
32 Program Act. The adoption of emergency rules authorized by this
33 subsection (k) shall be deemed to be necessary for the public
34 interest, safety, and welfare.

1 (Source: P.A. 92-10, eff. 6-11-01; 92-597, eff. 6-28-02; 93-20,
2 eff. 6-20-03; 93-829, eff. 7-28-04; 93-841, eff. 7-30-04;
3 revised 10-25-04.)

4 Section 12. The Illinois Act on the Aging is amended by
5 changing Section 4.02 as follows:

6 (20 ILCS 105/4.02) (from Ch. 23, par. 6104.02)

7 Sec. 4.02. The Department shall establish a program of
8 services to prevent unnecessary institutionalization of
9 persons age 60 and older in need of long term care or who are
10 established as persons who suffer from Alzheimer's disease or a
11 related disorder under the Alzheimer's Disease Assistance Act,
12 thereby enabling them to remain in their own homes or in other
13 living arrangements. Such preventive services, which may be
14 coordinated with other programs for the aged and monitored by
15 area agencies on aging in cooperation with the Department, may
16 include, but are not limited to, any or all of the following:

17 (a) home health services;

18 (b) home nursing services;

19 (c) homemaker services;

20 (d) chore and housekeeping services;

21 (e) day care services;

22 (f) home-delivered meals;

23 (g) education in self-care;

24 (h) personal care services;

25 (i) adult day health services;

26 (j) habilitation services;

27 (k) respite care;

28 (k-5) community reintegration services;

29 (l) other nonmedical social services that may enable
30 the person to become self-supporting; or

31 (m) clearinghouse for information provided by senior
32 citizen home owners who want to rent rooms to or share

1 living space with other senior citizens.

2 The Department shall establish eligibility standards for
3 such services taking into consideration the unique economic and
4 social needs of the target population for whom they are to be
5 provided. Such eligibility standards shall be based on the
6 recipient's ability to pay for services; provided, however,
7 that in determining the amount and nature of services for which
8 a person may qualify, consideration shall not be given to the
9 value of cash, property or other assets held in the name of the
10 person's spouse pursuant to a written agreement dividing
11 marital property into equal but separate shares or pursuant to
12 a transfer of the person's interest in a home to his spouse,
13 provided that the spouse's share of the marital property is not
14 made available to the person seeking such services.

15 Beginning July 1, 2002, the Department shall require as a
16 condition of eligibility that all financially eligible
17 applicants and recipients apply for medical assistance under
18 Article V of the Illinois Public Aid Code in accordance with
19 rules promulgated by the Department.

20 The Department shall, in conjunction with the Department of
21 Public Aid, seek appropriate amendments under Sections 1915 and
22 1924 of the Social Security Act. The purpose of the amendments
23 shall be to extend eligibility for home and community based
24 services under Sections 1915 and 1924 of the Social Security
25 Act to persons who transfer to or for the benefit of a spouse
26 those amounts of income and resources allowed under Section
27 1924 of the Social Security Act. Subject to the approval of
28 such amendments, the Department shall extend the provisions of
29 Section 5-4 of the Illinois Public Aid Code to persons who, but
30 for the provision of home or community-based services, would
31 require the level of care provided in an institution, as is
32 provided for in federal law. Those persons no longer found to
33 be eligible for receiving noninstitutional services due to
34 changes in the eligibility criteria shall be given 60 days

1 notice prior to actual termination. Those persons receiving
2 notice of termination may contact the Department and request
3 the determination be appealed at any time during the 60 day
4 notice period. With the exception of the lengthened notice and
5 time frame for the appeal request, the appeal process shall
6 follow the normal procedure. In addition, each person affected
7 regardless of the circumstances for discontinued eligibility
8 shall be given notice and the opportunity to purchase the
9 necessary services through the Community Care Program. If the
10 individual does not elect to purchase services, the Department
11 shall advise the individual of alternative services. The target
12 population identified for the purposes of this Section are
13 persons age 60 and older with an identified service need.
14 Priority shall be given to those who are at imminent risk of
15 institutionalization. The services shall be provided to
16 eligible persons age 60 and older to the extent that the cost
17 of the services together with the other personal maintenance
18 expenses of the persons are reasonably related to the standards
19 established for care in a group facility appropriate to the
20 person's condition. These non-institutional services, pilot
21 projects or experimental facilities may be provided as part of
22 or in addition to those authorized by federal law or those
23 funded and administered by the Department of Human Services.
24 The Departments of Human Services, Public Aid, Public Health,
25 Veterans' Affairs, and Commerce and Economic Opportunity and
26 other appropriate agencies of State, federal and local
27 governments shall cooperate with the Department on Aging in the
28 establishment and development of the non-institutional
29 services. The Department shall require an annual audit from all
30 chore/housekeeping and homemaker vendors contracting with the
31 Department under this Section. The annual audit shall assure
32 that each audited vendor's procedures are in compliance with
33 Department's financial reporting guidelines requiring an
34 administrative and employee wage and benefits cost split as

1 defined in administrative rules ~~a 27% administrative cost split~~
2 ~~and a 73% employee wages and benefits cost split~~. The audit is
3 a public record under the Freedom of Information Act. The
4 Department shall execute, relative to the nursing home
5 prescreening project, written inter-agency agreements with the
6 Department of Human Services and the Department of Public Aid,
7 to effect the following: (1) intake procedures and common
8 eligibility criteria for those persons who are receiving
9 non-institutional services; and (2) the establishment and
10 development of non-institutional services in areas of the State
11 where they are not currently available or are undeveloped. On
12 and after July 1, 1996, all nursing home prescreenings for
13 individuals 60 years of age or older shall be conducted by the
14 Department.

15 The Department is authorized to establish a system of
16 recipient copayment for services provided under this Section,
17 such copayment to be based upon the recipient's ability to pay
18 but in no case to exceed the actual cost of the services
19 provided. Additionally, any portion of a person's income which
20 is equal to or less than the federal poverty standard shall not
21 be considered by the Department in determining the copayment.
22 The level of such copayment shall be adjusted whenever
23 necessary to reflect any change in the officially designated
24 federal poverty standard.

25 The Department, or the Department's authorized
26 representative, shall recover the amount of moneys expended for
27 services provided to or in behalf of a person under this
28 Section by a claim against the person's estate or against the
29 estate of the person's surviving spouse, but no recovery may be
30 had until after the death of the surviving spouse, if any, and
31 then only at such time when there is no surviving child who is
32 under age 21, blind, or permanently and totally disabled. This
33 paragraph, however, shall not bar recovery, at the death of the
34 person, of moneys for services provided to the person or in

1 behalf of the person under this Section to which the person was
2 not entitled; provided that such recovery shall not be enforced
3 against any real estate while it is occupied as a homestead by
4 the surviving spouse or other dependent, if no claims by other
5 creditors have been filed against the estate, or, if such
6 claims have been filed, they remain dormant for failure of
7 prosecution or failure of the claimant to compel administration
8 of the estate for the purpose of payment. This paragraph shall
9 not bar recovery from the estate of a spouse, under Sections
10 1915 and 1924 of the Social Security Act and Section 5-4 of the
11 Illinois Public Aid Code, who precedes a person receiving
12 services under this Section in death. All moneys for services
13 paid to or in behalf of the person under this Section shall be
14 claimed for recovery from the deceased spouse's estate.
15 "Homestead", as used in this paragraph, means the dwelling
16 house and contiguous real estate occupied by a surviving spouse
17 or relative, as defined by the rules and regulations of the
18 Illinois Department of Public Aid, regardless of the value of
19 the property.

20 The Department shall develop procedures to enhance
21 availability of services on evenings, weekends, and on an
22 emergency basis to meet the respite needs of caregivers.
23 Procedures shall be developed to permit the utilization of
24 services in successive blocks of 24 hours up to the monthly
25 maximum established by the Department. Workers providing these
26 services shall be appropriately trained.

27 Beginning on the effective date of this Amendatory Act of
28 1991, no person may perform chore/housekeeping and homemaker
29 services under a program authorized by this Section unless that
30 person has been issued a certificate of pre-service to do so by
31 his or her employing agency. Information gathered to effect
32 such certification shall include (i) the person's name, (ii)
33 the date the person was hired by his or her current employer,
34 and (iii) the training, including dates and levels. Persons

1 engaged in the program authorized by this Section before the
2 effective date of this amendatory Act of 1991 shall be issued a
3 certificate of all pre- and in-service training from his or her
4 employer upon submitting the necessary information. The
5 employing agency shall be required to retain records of all
6 staff pre- and in-service training, and shall provide such
7 records to the Department upon request and upon termination of
8 the employer's contract with the Department. In addition, the
9 employing agency is responsible for the issuance of
10 certifications of in-service training completed to their
11 employees.

12 The Department is required to develop a system to ensure
13 that persons working as homemakers and chore housekeepers
14 receive increases in their wages when the federal minimum wage
15 is increased by requiring vendors to certify that they are
16 meeting the federal minimum wage statute for homemakers and
17 chore housekeepers. An employer that cannot ensure that the
18 minimum wage increase is being given to homemakers and chore
19 housekeepers shall be denied any increase in reimbursement
20 costs.

21 The Department on Aging and the Department of Human
22 Services shall cooperate in the development and submission of
23 an annual report on programs and services provided under this
24 Section. Such joint report shall be filed with the Governor and
25 the General Assembly on or before September 30 each year.

26 The requirement for reporting to the General Assembly shall
27 be satisfied by filing copies of the report with the Speaker,
28 the Minority Leader and the Clerk of the House of
29 Representatives and the President, the Minority Leader and the
30 Secretary of the Senate and the Legislative Research Unit, as
31 required by Section 3.1 of the General Assembly Organization
32 Act and filing such additional copies with the State Government
33 Report Distribution Center for the General Assembly as is
34 required under paragraph (t) of Section 7 of the State Library

1 Act.

2 Those persons previously found eligible for receiving
3 non-institutional services whose services were discontinued
4 under the Emergency Budget Act of Fiscal Year 1992, and who do
5 not meet the eligibility standards in effect on or after July
6 1, 1992, shall remain ineligible on and after July 1, 1992.
7 Those persons previously not required to cost-share and who
8 were required to cost-share effective March 1, 1992, shall
9 continue to meet cost-share requirements on and after July 1,
10 1992. Beginning July 1, 1992, all clients will be required to
11 meet eligibility, cost-share, and other requirements and will
12 have services discontinued or altered when they fail to meet
13 these requirements.

14 (Source: P.A. 92-597, eff. 6-28-02; 93-85, eff. 1-1-04; 93-902,
15 eff. 8-10-04.)

16 Section 15. The Children's Health Insurance Program Act is
17 amended by changing Section 30 as follows:

18 (215 ILCS 106/30)

19 Sec. 30. Cost sharing.

20 (a) Children enrolled in a health benefits program pursuant
21 to subdivision (a)(2) of Section 25 and persons enrolled in a
22 health benefits waiver program pursuant to Section 40 shall be
23 subject to the following cost sharing requirements:

24 (1) There shall be no co-payment required for well-baby
25 or well-child care, including age-appropriate
26 immunizations as required under federal law.

27 (2) Health insurance premiums for family members,
28 either children or adults, in families whose household
29 income is above 150% of the federal poverty level shall be
30 payable monthly, subject to rules promulgated by the
31 Department for grace periods and advance payments, and
32 shall be as follows:

- 1 (A) \$15 per month for one family member ~~child~~.
- 2 (B) \$25 per month for 2 family members ~~children~~.
- 3 (C) \$30 per month for 3 family members ~~or more~~
- 4 ~~children~~.
- 5 (D) \$35 per month for 4 family members.
- 6 (E) \$40 per month for 5 or more family members.

7 (3) Co-payments for children or adults in families

8 whose income is at or below 150% of the federal poverty

9 level, at a minimum and to the extent permitted under

10 federal law, shall be \$2 for all medical visits and

11 prescriptions provided under this Act.

12 (4) Co-payments for children or adults in families

13 whose income is above 150% of the federal poverty level, at

14 a minimum and to the extent permitted under federal law

15 shall be as follows:

- 16 (A) \$5 for medical visits.
- 17 (B) \$3 for generic prescriptions and \$5 for brand
- 18 name prescriptions.
- 19 (C) \$25 for emergency room use for a non-emergency
- 20 situation as defined by the Department by rule.

21 (5) The maximum amount of out-of-pocket expenses for

22 co-payments shall be \$100 per family per year.

23 (b) Individuals enrolled in a privately sponsored health

24 insurance plan pursuant to subdivision (a)(1) of Section 25

25 shall be subject to the cost sharing provisions as stated in

26 the privately sponsored health insurance plan.

27 (Source: P.A. 90-736, eff. 8-12-98; 91-266, eff. 7-23-99.)

28 Section 20. The Illinois Public Aid Code is amended by

29 changing Sections 5-5.4, 5-5.12, and 12-4.35 as follows:

30 (305 ILCS 5/5-5.4) (from Ch. 23, par. 5-5.4)

31 Sec. 5-5.4. Standards of Payment - Department of Public

32 Aid. The Department of Public Aid shall develop standards of

1 payment of skilled nursing and intermediate care services in
2 facilities providing such services under this Article which:

3 (1) Provide for the determination of a facility's payment
4 for skilled nursing and intermediate care services on a
5 prospective basis. The amount of the payment rate for all
6 nursing facilities certified by the Department of Public Health
7 under the Nursing Home Care Act as Intermediate Care for the
8 Developmentally Disabled facilities, Long Term Care for Under
9 Age 22 facilities, Skilled Nursing facilities, or Intermediate
10 Care facilities under the medical assistance program shall be
11 prospectively established annually on the basis of historical,
12 financial, and statistical data reflecting actual costs from
13 prior years, which shall be applied to the current rate year
14 and updated for inflation, except that the capital cost element
15 for newly constructed facilities shall be based upon projected
16 budgets. The annually established payment rate shall take
17 effect on July 1 in 1984 and subsequent years. No rate increase
18 and no update for inflation shall be provided on or after July
19 1, 1994 and before July 1, 2006 ~~2005~~, unless specifically
20 provided for in this Section. The changes made by this
21 amendatory Act of the 93rd General Assembly extending the
22 duration of the prohibition against a rate increase or update
23 for inflation are effective retroactive to July 1, 2004.

24 For facilities licensed by the Department of Public Health
25 under the Nursing Home Care Act as Intermediate Care for the
26 Developmentally Disabled facilities or Long Term Care for Under
27 Age 22 facilities, the rates taking effect on July 1, 1998
28 shall include an increase of 3%. For facilities licensed by the
29 Department of Public Health under the Nursing Home Care Act as
30 Skilled Nursing facilities or Intermediate Care facilities,
31 the rates taking effect on July 1, 1998 shall include an
32 increase of 3% plus \$1.10 per resident-day, as defined by the
33 Department.

34 For facilities licensed by the Department of Public Health

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

12 For facilities licensed by the Department of Public Health
13 under the Nursing Home Care Act as Intermediate Care for the
14 Developmentally Disabled facilities or Long Term Care for Under
15 Age 22 facilities, the rates taking effect on July 1, 2000
16 shall include an increase of 2.5% per resident-day, as defined
17 by the Department. For facilities licensed by the Department of
18 Public Health under the Nursing Home Care Act as Skilled
19 Nursing facilities or Intermediate Care facilities, the rates
20 taking effect on July 1, 2000 shall include an increase of 2.5%
21 per resident-day, as defined by the Department.

22 For facilities licensed by the Department of Public Health
23 under the Nursing Home Care Act as skilled nursing facilities
24 or intermediate care facilities, a new payment methodology must
25 be implemented for the nursing component of the rate effective
26 July 1, 2003. The Department of Public Aid shall develop the
27 new payment methodology using the Minimum Data Set (MDS) as the
28 instrument to collect information concerning nursing home
29 resident condition necessary to compute the rate. The
30 Department of Public Aid shall develop the new payment
31 methodology to meet the unique needs of Illinois nursing home
32 residents while remaining subject to the appropriations
33 provided by the General Assembly. A transition period from the
34 payment methodology in effect on June 30, 2003 to the payment

1 methodology in effect on July 1, 2003 shall be provided for a
2 period not exceeding 2 years after implementation of the new
3 payment methodology as follows:

4 (A) For a facility that would receive a lower nursing
5 component rate per patient day under the new system than
6 the facility received effective on the date immediately
7 preceding the date that the Department implements the new
8 payment methodology, the nursing component rate per
9 patient day for the facility shall be held at the level in
10 effect on the date immediately preceding the date that the
11 Department implements the new payment methodology until a
12 higher nursing component rate of reimbursement is achieved
13 by that facility.

14 (B) For a facility that would receive a higher nursing
15 component rate per patient day under the payment
16 methodology in effect on July 1, 2003 than the facility
17 received effective on the date immediately preceding the
18 date that the Department implements the new payment
19 methodology, the nursing component rate per patient day for
20 the facility shall be adjusted.

21 (C) Notwithstanding paragraphs (A) and (B), the
22 nursing component rate per patient day for the facility
23 shall be adjusted subject to appropriations provided by the
24 General Assembly.

25 For facilities licensed by the Department of Public Health
26 under the Nursing Home Care Act as Intermediate Care for the
27 Developmentally Disabled facilities or Long Term Care for Under
28 Age 22 facilities, the rates taking effect on March 1, 2001
29 shall include a statewide increase of 7.85%, as defined by the
30 Department.

31 For facilities licensed by the Department of Public Health
32 under the Nursing Home Care Act as Intermediate Care for the
33 Developmentally Disabled facilities or Long Term Care for Under
34 Age 22 facilities, the rates taking effect on April 1, 2002

1 shall include a statewide increase of 2.0%, as defined by the
2 Department. This increase terminates on July 1, 2002; beginning
3 July 1, 2002 these rates are reduced to the level of the rates
4 in effect on March 31, 2002, as defined by the Department.

5 For facilities licensed by the Department of Public Health
6 under the Nursing Home Care Act as skilled nursing facilities
7 or intermediate care facilities, the rates taking effect on
8 July 1, 2001 shall be computed using the most recent cost
9 reports on file with the Department of Public Aid no later than
10 April 1, 2000, updated for inflation to January 1, 2001. For
11 rates effective July 1, 2001 only, rates shall be the greater
12 of the rate computed for July 1, 2001 or the rate effective on
13 June 30, 2001.

14 Notwithstanding any other provision of this Section, for
15 facilities licensed by the Department of Public Health under
16 the Nursing Home Care Act as skilled nursing facilities or
17 intermediate care facilities, the Illinois Department shall
18 determine by rule the rates taking effect on July 1, 2002,
19 which shall be 5.9% less than the rates in effect on June 30,
20 2002.

21 Notwithstanding any other provision of this Section, for
22 facilities licensed by the Department of Public Health under
23 the Nursing Home Care Act as skilled nursing facilities or
24 intermediate care facilities, if the payment methodologies
25 required under Section 5A-12 and the waiver granted under 42
26 CFR 433.68 are approved by the United States Centers for
27 Medicare and Medicaid Services, the rates taking effect on July
28 1, 2004 shall be 3.0% greater than the rates in effect on June
29 30, 2004. These rates shall take effect only upon approval and
30 implementation of the payment methodologies required under
31 Section 5A-12.

32 Notwithstanding any other provisions of this Section, for
33 facilities licensed by the Department of Public Health under
34 the Nursing Home Care Act as skilled nursing facilities or

1 intermediate care facilities, the rates taking effect on
2 January 1, 2005 shall be 3% more than the rates in effect on
3 December 31, 2004.

4 For facilities licensed by the Department of Public Health
5 under the Nursing Home Care Act as Intermediate Care for the
6 Developmentally Disabled facilities or as long-term care
7 facilities for residents under 22 years of age, the rates
8 taking effect on July 1, 2003 shall include a statewide
9 increase of 4%, as defined by the Department.

10 Notwithstanding any other provision of this Section, for
11 facilities licensed by the Department of Public Health under
12 the Nursing Home Care Act as skilled nursing facilities or
13 intermediate care facilities, effective January 1, 2005,
14 facility rates shall be increased by the difference between (i)
15 a facility's per diem property, liability, and malpractice
16 insurance costs as reported in the cost report filed with the
17 Department of Public Aid and used to establish rates effective
18 July 1, 2001 and (ii) those same costs as reported in the
19 facility's 2002 cost report. These costs shall be passed
20 through to the facility without caps or limitations, except for
21 adjustments required under normal auditing procedures.

22 Rates established effective each July 1 shall govern
23 payment for services rendered throughout that fiscal year,
24 except that rates established on July 1, 1996 shall be
25 increased by 6.8% for services provided on or after January 1,
26 1997. Such rates will be based upon the rates calculated for
27 the year beginning July 1, 1990, and for subsequent years
28 thereafter until June 30, 2001 shall be based on the facility
29 cost reports for the facility fiscal year ending at any point
30 in time during the previous calendar year, updated to the
31 midpoint of the rate year. The cost report shall be on file
32 with the Department no later than April 1 of the current rate
33 year. Should the cost report not be on file by April 1, the
34 Department shall base the rate on the latest cost report filed

1 by each skilled care facility and intermediate care facility,
2 updated to the midpoint of the current rate year. In
3 determining rates for services rendered on and after July 1,
4 1985, fixed time shall not be computed at less than zero. The
5 Department shall not make any alterations of regulations which
6 would reduce any component of the Medicaid rate to a level
7 below what that component would have been utilizing in the rate
8 effective on July 1, 1984.

9 (2) Shall take into account the actual costs incurred by
10 facilities in providing services for recipients of skilled
11 nursing and intermediate care services under the medical
12 assistance program.

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

15 (4) Shall take into account the actual costs incurred by
16 facilities in meeting licensing and certification standards
17 imposed and prescribed by the State of Illinois, any of its
18 political subdivisions or municipalities and by the U.S.
19 Department of Health and Human Services pursuant to Title XIX
20 of the Social Security Act.

21 The Department of Public Aid shall develop precise
22 standards for payments to reimburse nursing facilities for any
23 utilization of appropriate rehabilitative personnel for the
24 provision of rehabilitative services which is authorized by
25 federal regulations, including reimbursement for services
26 provided by qualified therapists or qualified assistants, and
27 which is in accordance with accepted professional practices.
28 Reimbursement also may be made for utilization of other
29 supportive personnel under appropriate supervision.

30 (Source: P.A. 92-10, eff. 6-11-01; 92-31, eff. 6-28-01; 92-597,
31 eff. 6-28-02; 92-651, eff. 7-11-02; 92-848, eff. 1-1-03; 93-20,
32 eff. 6-20-03; 93-649, eff. 1-8-04; 93-659, eff. 2-3-04; 93-841,
33 eff. 7-30-04; 93-1087, eff. 2-28-05.)

1 (305 ILCS 5/5-5.12) (from Ch. 23, par. 5-5.12)

2 Sec. 5-5.12. Pharmacy payments.

3 (a) Every request submitted by a pharmacy for reimbursement
4 under this Article for prescription drugs provided to a
5 recipient of aid under this Article shall include the name of
6 the prescriber or an acceptable identification number as
7 established by the Department.

8 (b) Pharmacies providing prescription drugs under this
9 Article shall be reimbursed at a rate which shall include a
10 professional dispensing fee as determined by the Illinois
11 Department, plus the current acquisition cost of the
12 prescription drug dispensed. The Illinois Department shall
13 update its information on the acquisition costs of all
14 prescription drugs no less frequently than every 30 days.
15 However, the Illinois Department may set the rate of
16 reimbursement for the acquisition cost, by rule, at a
17 percentage of the current average wholesale acquisition cost.

18 (c) (Blank). ~~Reimbursement under this Article for~~
19 ~~prescription drugs shall be limited to reimbursement for 4~~
20 ~~brand name prescription drugs per patient per month. This~~
21 ~~subsection applies only if (i) the brand name drug was not~~
22 ~~prescribed for an acute or urgent condition, (ii) the~~
23 ~~brand name drug was not prescribed for Alzheimer's disease,~~
24 ~~arthritis, diabetes, HIV/AIDS, a mental health condition, or~~
25 ~~respiratory disease, and (iii) a therapeutically equivalent~~
26 ~~generic medication has been approved by the federal Food and~~
27 ~~Drug Administration.~~

28 (d) The Department shall not impose requirements for prior
29 approval based on a preferred drug list for anti-retroviral,
30 anti-hemophilic factor concentrates, or any atypical
31 antipsychotics, conventional antipsychotics, or
32 anticonvulsants used for the treatment of serious mental
33 illnesses until 30 days after it has conducted a study of the
34 impact of such requirements on patient care and submitted a

1 report to the Speaker of the House of Representatives and the
2 President of the Senate.

3 (Source: P.A. 92-597, eff. 6-28-02; 92-825, eff. 8-21-02;
4 93-106, eff. 7-8-03.)

5 (305 ILCS 5/12-4.35)

6 Sec. 12-4.35. Medical services for certain noncitizens.

7 (a) Notwithstanding ~~Subject to specific appropriation for~~
8 ~~this purpose, and notwithstanding~~ Section 1-11 of this Code or
9 Section 20(a) of the Children's Health Insurance Program Act,
10 the Department of Public Aid may provide medical services to
11 noncitizens who have not yet attained 19 years of age and who
12 are not eligible for medical assistance under Article V of this
13 Code or under the Children's Health Insurance Program created
14 by the Children's Health Insurance Program Act due to their not
15 meeting the otherwise applicable provisions of Section 1-11 of
16 this Code or Section 20(a) of the Children's Health Insurance
17 Program Act. The medical services available, standards for
18 eligibility, and other conditions of participation under this
19 Section shall be established by rule by the Department;
20 however, any such rule shall be at least as restrictive as the
21 rules for medical assistance under Article V of this Code or
22 the Children's Health Insurance Program created by the
23 Children's Health Insurance Program Act.

24 (b) The Department is authorized to take any action,
25 including without limitation cessation of enrollment,
26 reduction of available medical services, and changing
27 standards for eligibility, that is deemed necessary by the
28 Department during a State fiscal year to assure that payments
29 under this Section do not exceed available funds ~~the amounts~~
30 ~~appropriated for this purpose.~~

31 (c) Continued ~~In the event that the appropriation in any~~
32 ~~fiscal year for the Children's Health Insurance Program created~~
33 ~~by the Children's Health Insurance Program Act is determined by~~

1 ~~the Department to be insufficient to continue enrollment of~~
2 ~~otherwise eligible children under that Program during that~~
3 ~~fiscal year, the Department is authorized to use funds~~
4 ~~appropriated for the purposes of this Section to fund that~~
5 ~~Program and to take any other action necessary to continue the~~
6 ~~operation of that Program. Furthermore, continued enrollment~~
7 of individuals into the program created under this Section in
8 any fiscal year is contingent upon continued enrollment of
9 individuals into the Children's Health Insurance Program
10 during that fiscal year.

11 (d) (Blank). ~~The General Assembly finds that the adoption~~
12 ~~of rules to meet the purposes of subsections (a), (b), and (c)~~
13 ~~is an emergency and necessary for the public interest, safety,~~
14 ~~and welfare. The Department may adopt such rules through the~~
15 ~~use of emergency rulemaking in accordance with Section 5-45 of~~
16 ~~the Illinois Administrative Procedure Act, except that the~~
17 ~~limitation on the number of emergency rules that may be adopted~~
18 ~~in a 24 month period shall not apply.~~

19 (Source: P.A. 90-588, eff. 7-1-98.)

20 Section 25. The All-Inclusive Care for the Elderly Act is
21 amended by changing Sections 10 and 15 as follows:

22 (320 ILCS 40/10) (from Ch. 23, par. 6910)

23 Sec. 10. Services for eligible persons. Within the context
24 of the PACE program established under this Act, the Illinois
25 Department of Public Aid may include any or all of the services
26 in Article 5 of the Illinois Public Aid Code.

27 An eligible person may elect to receive services from the
28 PACE program. If such an election is made, the eligible person
29 shall not remain eligible for payment through the regular
30 Medicare or Medicaid program. All services and programs
31 provided through the PACE program shall be provided in
32 accordance with this Act. An eligible person may elect to

1 disenroll from the PACE program at any time.

2 For purposes of this Act, "eligible person" means a frail
3 elderly individual who voluntarily enrolls in the PACE program,
4 whose income and resources do not exceed limits established by
5 the Illinois Department of Public Aid and for whom a licensed
6 physician certifies that such a program provides an appropriate
7 alternative to institutionalized care. The term "frail
8 elderly" means an individual who meets the age and functional
9 eligibility requirements, ~~as established by the Illinois~~
10 ~~Department of Public Aid and the Department on Aging for~~
11 ~~nursing home care, and who is 65 years of age or older.~~

12 (Source: P.A. 87-411.)

13 (320 ILCS 40/15) (from Ch. 23, par. 6915)

14 Sec. 15. Program implementation.

15 (a) Upon receipt of federal approval ~~waivers~~, the Illinois
16 Department of Public Aid shall implement the PACE program
17 pursuant to the provisions of the approved Title XIX State plan
18 ~~as a demonstration program to provide the services set forth in~~
19 ~~Section 10 to eligible persons, as defined in Section 10, for a~~
20 ~~period of 3 years. After the 3 year demonstration, the General~~
21 ~~Assembly shall reexamine the PACE program and determine if the~~
22 ~~program should be implemented on a permanent basis.~~

23 (b) Using a risk-based financing model, the nonprofit
24 organization providing the PACE program shall assume
25 responsibility for all costs generated by the PACE program
26 participants, and it shall create and maintain a risk reserve
27 fund that will cover any cost overages for any participant. The
28 PACE program is responsible for the entire range of services in
29 the consolidated service model, including hospital and nursing
30 home care, according to participant need as determined by a
31 multidisciplinary team. The nonprofit organization providing
32 the PACE program is responsible for the full financial risk ~~at~~
33 ~~the conclusion of the demonstration period and when permanent~~

1 ~~waivers from the federal Health Care Financing Administration~~
2 ~~are granted.~~ Specific arrangements of the risk-based financing
3 model shall be adopted and negotiated by the federal Centers
4 for Medicare and Medicaid Services ~~Health Care Financing~~
5 ~~Administration~~, the nonprofit organization providing the PACE
6 program, and the Illinois Department of Public Aid.
7 (Source: P.A. 87-411.)

8 Section 99. Effective date. This Act takes effect July 1,
9 2005."