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1 AMENDMENT TO SENATE BILL 3088

2 AMENDMENT NO. _____. Amend Senate Bill 3088 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Illinois Act on the Aging is amended by
5 adding Section 4.01a as follows:

6 (20 ILCS 105/4.01a new)

7 Sec. 4.01a. Use of certain moneys deposited into the
8 Department on Aging State Projects Fund. All moneys transferred
9 into the Department on Aging State Projects Fund from the
10 Long-Term Care Provider Fund shall, subject to appropriation,
11 be used for older adult services, as described in subsection
12 (f) of Section 20 of the Older Adult Services Act. All federal
13 moneys received as a result of expenditures of such moneys
14 shall be deposited into the Department of Human Services
15 Community Services Fund.

1 Section 10. The Department of Human Services Act is amended
2 by adding Section 1-50 as follows:

3 (20 ILCS 1305/1-50 new)

4 Sec. 1-50. Department of Human Services Community Services
5 Fund.

6 (a) The Department of Human Services Community Services
7 Fund is created in the State treasury as a special fund.

8 (b) The Fund is created for the purpose of receiving and
9 disbursing moneys in accordance with this Section.
10 Disbursements from the Fund shall be made, subject to
11 appropriation, for payment of expenses incurred by the
12 Department of Human Services in support of the Department's
13 rebalancing services.

14 (c) The Fund shall consist of the following:

15 (1) Moneys transferred from another State fund.

16 (2) All federal moneys received as a result of
17 expenditures that are attributable to moneys deposited in
18 the Fund.

19 (3) All other moneys received for the Fund from any
20 other source.

21 (4) Interest earned upon moneys in the Fund.

22 Section 15. The State Finance Act is amended by adding
23 Section 5.786 as follows:

1 (30 ILCS 105/5.786 new)

2 Sec. 5.786. The Department of Human Services Community
3 Services Fund.

4 Section 20. The State Prompt Payment Act is amended by
5 changing Section 3-2 as follows:

6 (30 ILCS 540/3-2)

7 Sec. 3-2. Beginning July 1, 1993, in any instance where a
8 State official or agency is late in payment of a vendor's bill
9 or invoice for goods or services furnished to the State, as
10 defined in Section 1, properly approved in accordance with
11 rules promulgated under Section 3-3, the State official or
12 agency shall pay interest to the vendor in accordance with the
13 following:

14 (1) Any bill, except a bill submitted under Article V
15 of the Illinois Public Aid Code, approved for payment under
16 this Section must be paid or the payment issued to the
17 payee within 60 days of receipt of a proper bill or
18 invoice. If payment is not issued to the payee within this
19 60 day period, an interest penalty of 1.0% of any amount
20 approved and unpaid shall be added for each month or
21 fraction thereof after the end of this 60 day period, until
22 final payment is made. Any bill, except a bill for pharmacy
23 or nursing facility services or goods, submitted under
24 Article V of the Illinois Public Aid Code approved for

1 payment under this Section must be paid or the payment
2 issued to the payee within 60 days after receipt of a
3 proper bill or invoice, and, if payment is not issued to
4 the payee within this 60-day period, an interest penalty of
5 2.0% of any amount approved and unpaid shall be added for
6 each month or fraction thereof after the end of this 60-day
7 period, until final payment is made. Any bill for pharmacy
8 or nursing facility services or goods submitted under
9 Article V of the Illinois Public Aid Code, approved for
10 payment under this Section must be paid or the payment
11 issued to the payee within 60 days of receipt of a proper
12 bill or invoice. If payment is not issued to the payee
13 within this 60 day period, an interest penalty of 1.0% of
14 any amount approved and unpaid shall be added for each
15 month or fraction thereof after the end of this 60 day
16 period, until final payment is made.

17 (1.1) A State agency shall review in a timely manner
18 each bill or invoice after its receipt. If the State agency
19 determines that the bill or invoice contains a defect
20 making it unable to process the payment request, the agency
21 shall notify the vendor requesting payment as soon as
22 possible after discovering the defect pursuant to rules
23 promulgated under Section 3-3; provided, however, that the
24 notice for construction related bills or invoices must be
25 given not later than 30 days after the bill or invoice was
26 first submitted. The notice shall identify the defect and

1 any additional information necessary to correct the
2 defect. If one or more items on a construction related bill
3 or invoice are disapproved, but not the entire bill or
4 invoice, then the portion that is not disapproved shall be
5 paid.

6 (2) Where a State official or agency is late in payment
7 of a vendor's bill or invoice properly approved in
8 accordance with this Act, and different late payment terms
9 are not reduced to writing as a contractual agreement, the
10 State official or agency shall automatically pay interest
11 penalties required by this Section amounting to \$50 or more
12 to the appropriate vendor. Each agency shall be responsible
13 for determining whether an interest penalty is owed and for
14 paying the interest to the vendor. Interest due to a vendor
15 that amounts to less than \$50 shall not be paid but shall
16 be accrued until all interest due the vendor for all
17 similar warrants exceeds \$50, at which time the accrued
18 interest shall be payable and interest will begin accruing
19 again, except that interest accrued as of the end of the
20 fiscal year that does not exceed \$50 shall be payable at
21 that time. In the event an individual has paid a vendor for
22 services in advance, the provisions of this Section shall
23 apply until payment is made to that individual.

24 (Source: P.A. 96-555, eff. 8-18-09; 96-802, eff. 1-1-10;
25 96-959, eff. 7-1-10; 96-1000, eff. 7-2-10.)

1 Section 25. The Nursing Home Care Act is amended by
2 changing Section 3-103 as follows:

3 (210 ILCS 45/3-103) (from Ch. 111 1/2, par. 4153-103)

4 Sec. 3-103. The procedure for obtaining a valid license
5 shall be as follows:

6 (1) Application to operate a facility shall be made to
7 the Department on forms furnished by the Department.

8 (2) All license applications shall be accompanied with
9 an application fee. The fee for an annual license shall be
10 \$1,990. Facilities that pay a fee or assessment pursuant to
11 Article V-C of the Illinois Public Aid Code shall be exempt
12 from the license fee imposed under this item (2). The fee
13 for a 2-year license shall be double the fee for the annual
14 license set forth in the preceding sentence. The fees
15 collected shall be deposited with the State Treasurer into
16 the Long Term Care Monitor/Receiver Fund, which has been
17 created as a special fund in the State treasury. This
18 special fund is to be used by the Department for expenses
19 related to the appointment of monitors and receivers as
20 contained in Sections 3-501 through 3-517 of this Act, for
21 the enforcement of this Act, and for implementation of the
22 Abuse Prevention Review Team Act. All federal moneys
23 received as a result of expenditures from the Fund shall be
24 deposited into the Fund. The Department may reduce or waive
25 a penalty pursuant to Section 3-308 only if that action

1 will not threaten the ability of the Department to meet the
2 expenses required to be met by the Long Term Care
3 Monitor/Receiver Fund. ~~At the end of each fiscal year, any~~
4 ~~funds in excess of \$1,000,000 held in the Long Term Care~~
5 ~~Monitor/Receiver Fund shall be deposited in the State's~~
6 ~~General Revenue Fund.~~ The application shall be under oath
7 and the submission of false or misleading information shall
8 be a Class A misdemeanor. The application shall contain the
9 following information:

10 (a) The name and address of the applicant if an
11 individual, and if a firm, partnership, or
12 association, of every member thereof, and in the case
13 of a corporation, the name and address thereof and of
14 its officers and its registered agent, and in the case
15 of a unit of local government, the name and address of
16 its chief executive officer;

17 (b) The name and location of the facility for which
18 a license is sought;

19 (c) The name of the person or persons under whose
20 management or supervision the facility will be
21 conducted;

22 (d) The number and type of residents for which
23 maintenance, personal care, or nursing is to be
24 provided; and

25 (e) Such information relating to the number,
26 experience, and training of the employees of the

1 facility, any management agreements for the operation
2 of the facility, and of the moral character of the
3 applicant and employees as the Department may deem
4 necessary.

5 (3) Each initial application shall be accompanied by a
6 financial statement setting forth the financial condition
7 of the applicant and by a statement from the unit of local
8 government having zoning jurisdiction over the facility's
9 location stating that the location of the facility is not
10 in violation of a zoning ordinance. An initial application
11 for a new facility shall be accompanied by a permit as
12 required by the "Illinois Health Facilities Planning Act".
13 After the application is approved, the applicant shall
14 advise the Department every 6 months of any changes in the
15 information originally provided in the application.

16 (4) Other information necessary to determine the
17 identity and qualifications of an applicant to operate a
18 facility in accordance with this Act shall be included in
19 the application as required by the Department in
20 regulations.

21 (Source: P.A. 96-758, eff. 8-25-09; 96-1372, eff. 7-29-10.)

22 Section 30. The Illinois Public Aid Code is amended by
23 changing Sections 5-1.1, 5-5.2, 5-5.3, 5-5.4, 5-5.4a, 5-5.5,
24 5-5.5a, 5-5.6b, 5-5.7, 5-5.8b, 5-5.11, 5A-2, 5A-3, 5A-5, 5A-8,
25 5A-10, 5A-14, 5B-1, 5B-2, 5B-4, 5B-5, and 5B-8 as follows:

1 (305 ILCS 5/5-1.1) (from Ch. 23, par. 5-1.1)

2 Sec. 5-1.1. Definitions. The terms defined in this Section
3 shall have the meanings ascribed to them, except when the
4 context otherwise requires.

5 (a) "Nursing ~~Skilled nursing~~ facility" means a ~~nursing home~~
6 ~~eligible to participate as a skilled nursing facility,~~ licensed
7 by the Department of Public Health under the Nursing Home Care
8 Act, that provides nursing facility services within the meaning
9 of ~~under~~ Title XIX of the federal Social Security Act.

10 (b) "Intermediate care facility for the developmentally
11 disabled" or "ICF/DD" means a ~~nursing home eligible to~~
12 ~~participate as an intermediate care facility,~~ licensed by the
13 Department of Public Health under the MR/DD Community Care Act,
14 that is an intermediate care facility for the mentally retarded
15 within the meaning of ~~under~~ Title XIX of the federal Social
16 Security Act.

17 (c) "Standard services" means those services required for
18 the care of all patients in the facility and shall, as a
19 minimum, include the following: (1) administration; (2)
20 dietary (standard); (3) housekeeping; (4) laundry and linen;
21 (5) maintenance of property and equipment, including
22 utilities; (6) medical records; (7) training of employees; (8)
23 utilization review; (9) activities services; (10) social
24 services; (11) disability services; and all other similar
25 services required by either the laws of the State of Illinois

1 or one of its political subdivisions or municipalities or by
2 Title XIX of the Social Security Act.

3 (d) "Patient services" means those which vary with the
4 number of personnel; professional and para-professional skills
5 of the personnel; specialized equipment, and reflect the
6 intensity of the medical and psycho-social needs of the
7 patients. Patient services shall as a minimum include: (1)
8 physical services; (2) nursing services, including restorative
9 nursing; (3) medical direction and patient care planning; (4)
10 health related supportive and habilitative services and all
11 similar services required by either the laws of the State of
12 Illinois or one of its political subdivisions or municipalities
13 or by Title XIX of the Social Security Act.

14 (e) "Ancillary services" means those services which
15 require a specific physician's order and defined as under the
16 medical assistance program as not being routine in nature for
17 skilled nursing facilities and ICF/DDs ~~intermediate care~~
18 ~~facilities~~. Such services generally must be authorized prior to
19 delivery and payment as provided for under the rules of the
20 Department of Healthcare and Family Services.

21 (f) "Capital" means the investment in a facility's assets
22 for both debt and non-debt funds. Non-debt capital is the
23 difference between an adjusted replacement value of the assets
24 and the actual amount of debt capital.

25 (g) "Profit" means the amount which shall accrue to a
26 facility as a result of its revenues exceeding its expenses as

1 determined in accordance with generally accepted accounting
2 principles.

3 (h) "Non-institutional services" means those services
4 provided under paragraph (f) of Section 3 of the Disabled
5 Persons Rehabilitation Act and those services provided under
6 Section 4.02 of the Illinois Act on the Aging.

7 (i) "Exceptional medical care" means the level of medical
8 care required by persons who are medically stable for discharge
9 from a hospital but who require acute intensity hospital level
10 care for physician, nurse and ancillary specialist services,
11 including persons with acquired immunodeficiency syndrome
12 (AIDS) or a related condition. Such care shall consist of those
13 services which the Department shall determine by rule.

14 (j) "Institutionalized person" means an individual who is
15 an inpatient in an ICF/DD or ~~intermediate care or skilled~~
16 nursing facility, or who is an inpatient in a medical
17 institution receiving a level of care equivalent to that of an
18 ICF/DD or ~~intermediate care or skilled~~ nursing facility, or who
19 is receiving services under Section 1915(c) of the Social
20 Security Act.

21 (k) "Institutionalized spouse" means an institutionalized
22 person who is expected to receive services at the same level of
23 care for at least 30 days and is married to a spouse who is not
24 an institutionalized person.

25 (l) "Community spouse" is the spouse of an
26 institutionalized spouse.

1 (Source: P.A. 95-331, eff. 8-21-07.)

2 (305 ILCS 5/5-5.2) (from Ch. 23, par. 5-5.2)

3 Sec. 5-5.2. Payment.

4 (a) All nursing facilities ~~Skilled Nursing Facilities~~ that
5 are grouped pursuant to Section 5-5.1 of this Act shall receive
6 the same rate of payment for similar services. ~~All Intermediate~~
7 ~~Care Facilities that are grouped pursuant to Section 5-5.1 of~~
8 ~~this Act shall receive the same rate of payment for similar~~
9 ~~services.~~

10 (b) It shall be a matter of State policy that the Illinois
11 Department shall utilize a uniform billing cycle throughout the
12 State for the ~~following~~ long-term care providers: ~~skilled~~
13 ~~nursing facilities, intermediate care facilities, and~~
14 ~~intermediate care facilities for persons with a developmental~~
15 ~~disability. The Illinois Department shall establish billing~~
16 ~~cycles on a calendar month basis for all long term care~~
17 ~~providers no later than July 1, 1992.~~

18 (c) Notwithstanding any other provisions of this Code,
19 beginning July 1, 2012 the methodologies for reimbursement of
20 nursing facility services as provided under this Article shall
21 no longer be applicable for bills payable for State fiscal
22 years 2012 and thereafter. The Department of Healthcare and
23 Family Services shall, effective July 1, 2012, implement an
24 evidence-based payment methodology for the reimbursement of
25 nursing facility services. The methodology shall continue to

1 take into consideration the needs of individual residents, as
2 assessed and reported by the most current version of the
3 nursing facility Resident Assessment Instrument, adopted and
4 in use by the federal government.

5 (Source: P.A. 87-809; 88-380.)

6 (305 ILCS 5/5-5.3) (from Ch. 23, par. 5-5.3)

7 Sec. 5-5.3. Conditions of Payment - Prospective Rates -
8 Accounting Principles. This amendatory Act establishes certain
9 conditions for the Department of ~~Public Aid~~ (now Healthcare and
10 Family Services) in instituting rates for the care of
11 recipients of medical assistance in ~~skilled~~ nursing facilities
12 and ICF/DDs ~~intermediate care facilities~~. Such conditions
13 shall assure a method under which the payment for ~~skilled~~
14 nursing facility and ICF/DD ~~and intermediate care services~~,
15 provided to recipients under the Medical Assistance Program
16 shall be on a reasonable cost related basis, which is
17 prospectively determined at least annually by the Department of
18 Public Aid (now Healthcare and Family Services). The annually
19 established payment rate shall take effect on July 1 in 1984
20 and subsequent years. There shall be no rate increase during
21 calendar year 1983 and the first six months of calendar year
22 1984.

23 The determination of the payment shall be made on the basis
24 of generally accepted accounting principles that shall take
25 into account the actual costs to the facility of providing

1 ~~skilled~~ nursing facility and ICF/DD ~~and intermediate care~~
2 services to recipients under the medical assistance program.

3 The resultant total rate for a specified type of service
4 shall be an amount which shall have been determined to be
5 adequate to reimburse allowable costs of a facility that is
6 economically and efficiently operated. The Department shall
7 establish an effective date for each facility or group of
8 facilities after which rates shall be paid on a reasonable cost
9 related basis which shall be no sooner than the effective date
10 of this amendatory Act of 1977.

11 (Source: P.A. 95-331, eff. 8-21-07.)

12 (305 ILCS 5/5-5.4) (from Ch. 23, par. 5-5.4)

13 Sec. 5-5.4. Standards of Payment - Department of Healthcare
14 and Family Services. The Department of Healthcare and Family
15 Services shall develop standards of payment of ~~skilled~~ nursing
16 facility and ICF/DD ~~and intermediate care~~ services in
17 facilities providing such services under this Article which:

18 (1) Provide for the determination of a facility's payment
19 for ~~skilled~~ nursing facility or ICF/DD ~~and intermediate care~~
20 services on a prospective basis. The amount of the payment rate
21 for all nursing facilities certified by the Department of
22 Public Health under the MR/DD Community Care Act or the Nursing
23 Home Care Act as Intermediate Care for the Developmentally
24 Disabled facilities, Long Term Care for Under Age 22
25 facilities, Skilled Nursing facilities, or Intermediate Care

1 facilities under the medical assistance program shall be
2 prospectively established annually on the basis of historical,
3 financial, and statistical data reflecting actual costs from
4 prior years, which shall be applied to the current rate year
5 and updated for inflation, except that the capital cost element
6 for newly constructed facilities shall be based upon projected
7 budgets. The annually established payment rate shall take
8 effect on July 1 in 1984 and subsequent years. No rate increase
9 and no update for inflation shall be provided on or after July
10 1, 1994 and before July 1, 2012 ~~2011~~, unless specifically
11 provided for in this Section. The changes made by Public Act
12 93-841 extending the duration of the prohibition against a rate
13 increase or update for inflation are effective retroactive to
14 July 1, 2004.

15 For facilities licensed by the Department of Public Health
16 under the Nursing Home Care Act as Intermediate Care for the
17 Developmentally Disabled facilities or Long Term Care for Under
18 Age 22 facilities, the rates taking effect on July 1, 1998
19 shall include an increase of 3%. For facilities licensed by the
20 Department of Public Health under the Nursing Home Care Act as
21 Skilled Nursing facilities or Intermediate Care facilities,
22 the rates taking effect on July 1, 1998 shall include an
23 increase of 3% plus \$1.10 per resident-day, as defined by the
24 Department. For facilities licensed by the Department of Public
25 Health under the Nursing Home Care Act as Intermediate Care
26 Facilities for the Developmentally Disabled or Long Term Care

1 for Under Age 22 facilities, the rates taking effect on January
2 1, 2006 shall include an increase of 3%. For facilities
3 licensed by the Department of Public Health under the Nursing
4 Home Care Act as Intermediate Care Facilities for the
5 Developmentally Disabled or Long Term Care for Under Age 22
6 facilities, the rates taking effect on January 1, 2009 shall
7 include an increase sufficient to provide a \$0.50 per hour wage
8 increase for non-executive staff.

9 For facilities licensed by the Department of Public Health
10 under the Nursing Home Care Act as Intermediate Care for the
11 Developmentally Disabled facilities or Long Term Care for Under
12 Age 22 facilities, the rates taking effect on July 1, 1999
13 shall include an increase of 1.6% plus \$3.00 per resident-day,
14 as defined by the Department. For facilities licensed by the
15 Department of Public Health under the Nursing Home Care Act as
16 Skilled Nursing facilities or Intermediate Care facilities,
17 the rates taking effect on July 1, 1999 shall include an
18 increase of 1.6% and, for services provided on or after October
19 1, 1999, shall be increased by \$4.00 per resident-day, as
20 defined by the Department.

21 For facilities licensed by the Department of Public Health
22 under the Nursing Home Care Act as Intermediate Care for the
23 Developmentally Disabled facilities or Long Term Care for Under
24 Age 22 facilities, the rates taking effect on July 1, 2000
25 shall include an increase of 2.5% per resident-day, as defined
26 by the Department. For facilities licensed by the Department of

1 Public Health under the Nursing Home Care Act as Skilled
2 Nursing facilities or Intermediate Care facilities, the rates
3 taking effect on July 1, 2000 shall include an increase of 2.5%
4 per resident-day, 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, a new payment methodology must
8 be implemented for the nursing component of the rate effective
9 July 1, 2003. The Department of Public Aid (now Healthcare and
10 Family Services) shall develop the new payment methodology
11 using the Minimum Data Set (MDS) as the instrument to collect
12 information concerning nursing home resident condition
13 necessary to compute the rate. The Department shall develop the
14 new payment methodology to meet the unique needs of Illinois
15 nursing home residents while remaining subject to the
16 appropriations provided by the General Assembly. A transition
17 period from the payment methodology in effect on June 30, 2003
18 to the payment methodology in effect on July 1, 2003 shall be
19 provided for a period not exceeding 3 years and 184 days after
20 implementation of the new payment methodology as follows:

21 (A) For a facility that would receive a lower nursing
22 component rate per patient day under the new system than
23 the facility received effective on the date immediately
24 preceding the date that the Department implements the new
25 payment methodology, the nursing component rate per
26 patient day for the facility shall be held at the level in

1 effect on the date immediately preceding the date that the
2 Department implements the new payment methodology until a
3 higher nursing component rate of reimbursement is achieved
4 by that facility.

5 (B) For a facility that would receive a higher nursing
6 component rate per patient day under the payment
7 methodology in effect on July 1, 2003 than the facility
8 received effective on the date immediately preceding the
9 date that the Department implements the new payment
10 methodology, the nursing component rate per patient day for
11 the facility shall be adjusted.

12 (C) Notwithstanding paragraphs (A) and (B), the
13 nursing component rate per patient day for the facility
14 shall be adjusted subject to appropriations provided by the
15 General Assembly.

16 For facilities licensed by the Department of Public Health
17 under the Nursing Home Care Act as Intermediate Care for the
18 Developmentally Disabled facilities or Long Term Care for Under
19 Age 22 facilities, the rates taking effect on March 1, 2001
20 shall include a statewide increase of 7.85%, as defined by the
21 Department.

22 Notwithstanding any other provision of this Section, for
23 facilities licensed by the Department of Public Health under
24 the Nursing Home Care Act as skilled nursing facilities or
25 intermediate care facilities, except facilities participating
26 in the Department's demonstration program pursuant to the

1 provisions of Title 77, Part 300, Subpart T of the Illinois
2 Administrative Code, the numerator of the ratio used by the
3 Department of Healthcare and Family Services to compute the
4 rate payable under this Section using the Minimum Data Set
5 (MDS) methodology shall incorporate the following annual
6 amounts as the additional funds appropriated to the Department
7 specifically to pay for rates based on the MDS nursing
8 component methodology in excess of the funding in effect on
9 December 31, 2006:

10 (i) For rates taking effect January 1, 2007,
11 \$60,000,000.

12 (ii) For rates taking effect January 1, 2008,
13 \$110,000,000.

14 (iii) For rates taking effect January 1, 2009,
15 \$194,000,000.

16 (iv) For rates taking effect April 1, 2011, or the
17 first day of the month that begins at least 45 days after
18 the effective date of this amendatory Act of the 96th
19 General Assembly, \$416,500,000 or an amount as may be
20 necessary to complete the transition to the MDS methodology
21 for the nursing component of the rate.

22 Notwithstanding any other provision of this Section, for
23 facilities licensed by the Department of Public Health under
24 the Nursing Home Care Act as skilled nursing facilities or
25 intermediate care facilities, the support component of the
26 rates taking effect on January 1, 2008 shall be computed using

1 the most recent cost reports on file with the Department of
2 Healthcare and Family Services no later than April 1, 2005,
3 updated for inflation to January 1, 2006.

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 Long Term Care for Under
7 Age 22 facilities, the rates taking effect on April 1, 2002
8 shall include a statewide increase of 2.0%, as defined by the
9 Department. This increase terminates on July 1, 2002; beginning
10 July 1, 2002 these rates are reduced to the level of the rates
11 in effect on March 31, 2002, as defined by the Department.

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

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, the Illinois Department shall
25 determine by rule the rates taking effect on July 1, 2002,
26 which shall be 5.9% less than the rates in effect on June 30,

1 2002.

2 Notwithstanding any other provision of this Section, for
3 facilities licensed by the Department of Public Health under
4 the Nursing Home Care Act as skilled nursing facilities or
5 intermediate care facilities, if the payment methodologies
6 required under Section 5A-12 and the waiver granted under 42
7 CFR 433.68 are approved by the United States Centers for
8 Medicare and Medicaid Services, the rates taking effect on July
9 1, 2004 shall be 3.0% greater than the rates in effect on June
10 30, 2004. These rates shall take effect only upon approval and
11 implementation of the payment methodologies required under
12 Section 5A-12.

13 Notwithstanding any other provisions of this Section, for
14 facilities licensed by the Department of Public Health under
15 the Nursing Home Care Act as skilled nursing facilities or
16 intermediate care facilities, the rates taking effect on
17 January 1, 2005 shall be 3% more than the rates in effect on
18 December 31, 2004.

19 Notwithstanding any other provision of this Section, for
20 facilities licensed by the Department of Public Health under
21 the Nursing Home Care Act as skilled nursing facilities or
22 intermediate care facilities, effective January 1, 2009, the
23 per diem support component of the rates effective on January 1,
24 2008, computed using the most recent cost reports on file with
25 the Department of Healthcare and Family Services no later than
26 April 1, 2005, updated for inflation to January 1, 2006, shall

1 be increased to the amount that would have been derived using
2 standard Department of Healthcare and Family Services methods,
3 procedures, and inflators.

4 Notwithstanding any other provisions of this Section, for
5 facilities licensed by the Department of Public Health under
6 the Nursing Home Care Act as intermediate care facilities that
7 are federally defined as Institutions for Mental Disease, a
8 socio-development component rate equal to 6.6% of the
9 facility's nursing component rate as of January 1, 2006 shall
10 be established and paid effective July 1, 2006. The
11 socio-development component of the rate shall be increased by a
12 factor of 2.53 on the first day of the month that begins at
13 least 45 days after January 11, 2008 (the effective date of
14 Public Act 95-707). As of August 1, 2008, the socio-development
15 component rate shall be equal to 6.6% of the facility's nursing
16 component rate as of January 1, 2006, multiplied by a factor of
17 3.53. For services provided on or after April 1, 2011, or the
18 first day of the month that begins at least 45 days after the
19 effective date of this amendatory Act of the 96th General
20 Assembly, whichever is later, the ~~The~~ Illinois Department may
21 by rule adjust these socio-development component rates, and may
22 use different adjustment methodologies for those facilities
23 participating, and those not participating, in the Illinois
24 Department's demonstration program pursuant to the provisions
25 of Title 77, Part 300, Subpart T of the Illinois Administrative
26 Code, but in no case may such rates be diminished below those

1 in effect on August 1, 2008.

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

8 For facilities licensed by the Department of Public Health
9 under the Nursing Home Care Act as Intermediate Care for the
10 Developmentally Disabled facilities or Long Term Care for Under
11 Age 22 facilities, the rates taking effect on the first day of
12 the month that begins at least 45 days after the effective date
13 of this amendatory Act of the 95th General Assembly shall
14 include a statewide increase of 2.5%, as defined by the
15 Department.

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

1 adjustments required under normal auditing procedures.

2 Rates established effective each July 1 shall govern
3 payment for services rendered throughout that fiscal year,
4 except that rates established on July 1, 1996 shall be
5 increased by 6.8% for services provided on or after January 1,
6 1997. Such rates will be based upon the rates calculated for
7 the year beginning July 1, 1990, and for subsequent years
8 thereafter until June 30, 2001 shall be based on the facility
9 cost reports for the facility fiscal year ending at any point
10 in time during the previous calendar year, updated to the
11 midpoint of the rate year. The cost report shall be on file
12 with the Department no later than April 1 of the current rate
13 year. Should the cost report not be on file by April 1, the
14 Department shall base the rate on the latest cost report filed
15 by each skilled care facility and intermediate care facility,
16 updated to the midpoint of the current rate year. In
17 determining rates for services rendered on and after July 1,
18 1985, fixed time shall not be computed at less than zero. The
19 Department shall not make any alterations of regulations which
20 would reduce any component of the Medicaid rate to a level
21 below what that component would have been utilizing in the rate
22 effective on July 1, 1984.

23 (2) Shall take into account the actual costs incurred by
24 facilities in providing services for recipients of skilled
25 nursing and intermediate care services under the medical
26 assistance program.

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

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

9 The Department of Healthcare and Family Services shall
10 develop precise standards for payments to reimburse nursing
11 facilities for any utilization of appropriate rehabilitative
12 personnel for the provision of rehabilitative services which is
13 authorized by federal regulations, including reimbursement for
14 services provided by qualified therapists or qualified
15 assistants, and which is in accordance with accepted
16 professional practices. Reimbursement also may be made for
17 utilization of other supportive personnel under appropriate
18 supervision.

19 The Department shall develop enhanced payments to offset
20 the additional costs incurred by a facility serving exceptional
21 need residents and shall allocate at least \$8,000,000 of the
22 funds collected from the assessment established by Section 5B-2
23 of this Code for such payments. For the purpose of this
24 Section, "exceptional needs" means, but need not be limited to,
25 ventilator care, tracheotomy care, bariatric care, complex
26 wound care, and traumatic brain injury care.

1 (5) Beginning July 1, 2012 the methodologies for
2 reimbursement of nursing facility services as provided under
3 this Section 5-5.4 shall no longer be applicable for bills
4 payable for State fiscal years 2012 and thereafter.

5 (Source: P.A. 95-12, eff. 7-2-07; 95-331, eff. 8-21-07; 95-707,
6 eff. 1-11-08; 95-744, eff. 7-18-08; 96-45, eff. 7-15-09;
7 96-339, eff. 7-1-10; 96-959, eff. 7-1-10; 96-1000, eff.
8 7-2-10.)

9 (305 ILCS 5/5-5.4a)

10 Sec. 5-5.4a. Intermediate Care Facility for the
11 Developmentally Disabled; bed reserve payments.

12 The Department ~~of Public Aid~~ shall promulgate rules that by
13 ~~October 1, 1993 which~~ establish a policy of bed reserve
14 payments to ICF/DDs ~~Intermediate Care Facilities for the~~
15 ~~Developmentally Disabled~~ which addresses the needs of
16 residents of ICF/DDs ~~Intermediate Care Facilities for the~~
17 ~~Developmentally Disabled (ICF/DD)~~ and their families.

18 (a) When a resident of an ICF/DD ~~Intermediate Care Facility~~
19 ~~for the Developmentally Disabled (ICF/DD)~~ is absent from the
20 facility ~~ICF/DD~~ in which he or she is a resident for purposes
21 of physician authorized in-patient admission to a hospital, the
22 Department's rules shall, at a minimum, provide (1) bed reserve
23 payments at a daily rate which is 100% of the client's current
24 per diem rate, for a period not exceeding 10 consecutive days;
25 (2) bed reserve payments at a daily rate which is 75% of a

1 client's current per diem rate, for a period which exceeds 10
2 consecutive days but does not exceed 30 consecutive days; and
3 (3) bed reserve payments at a daily rate which is 50% of a
4 client's current per diem rate for a period which exceeds
5 thirty consecutive days but does not exceed 45 consecutive
6 days.

7 (b) When a resident of an ICF/DD ~~Intermediate Care Facility~~
8 ~~for the Developmentally Disabled (ICF/DD)~~ is absent from the
9 facility ~~ICF/DD~~ in which he or she is a resident for purposes
10 of a home visit with a family member the Department's rules
11 shall, at a minimum, provide (1) bed reserve payments at a rate
12 which is 100% of a client's current per diem rate, for a period
13 not exceeding 10 days per State fiscal year; and (2) bed
14 reserve payments at a rate which is 75% of a client's current
15 per diem rate, for a period which exceeds 10 days per State
16 fiscal year but does not exceed 30 days per State fiscal year.

17 (c) No Department rule regarding bed reserve payments shall
18 require an ICF/DD to have a specified percentage of total
19 facility occupancy as a requirement for receiving bed reserve
20 payments.

21 This Section 5-5.4a shall not apply to any State operated
22 facilities.

23 (Source: P.A. 91-357, eff. 7-29-99.)

24 (305 ILCS 5/5-5.5) (from Ch. 23, par. 5-5.5)

25 Sec. 5-5.5. Elements of Payment Rate.

1 (a) The Department of Healthcare and Family Services shall
2 develop a prospective method for determining payment rates for
3 ~~skilled~~ nursing facility and ICF/DD ~~and intermediate care~~
4 services in nursing facilities composed of the following cost
5 elements:

6 (1) Standard Services, with the cost of this component
7 being determined by taking into account the actual costs to
8 the facilities of these services subject to cost ceilings
9 to be defined in the Department's rules.

10 (2) Resident Services, with the cost of this component
11 being determined by taking into account the actual costs,
12 needs and utilization of these services, as derived from an
13 assessment of the resident needs in the nursing facilities.

14 (3) Ancillary Services, with the payment rate being
15 developed for each individual type of service. Payment
16 shall be made only when authorized under procedures
17 developed by the Department of Healthcare and Family
18 Services.

19 (4) Nurse's Aide Training, with the cost of this
20 component being determined by taking into account the
21 actual cost to the facilities of such training.

22 (5) Real Estate Taxes, with the cost of this component
23 being determined by taking into account the figures
24 contained in the most currently available cost reports
25 (with no imposition of maximums) updated to the midpoint of
26 the current rate year for long term care services rendered

1 between July 1, 1984 and June 30, 1985, and with the cost
2 of this component being determined by taking into account
3 the actual 1983 taxes for which the nursing homes were
4 assessed (with no imposition of maximums) updated to the
5 midpoint of the current rate year for long term care
6 services rendered between July 1, 1985 and June 30, 1986.

7 (b) In developing a prospective method for determining
8 payment rates for ~~skilled~~ nursing facility and ICF/DD ~~and~~
9 ~~intermediate-care~~ services in nursing facilities and ICF/DDs,
10 the Department of Healthcare and Family Services shall consider
11 the following cost elements:

12 (1) Reasonable capital cost determined by utilizing
13 incurred interest rate and the current value of the
14 investment, including land, utilizing composite rates, or
15 by utilizing such other reasonable cost related methods
16 determined by the Department. However, beginning with the
17 rate reimbursement period effective July 1, 1987, the
18 Department shall be prohibited from establishing,
19 including, and implementing any depreciation factor in
20 calculating the capital cost element.

21 (2) Profit, with the actual amount being produced and
22 accruing to the providers in the form of a return on their
23 total investment, on the basis of their ability to
24 economically and efficiently deliver a type of service. The
25 method of payment may assure the opportunity for a profit,
26 but shall not guarantee or establish a specific amount as a

1 cost.

2 (c) The Illinois Department may implement the amendatory
3 changes to this Section made by this amendatory Act of 1991
4 through the use of emergency rules in accordance with the
5 provisions of Section 5.02 of the Illinois Administrative
6 Procedure Act. For purposes of the Illinois Administrative
7 Procedure Act, the adoption of rules to implement the
8 amendatory changes to this Section made by this amendatory Act
9 of 1991 shall be deemed an emergency and necessary for the
10 public interest, safety and welfare.

11 (d) No later than January 1, 2001, the Department of Public
12 Aid shall file with the Joint Committee on Administrative
13 Rules, pursuant to the Illinois Administrative Procedure Act, a
14 proposed rule, or a proposed amendment to an existing rule,
15 regarding payment for appropriate services, including
16 assessment, care planning, discharge planning, and treatment
17 provided by nursing facilities to residents who have a serious
18 mental illness.

19 (Source: P.A. 95-331, eff. 8-21-07; 96-1123, eff. 1-1-11.)

20 (305 ILCS 5/5-5.5a) (from Ch. 23, par. 5-5.5a)

21 Sec. 5-5.5a. Kosher kitchen and food service.

22 (a) The Department of Healthcare and Family Services may
23 develop in its rate structure for ~~skilled~~ nursing facilities
24 ~~and intermediate care facilities~~ an accommodation for fully
25 kosher kitchen and food service operations, rabbinically

1 approved or certified on an annual basis for a facility in
2 which the only kitchen or all kitchens are fully kosher (a
3 fully kosher facility). Beginning in the fiscal year after the
4 fiscal year when this amendatory Act of 1990 becomes effective,
5 the rate structure may provide for an additional payment to
6 such facility not to exceed 50 cents per resident per day if
7 60% or more of the residents in the facility request kosher
8 foods or food products prepared in accordance with Jewish
9 religious dietary requirements for religious purposes in a
10 fully kosher facility. Based upon food cost reports of the
11 Illinois Department of Agriculture regarding kosher and
12 non-kosher food available in the various regions of the State,
13 this rate structure may be periodically adjusted by the
14 Department but may not exceed the maximum authorized under this
15 subsection (a).

16 (b) The Department shall by rule determine how a facility
17 with a fully kosher kitchen and food service may be determined
18 to be eligible and apply for the rate accommodation specified
19 in subsection (a).

20 (Source: P.A. 95-331, eff. 8-21-07.)

21 (305 ILCS 5/5-5.6b) (from Ch. 23, par. 5-5.6b)

22 Sec. 5-5.6b. Prohibition against double payment. If any
23 resident of a ~~skilled~~ nursing facility or ICF/DD ~~intermediate~~
24 ~~care facility~~ is admitted to such facility on the basis that
25 the charges for such resident's care will be paid from private

1 funds, and the source of payment for such care thereafter
2 changes from private funds to payments under this Article, the
3 facility shall, upon receiving the first such payment under
4 this Article, notify the Illinois Department of such source of
5 private funds for such recipient and repay to the source of
6 private funds any amounts received from such source as payment
7 for care for which payment also was made under this Article.
8 Private funds shall not include third party resources such as
9 insurance or Medicare benefits or payments made by responsible
10 relatives.

11 (Source: P.A. 85-824.)

12 (305 ILCS 5/5-5.7) (from Ch. 23, par. 5-5.7)

13 Sec. 5-5.7. Cost Reports - Audits. The Department of
14 Healthcare and Family Services shall work with the Department
15 of Public Health to use cost report information currently being
16 collected under provisions of the Nursing Home Care Act and the
17 MR/DD Community Care Act. The Department of Healthcare and
18 Family Services may, in conjunction with the Department of
19 Public Health, develop in accordance with generally accepted
20 accounting principles a uniform chart of accounts which each
21 facility providing services under the medical assistance
22 program shall adopt, after a reasonable period.

23 Nursing homes licensed under the Nursing Home Care Act or
24 the MR/DD Community Care Act and providers of adult
25 developmental training services certified by the Department of

1 Human Services pursuant to Section 15.2 of the Mental Health
2 and Developmental Disabilities Administrative Act which
3 provide services to clients eligible for medical assistance
4 under this Article are responsible for submitting the required
5 annual cost report to the Department of Healthcare and Family
6 Services.

7 The Department of Healthcare and Family Services shall
8 audit the financial and statistical records of each provider
9 participating in the medical assistance program as a ~~skilled~~
10 nursing facility or ICF/DD ~~or intermediate care facility~~ over a
11 3 year period, beginning with the close of the first cost
12 reporting year. Following the end of this 3-year term, audits
13 of the financial and statistical records will be performed each
14 year in at least 20% of the facilities participating in the
15 medical assistance program with at least 10% being selected on
16 a random sample basis, and the remainder selected on the basis
17 of exceptional profiles. All audits shall be conducted in
18 accordance with generally accepted auditing standards.

19 The Department of Healthcare and Family Services shall
20 establish prospective payment rates for categories of service
21 needed within the ~~skilled~~ nursing facility or ICF/DD ~~and~~
22 ~~intermediate care~~ levels of services, in order to more
23 appropriately recognize the individual needs of patients in
24 nursing facilities.

25 The Department of Healthcare and Family Services shall
26 provide, during the process of establishing the payment rate

1 for ~~skilled~~ nursing facility or ICF/DD ~~and intermediate care~~
2 services, or when a substantial change in rates is proposed, an
3 opportunity for public review and comment on the proposed rates
4 prior to their becoming effective.

5 (Source: P.A. 95-331, eff. 8-21-07; 96-339, eff. 7-1-10.)

6 (305 ILCS 5/5-5.8b) (from Ch. 23, par. 5-5.8b)

7 Sec. 5-5.8b. Payment to Campus Facilities. There is hereby
8 established a separate payment category for campus facilities.
9 A "campus facility" is defined as an entity which consists of a
10 long term care facility (or group of facilities if the
11 facilities are on the same contiguous parcel of real estate)
12 which meets all of the following criteria as of May 1, 1987:
13 the entity provides care for both children and adults;
14 residents of the entity reside in three or more separate
15 buildings with congregate and small group living arrangements
16 on a single campus; the entity provides three or more separate
17 licensed levels of care; the entity (or a part of the entity)
18 is enrolled with the Department of ~~Public Aid (now Department~~
19 ~~of Healthcare and Family Services)~~ as a provider of long term
20 care services and receives payments from that Department; the
21 entity (or a part of the entity) receives funding from the
22 Department of ~~Mental Health and Developmental Disabilities~~
23 ~~(now the Department of Human Services)~~; and the entity (or a
24 part of the entity) holds a current license as a child care
25 institution issued by the Department of Children and Family

1 Services.

2 The Department of Healthcare and Family Services, the
3 Department of Human Services, and the Department of Children
4 and Family Services shall develop jointly a rate methodology or
5 methodologies for campus facilities. Such methodology or
6 methodologies may establish a single rate to be paid by all the
7 agencies, or a separate rate to be paid by each agency, or
8 separate components to be paid to different parts of the campus
9 facility. All campus facilities shall receive the same rate of
10 payment for similar services. Any methodology developed
11 pursuant to this section shall take into account the actual
12 costs to the facility of providing services to residents, and
13 shall be adequate to reimburse the allowable costs of a campus
14 facility which is economically and efficiently operated. Any
15 methodology shall be established on the basis of historical,
16 financial, and statistical data submitted by campus
17 facilities, and shall take into account the actual costs
18 incurred by campus facilities in providing services, and in
19 meeting licensing and certification standards imposed and
20 prescribed by the State of Illinois, any of its political
21 subdivisions or municipalities and by the United States
22 Department of Health and Human Services. Rates may be
23 established on a prospective or retrospective basis. Any
24 methodology shall provide reimbursement for appropriate
25 payment elements, including the following: standard services,
26 patient services, real estate taxes, and capital costs.

1 (Source: P.A. 95-331, eff. 8-21-07.)

2 (305 ILCS 5/5A-2) (from Ch. 23, par. 5A-2)

3 (Section scheduled to be repealed on July 1, 2013)

4 Sec. 5A-2. Assessment.

5 (a) Subject to Sections 5A-3 and 5A-10, an annual
6 assessment on inpatient services is imposed on each hospital
7 provider in an amount equal to the hospital's occupied bed days
8 multiplied by \$84.19 multiplied by the proration factor for
9 State fiscal year 2004 and the hospital's occupied bed days
10 multiplied by \$84.19 for State fiscal year 2005.

11 For State fiscal years 2004 and 2005, the Department of
12 Healthcare and Family Services shall use the number of occupied
13 bed days as reported by each hospital on the Annual Survey of
14 Hospitals conducted by the Department of Public Health to
15 calculate the hospital's annual assessment. If the sum of a
16 hospital's occupied bed days is not reported on the Annual
17 Survey of Hospitals or if there are data errors in the reported
18 sum of a hospital's occupied bed days as determined by the
19 Department of Healthcare and Family Services (formerly
20 Department of Public Aid), then the Department of Healthcare
21 and Family Services may obtain the sum of occupied bed days
22 from any source available, including, but not limited to,
23 records maintained by the hospital provider, which may be
24 inspected at all times during business hours of the day by the
25 Department of Healthcare and Family Services or its duly

1 authorized agents and employees.

2 Subject to Sections 5A-3 and 5A-10, for the privilege of
3 engaging in the occupation of hospital provider, beginning
4 August 1, 2005, an annual assessment is imposed on each
5 hospital provider for State fiscal years 2006, 2007, and 2008,
6 in an amount equal to 2.5835% of the hospital provider's
7 adjusted gross hospital revenue for inpatient services and
8 2.5835% of the hospital provider's adjusted gross hospital
9 revenue for outpatient services. If the hospital provider's
10 adjusted gross hospital revenue is not available, then the
11 Illinois Department may obtain the hospital provider's
12 adjusted gross hospital revenue from any source available,
13 including, but not limited to, records maintained by the
14 hospital provider, which may be inspected at all times during
15 business hours of the day by the Illinois Department or its
16 duly authorized agents and employees.

17 Subject to Sections 5A-3 and 5A-10, for State fiscal years
18 2009 through 2014 ~~2013~~, an annual assessment on inpatient
19 services is imposed on each hospital provider in an amount
20 equal to \$218.38 multiplied by the difference of the hospital's
21 occupied bed days less the hospital's Medicare bed days.

22 For State fiscal years 2009 through 2014 ~~2013~~, a hospital's
23 occupied bed days and Medicare bed days shall be determined
24 using the most recent data available from each hospital's 2005
25 Medicare cost report as contained in the Healthcare Cost Report
26 Information System file, for the quarter ending on December 31,

1 2006, without regard to any subsequent adjustments or changes
2 to such data. If a hospital's 2005 Medicare cost report is not
3 contained in the Healthcare Cost Report Information System,
4 then the Illinois Department may obtain the hospital provider's
5 occupied bed days and Medicare bed days from any source
6 available, including, but not limited to, records maintained by
7 the hospital provider, which may be inspected at all times
8 during business hours of the day by the Illinois Department or
9 its duly authorized agents and employees.

10 (b) (Blank).

11 (c) (Blank).

12 (d) Notwithstanding any of the other provisions of this
13 Section, the Department is authorized, during this 94th General
14 Assembly, to adopt rules to reduce the rate of any annual
15 assessment imposed under this Section, as authorized by Section
16 5-46.2 of the Illinois Administrative Procedure Act.

17 (e) Notwithstanding any other provision of this Section,
18 any plan providing for an assessment on a hospital provider as
19 a permissible tax under Title XIX of the federal Social
20 Security Act and Medicaid-eligible payments to hospital
21 providers from the revenues derived from that assessment shall
22 be reviewed by the Illinois Department of Healthcare and Family
23 Services, as the Single State Medicaid Agency required by
24 federal law, to determine whether those assessments and
25 hospital provider payments meet federal Medicaid standards. If
26 the Department determines that the elements of the plan may

1 meet federal Medicaid standards and a related State Medicaid
2 Plan Amendment is prepared in a manner and form suitable for
3 submission, that State Plan Amendment shall be submitted in a
4 timely manner for review by the Centers for Medicare and
5 Medicaid Services of the United States Department of Health and
6 Human Services and subject to approval by the Centers for
7 Medicare and Medicaid Services of the United States Department
8 of Health and Human Services. No such plan shall become
9 effective without approval by the Illinois General Assembly by
10 the enactment into law of related legislation. Notwithstanding
11 any other provision of this Section, the Department is
12 authorized to adopt rules to reduce the rate of any annual
13 assessment imposed under this Section. Any such rules may be
14 adopted by the Department under Section 5-50 of the Illinois
15 Administrative Procedure Act.

16 (Source: P.A. 94-242, eff. 7-18-05; 94-838, eff. 6-6-06;
17 95-859, eff. 8-19-08.)

18 (305 ILCS 5/5A-3) (from Ch. 23, par. 5A-3)

19 Sec. 5A-3. Exemptions.

20 (a) (Blank).

21 (b) A hospital provider that is a State agency, a State
22 university, or a county with a population of 3,000,000 or more
23 is exempt from the assessment imposed by Section 5A-2.

24 (b-2) A hospital provider that is a county with a
25 population of less than 3,000,000 or a township, municipality,

1 hospital district, or any other local governmental unit is
2 exempt from the assessment imposed by Section 5A-2.

3 (b-5) (Blank).

4 (b-10) For State fiscal years 2004 through 2014 ~~2013~~, a
5 hospital provider, described in Section 1903(w)(3)(F) of the
6 Social Security Act, whose hospital does not charge for its
7 services is exempt from the assessment imposed by Section 5A-2,
8 unless the exemption is adjudged to be unconstitutional or
9 otherwise invalid, in which case the hospital provider shall
10 pay the assessment imposed by Section 5A-2.

11 (b-15) For State fiscal years 2004 and 2005, a hospital
12 provider whose hospital is licensed by the Department of Public
13 Health as a psychiatric hospital is exempt from the assessment
14 imposed by Section 5A-2, unless the exemption is adjudged to be
15 unconstitutional or otherwise invalid, in which case the
16 hospital provider shall pay the assessment imposed by Section
17 5A-2.

18 (b-20) For State fiscal years 2004 and 2005, a hospital
19 provider whose hospital is licensed by the Department of Public
20 Health as a rehabilitation hospital is exempt from the
21 assessment imposed by Section 5A-2, unless the exemption is
22 adjudged to be unconstitutional or otherwise invalid, in which
23 case the hospital provider shall pay the assessment imposed by
24 Section 5A-2.

25 (b-25) For State fiscal years 2004 and 2005, a hospital
26 provider whose hospital (i) is not a psychiatric hospital,

1 rehabilitation hospital, or children's hospital and (ii) has an
2 average length of inpatient stay greater than 25 days is exempt
3 from the assessment imposed by Section 5A-2, unless the
4 exemption is adjudged to be unconstitutional or otherwise
5 invalid, in which case the hospital provider shall pay the
6 assessment imposed by Section 5A-2.

7 (c) (Blank).

8 (Source: P.A. 94-242, eff. 7-18-05; 95-859, eff. 8-19-08.)

9 (305 ILCS 5/5A-5) (from Ch. 23, par. 5A-5)

10 Sec. 5A-5. Notice; penalty; maintenance of records.

11 (a) The Department of Healthcare and Family Services shall
12 send a notice of assessment to every hospital provider subject
13 to assessment under this Article. The notice of assessment
14 shall notify the hospital of its assessment and shall be sent
15 after receipt by the Department of notification from the
16 Centers for Medicare and Medicaid Services of the U.S.
17 Department of Health and Human Services that the payment
18 methodologies required under Section 5A-12, Section 5A-12.1,
19 or Section 5A-12.2, whichever is applicable for that fiscal
20 year, and, if necessary, the waiver granted under 42 CFR 433.68
21 have been approved. The notice shall be on a form prepared by
22 the Illinois Department and shall state the following:

23 (1) The name of the hospital provider.

24 (2) The address of the hospital provider's principal
25 place of business from which the provider engages in the

1 occupation of hospital provider in this State, and the name
2 and address of each hospital operated, conducted, or
3 maintained by the provider in this State.

4 (3) The occupied bed days, occupied bed days less
5 Medicare days, or adjusted gross hospital revenue of the
6 hospital provider (whichever is applicable), the amount of
7 assessment imposed under Section 5A-2 for the State fiscal
8 year for which the notice is sent, and the amount of each
9 installment to be paid during the State fiscal year.

10 (4) (Blank).

11 (5) Other reasonable information as determined by the
12 Illinois Department.

13 (b) If a hospital provider conducts, operates, or maintains
14 more than one hospital licensed by the Illinois Department of
15 Public Health, the provider shall pay the assessment for each
16 hospital separately.

17 (c) Notwithstanding any other provision in this Article, in
18 the case of a person who ceases to conduct, operate, or
19 maintain a hospital in respect of which the person is subject
20 to assessment under this Article as a hospital provider, the
21 assessment for the State fiscal year in which the cessation
22 occurs shall be adjusted by multiplying the assessment computed
23 under Section 5A-2 by a fraction, the numerator of which is the
24 number of days in the year during which the provider conducts,
25 operates, or maintains the hospital and the denominator of
26 which is 365. Immediately upon ceasing to conduct, operate, or

1 maintain a hospital, the person shall pay the assessment for
2 the year as so adjusted (to the extent not previously paid).

3 (d) Notwithstanding any other provision in this Article, a
4 provider who commences conducting, operating, or maintaining a
5 hospital, upon notice by the Illinois Department, shall pay the
6 assessment computed under Section 5A-2 and subsection (e) in
7 installments on the due dates stated in the notice and on the
8 regular installment due dates for the State fiscal year
9 occurring after the due dates of the initial notice.

10 (e) Notwithstanding any other provision in this Article,
11 for State fiscal years 2004 and 2005, in the case of a hospital
12 provider that did not conduct, operate, or maintain a hospital
13 throughout calendar year 2001, the assessment for that State
14 fiscal year shall be computed on the basis of hypothetical
15 occupied bed days for the full calendar year as determined by
16 the Illinois Department. Notwithstanding any other provision
17 in this Article, for State fiscal years 2006 through 2008, in
18 the case of a hospital provider that did not conduct, operate,
19 or maintain a hospital in 2003, the assessment for that State
20 fiscal year shall be computed on the basis of hypothetical
21 adjusted gross hospital revenue for the hospital's first full
22 fiscal year as determined by the Illinois Department (which may
23 be based on annualization of the provider's actual revenues for
24 a portion of the year, or revenues of a comparable hospital for
25 the year, including revenues realized by a prior provider of
26 the same hospital during the year). Notwithstanding any other

1 provision in this Article, for State fiscal years 2009 through
2 2014 ~~2013~~, in the case of a hospital provider that did not
3 conduct, operate, or maintain a hospital in 2005, the
4 assessment for that State fiscal year shall be computed on the
5 basis of hypothetical occupied bed days for the full calendar
6 year as determined by the Illinois Department.

7 (f) Every hospital provider subject to assessment under
8 this Article shall keep sufficient records to permit the
9 determination of adjusted gross hospital revenue for the
10 hospital's fiscal year. All such records shall be kept in the
11 English language and shall, at all times during regular
12 business hours of the day, be subject to inspection by the
13 Illinois Department or its duly authorized agents and
14 employees.

15 (g) The Illinois Department may, by rule, provide a
16 hospital provider a reasonable opportunity to request a
17 clarification or correction of any clerical or computational
18 errors contained in the calculation of its assessment, but such
19 corrections shall not extend to updating the cost report
20 information used to calculate the assessment.

21 (h) (Blank).

22 (Source: P.A. 94-242, eff. 7-18-05; 95-331, eff. 8-21-07;
23 95-859, eff. 8-19-08.)

24 (305 ILCS 5/5A-8) (from Ch. 23, par. 5A-8)

25 Sec. 5A-8. Hospital Provider Fund.

1 (a) There is created in the State Treasury the Hospital
2 Provider Fund. Interest earned by the Fund shall be credited to
3 the Fund. The Fund shall not be used to replace any moneys
4 appropriated to the Medicaid program by the General Assembly.

5 (b) The Fund is created for the purpose of receiving moneys
6 in accordance with Section 5A-6 and disbursing moneys only for
7 the following purposes, notwithstanding any other provision of
8 law:

9 (1) For making payments to hospitals as required under
10 Articles V, V-A, VI, and XIV of this Code, under the
11 Children's Health Insurance Program Act, under the
12 Covering ALL KIDS Health Insurance Act, and under the
13 Senior Citizens and Disabled Persons Property Tax Relief
14 and Pharmaceutical Assistance Act.

15 (2) For the reimbursement of moneys collected by the
16 Illinois Department from hospitals or hospital providers
17 through error or mistake in performing the activities
18 authorized under this Article and Article V of this Code.

19 (3) For payment of administrative expenses incurred by
20 the Illinois Department or its agent in performing the
21 activities authorized by this Article.

22 (4) For payments of any amounts which are reimbursable
23 to the federal government for payments from this Fund which
24 are required to be paid by State warrant.

25 (5) For making transfers, as those transfers are
26 authorized in the proceedings authorizing debt under the

1 Short Term Borrowing Act, but transfers made under this
2 paragraph (5) shall not exceed the principal amount of debt
3 issued in anticipation of the receipt by the State of
4 moneys to be deposited into the Fund.

5 (6) For making transfers to any other fund in the State
6 treasury, but transfers made under this paragraph (6) shall
7 not exceed the amount transferred previously from that
8 other fund into the Hospital Provider Fund.

9 (6.5) For making transfers to the Healthcare Provider
10 Relief Fund, except that transfers made under this
11 paragraph (6.5) shall not exceed \$60,000,000 in the
12 aggregate.

13 (7) For State fiscal years 2004 and 2005 for making
14 transfers to the Health and Human Services Medicaid Trust
15 Fund, including 20% of the moneys received from hospital
16 providers under Section 5A-4 and transferred into the
17 Hospital Provider Fund under Section 5A-6. For State fiscal
18 year 2006 for making transfers to the Health and Human
19 Services Medicaid Trust Fund of up to \$130,000,000 per year
20 of the moneys received from hospital providers under
21 Section 5A-4 and transferred into the Hospital Provider
22 Fund under Section 5A-6. Transfers under this paragraph
23 shall be made within 7 days after the payments have been
24 received pursuant to the schedule of payments provided in
25 subsection (a) of Section 5A-4.

26 (7.5) For State fiscal year 2007 for making transfers

1 of the moneys received from hospital providers under
 2 Section 5A-4 and transferred into the Hospital Provider
 3 Fund under Section 5A-6 to the designated funds not
 4 exceeding the following amounts in that State fiscal year:

5 Health and Human Services

6 Medicaid Trust Fund	\$20,000,000
7 Long-Term Care Provider Fund	\$30,000,000
8 General Revenue Fund	\$80,000,000.

9 Transfers under this paragraph shall be made within 7
 10 days after the payments have been received pursuant to the
 11 schedule of payments provided in subsection (a) of Section
 12 5A-4.

13 (7.8) For State fiscal year 2008, for making transfers
 14 of the moneys received from hospital providers under
 15 Section 5A-4 and transferred into the Hospital Provider
 16 Fund under Section 5A-6 to the designated funds not
 17 exceeding the following amounts in that State fiscal year:

18 Health and Human Services

19 Medicaid Trust Fund	\$40,000,000
20 Long-Term Care Provider Fund	\$60,000,000
21 General Revenue Fund	\$160,000,000.

22 Transfers under this paragraph shall be made within 7
 23 days after the payments have been received pursuant to the
 24 schedule of payments provided in subsection (a) of Section
 25 5A-4.

26 (7.9) For State fiscal years 2009 through 2014 ~~2013~~,

1 for making transfers of the moneys received from hospital
 2 providers under Section 5A-4 and transferred into the
 3 Hospital Provider Fund under Section 5A-6 to the designated
 4 funds not exceeding the following amounts in that State
 5 fiscal year:

6 Health and Human Services

7 Medicaid Trust Fund	\$20,000,000
8 Long Term Care Provider Fund	\$30,000,000
9 General Revenue Fund	\$80,000,000.

10 Except as provided under this paragraph, transfers
 11 under this paragraph shall be made within 7 business days
 12 after the payments have been received pursuant to the
 13 schedule of payments provided in subsection (a) of Section
 14 5A-4. For State fiscal year 2009, transfers to the General
 15 Revenue Fund under this paragraph shall be made on or
 16 before June 30, 2009, as sufficient funds become available
 17 in the Hospital Provider Fund to both make the transfers
 18 and continue hospital payments.

19 (8) For making refunds to hospital providers pursuant
 20 to Section 5A-10.

21 Disbursements from the Fund, other than transfers
 22 authorized under paragraphs (5) and (6) of this subsection,
 23 shall be by warrants drawn by the State Comptroller upon
 24 receipt of vouchers duly executed and certified by the Illinois
 25 Department.

26 (c) The Fund shall consist of the following:

1 (1) All moneys collected or received by the Illinois
2 Department from the hospital provider assessment imposed
3 by this Article.

4 (2) All federal matching funds received by the Illinois
5 Department as a result of expenditures made by the Illinois
6 Department that are attributable to moneys deposited in the
7 Fund.

8 (3) Any interest or penalty levied in conjunction with
9 the administration of this Article.

10 (4) Moneys transferred from another fund in the State
11 treasury.

12 (5) All other moneys received for the Fund from any
13 other source, including interest earned thereon.

14 (d) (Blank).

15 (Source: P.A. 95-707, eff. 1-11-08; 95-859, eff. 8-19-08; 96-3,
16 eff. 2-27-09; 96-45, eff. 7-15-09; 96-821, eff. 11-20-09.)

17 (305 ILCS 5/5A-10) (from Ch. 23, par. 5A-10)

18 Sec. 5A-10. Applicability.

19 (a) The assessment imposed by Section 5A-2 shall not take
20 effect or shall cease to be imposed, and any moneys remaining
21 in the Fund shall be refunded to hospital providers in
22 proportion to the amounts paid by them, if:

23 (1) The sum of the appropriations for State fiscal
24 years 2004 and 2005 from the General Revenue Fund for
25 hospital payments under the medical assistance program is

1 less than \$4,500,000,000 or the appropriation for each of
2 State fiscal years 2006, 2007 and 2008 from the General
3 Revenue Fund for hospital payments under the medical
4 assistance program is less than \$2,500,000,000 increased
5 annually to reflect any increase in the number of
6 recipients, or the annual appropriation for State fiscal
7 years 2009 through 2014 ~~2013~~, from the General Revenue Fund
8 combined with the Hospital Provider Fund as authorized in
9 Section 5A-8 for hospital payments under the medical
10 assistance program, is less than the amount appropriated
11 for State fiscal year 2009, adjusted annually to reflect
12 any change in the number of recipients, excluding State
13 fiscal year 2009 supplemental appropriations made
14 necessary by the enactment of the American Recovery and
15 Reinvestment Act of 2009; or

16 (2) For State fiscal years prior to State fiscal year
17 2009, the Department of Healthcare and Family Services
18 (formerly Department of Public Aid) makes changes in its
19 rules that reduce the hospital inpatient or outpatient
20 payment rates, including adjustment payment rates, in
21 effect on October 1, 2004, except for hospitals described
22 in subsection (b) of Section 5A-3 and except for changes in
23 the methodology for calculating outlier payments to
24 hospitals for exceptionally costly stays, so long as those
25 changes do not reduce aggregate expenditures below the
26 amount expended in State fiscal year 2005 for such

1 services; or

2 (2.1) For State fiscal years 2009 through 2014 ~~2013~~,
3 the Department of Healthcare and Family Services adopts any
4 administrative rule change to reduce payment rates or
5 alters any payment methodology that reduces any payment
6 rates made to operating hospitals under the approved Title
7 XIX or Title XXI State plan in effect January 1, 2008
8 except for:

9 (A) any changes for hospitals described in
10 subsection (b) of Section 5A-3; or

11 (B) any rates for payments made under this Article
12 V-A; or

13 (C) any changes proposed in State plan amendment
14 transmittal numbers 08-01, 08-02, 08-04, 08-06, and
15 08-07; or

16 (D) in relation to any admissions on or after
17 January 1, 2011, a modification in the methodology for
18 calculating outlier payments to hospitals for
19 exceptionally costly stays, for hospitals reimbursed
20 under the diagnosis-related grouping methodology;
21 provided that the Department shall be limited to one
22 such modification during the 36-month period after the
23 effective date of this amendatory Act of the 96th
24 General Assembly; or

25 (3) The payments to hospitals required under Section
26 5A-12 or Section 5A-12.2 are changed or are not eligible

1 for federal matching funds under Title XIX or XXI of the
2 Social Security Act.

3 (b) The assessment imposed by Section 5A-2 shall not take
4 effect or shall cease to be imposed if the assessment is
5 determined to be an impermissible tax under Title XIX of the
6 Social Security Act. Moneys in the Hospital Provider Fund
7 derived from assessments imposed prior thereto shall be
8 disbursed in accordance with Section 5A-8 to the extent federal
9 financial participation is not reduced due to the
10 impermissibility of the assessments, and any remaining moneys
11 shall be refunded to hospital providers in proportion to the
12 amounts paid by them.

13 (Source: P.A. 95-331, eff. 8-21-07; 95-859, eff. 8-19-08; 96-8,
14 eff. 4-28-09.)

15 (305 ILCS 5/5A-14)

16 Sec. 5A-14. Repeal of assessments and disbursements.

17 (a) Section 5A-2 is repealed on July 1, 2014 ~~2013~~.

18 (b) Section 5A-12 is repealed on July 1, 2005.

19 (c) Section 5A-12.1 is repealed on July 1, 2008.

20 (d) Section 5A-12.2 is repealed on July 1, 2014 ~~2013~~.

21 (e) Section 5A-12.3 is repealed on July 1, 2011.

22 (Source: P.A. 95-859, eff. 8-19-08; 96-821, eff. 11-20-09.)

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

24 Sec. 5B-1. Definitions. As used in this Article, unless the

1 context requires otherwise:

2 "Fund" means the Long-Term Care Provider Fund.

3 "Long-term care facility" means (i) a ~~skilled nursing or~~
4 ~~intermediate long term care~~ facility, whether public or private
5 and whether organized for profit or not-for-profit, that is
6 subject to licensure by the Illinois Department of Public
7 Health under the Nursing Home Care Act or the MR/DD Community
8 Care Act, including a county nursing home directed and
9 maintained under Section 5-1005 of the Counties Code, and (ii)
10 a part of a hospital in which skilled or intermediate long-term
11 care services within the meaning of Title XVIII or XIX of the
12 Social Security Act are provided; except that the term
13 "long-term care facility" does not include a facility operated
14 by a State agency, a facility participating in the Illinois
15 Department's demonstration program pursuant to the provisions
16 of Title 77, Part 300, Subpart T of the Illinois Administrative
17 Code, or operated solely as an intermediate care facility for
18 the mentally retarded within the meaning of Title XIX of the
19 Social Security Act.

20 "Long-term care provider" means (i) a person licensed by
21 the Department of Public Health to operate and maintain a
22 skilled nursing or intermediate long-term care facility or (ii)
23 a hospital provider that provides skilled or intermediate
24 long-term care services within the meaning of Title XVIII or
25 XIX of the Social Security Act. For purposes of this paragraph,
26 "person" means any political subdivision of the State,

1 municipal corporation, individual, firm, partnership,
2 corporation, company, limited liability company, association,
3 joint stock association, or trust, or a receiver, executor,
4 trustee, guardian, or other representative appointed by order
5 of any court. "Hospital provider" means a person licensed by
6 the Department of Public Health to conduct, operate, or
7 maintain a hospital.

8 "Occupied bed days" shall be computed separately for each
9 long-term care facility operated or maintained by a long-term
10 care provider, and means the sum for all beds of the number of
11 days during the month ~~year~~ on which each bed was ~~is~~ occupied by
12 a resident, other than a resident for whom Medicare Part A is
13 the primary payer ~~(other than a resident receiving care at an~~
14 ~~intermediate care facility for the mentally retarded within the~~
15 ~~meaning of Title XIX of the Social Security Act).~~

16 ~~"Intergovernmental transfer payment" means the payments~~
17 ~~established under Section 15-3 of this Code, and includes~~
18 ~~without limitation payments payable under that Section for~~
19 ~~July, August, and September of 1992.~~

20 (Source: P.A. 96-339, eff. 7-1-10.)

21 (305 ILCS 5/5B-2) (from Ch. 23, par. 5B-2)

22 Sec. 5B-2. Assessment; no local authorization to tax.

23 (a) For the privilege of engaging in the occupation of
24 long-term care provider, beginning July 1, 2011 an assessment
25 is imposed upon each long-term care provider in an amount equal

1 to \$6.07 times the number of occupied bed days due and payable
2 each month ~~for the State fiscal year beginning on July 1, 1992~~
3 ~~and ending on June 30, 1993, in an amount equal to \$6.30 times~~
4 ~~the number of occupied bed days for the most recent calendar~~
5 ~~year ending before the beginning of that State fiscal year.~~
6 Notwithstanding any provision of any other Act to the contrary,
7 this assessment shall be construed as a tax, but may not be
8 added to the charges of an individual's nursing home care that
9 is paid for in whole, or in part, by a federal, State, or
10 combined federal-state medical care program, ~~except those~~
11 ~~individuals receiving Medicare Part B benefits solely.~~

12 (b) Nothing in this amendatory Act of 1992 shall be
13 construed to authorize any home rule unit or other unit of
14 local government to license for revenue or impose a tax or
15 assessment upon long-term care providers or the occupation of
16 long-term care provider, or a tax or assessment measured by the
17 income or earnings or occupied bed days of a long-term care
18 provider.

19 (Source: P.A. 87-861.)

20 (305 ILCS 5/5B-4) (from Ch. 23, par. 5B-4)

21 Sec. 5B-4. Payment of assessment; penalty.

22 (a) The assessment imposed by Section 5B-2 ~~for a State~~
23 ~~fiscal year~~ shall be due and payable monthly, on the last State
24 business day of the month for occupied bed days reported for
25 the preceding third month prior to the month in which the tax

1 is payable and due. A facility that has delayed payment due to
2 the State's failure to reimburse for services rendered may
3 request an extension on the due date for payment pursuant to
4 subsection (b) and shall pay the assessment within 30 days of
5 reimbursement by the Department in quarterly installments,
6 each equalling one fourth of the assessment for the year, on
7 September 30, December 31, March 31, and June 30 of the year.
8 The Illinois Department may provide that county nursing homes
9 directed and maintained pursuant to Section 5-1005 of the
10 Counties Code may meet their assessment obligation by
11 certifying to the Illinois Department that county expenditures
12 have been obligated for the operation of the county nursing
13 home in an amount at least equal to the amount of the
14 assessment.

15 (a-5) Each assessment payment shall be accompanied by an
16 assessment report to be completed by the long-term care
17 provider. A separate report shall be completed for each
18 long-term care facility in this State operated by a long-term
19 care provider. The report shall be in a form and manner
20 prescribed by the Illinois Department and shall at a minimum
21 provide for the reporting of the number of occupied bed days of
22 the long-term care facility for the reporting period and other
23 reasonable information the Illinois Department requires for
24 the administration of its responsibilities under this Code. To
25 the extent practicable, the Department shall coordinate the
26 assessment reporting requirements with other reporting

1 required of long term care facilities.

2 (b) The Illinois Department is authorized to establish
3 delayed payment schedules for long-term care providers that are
4 unable to make assessment ~~installment~~ payments when due under
5 this Section due to financial difficulties, as determined by
6 the Illinois Department. The Illinois Department may not deny a
7 request for delay of payment of the assessment imposed under
8 this Article if the long-term care provider has not been paid
9 for services provided during the month on which the assessment
10 is levied.

11 (c) If a long-term care provider fails to pay the full
12 amount of an assessment payment ~~installment~~ when due (including
13 any extensions granted under subsection (b)), there shall,
14 unless waived by the Illinois Department for reasonable cause,
15 be added to the assessment imposed by Section 5B-2 ~~for the~~
16 ~~State fiscal year~~ a penalty assessment equal to the lesser of
17 (i) 5% of the amount of the assessment payment ~~installment~~ not
18 paid on or before the due date plus 5% of the portion thereof
19 remaining unpaid on the last day of each month thereafter or
20 (ii) 100% of the assessment payment ~~installment~~ amount not paid
21 on or before the due date. For purposes of this subsection,
22 payments will be credited first to unpaid assessment payment
23 ~~installment~~ amounts (rather than to penalty or interest),
24 beginning with the most delinquent assessment payments
25 ~~installments~~. Payment cycles of longer than 60 days shall be
26 one factor the Director takes into account in granting a waiver

1 under this Section.

2 (c-5) If a long-term care provider fails to file its report
3 with payment, there shall, unless waived by the Illinois
4 Department for reasonable cause, be added to the assessment due
5 a penalty assessment equal to 25% of the assessment due.

6 (d) Nothing in this amendatory Act of 1993 shall be
7 construed to prevent the Illinois Department from collecting
8 all amounts due under this Article pursuant to an assessment
9 imposed before the effective date of this amendatory Act of
10 1993.

11 (e) Nothing in this amendatory Act of the 96th General
12 Assembly shall be construed to prevent the Illinois Department
13 from collecting all amounts due under this Code pursuant to an
14 assessment, tax, fee, or penalty imposed before the effective
15 date of this amendatory Act of the 96th General Assembly.

16 (Source: P.A. 96-444, eff. 8-14-09.)

17 (305 ILCS 5/5B-5) (from Ch. 23, par. 5B-5)

18 Sec. 5B-5. Annual reporting ~~Reporting~~; penalty;
19 maintenance of records.

20 (a) After December 31 of each year, and on or before March
21 31 of the succeeding year, every long-term care provider
22 subject to assessment under this Article shall file a report
23 ~~return~~ with the Illinois Department. ~~The return shall report~~
24 ~~the occupied bed days for the calendar year just ended and~~
25 ~~shall be utilized by the Illinois Department to calculate the~~

1 ~~assessment for the State fiscal year commencing on the next~~
2 ~~July 1, except that the return for the State fiscal year~~
3 ~~commencing July 1, 1992 and the report of occupied bed days for~~
4 ~~calendar year 1991 shall be filed on or before September 30,~~
5 ~~1992.~~ The report ~~return~~ shall be in a form and manner
6 prescribed ~~on a form prepared~~ by the Illinois Department and
7 shall state the revenue received by the long-term care
8 provider, reported in such categories as may be required by the
9 Illinois Department, and other ~~the following:~~

10 ~~(1) The name of the long term care provider.~~

11 ~~(2) The address of the long term care provider's~~
12 ~~principal place of business from which the provider engages~~
13 ~~in the occupation of long term care provider in this State,~~
14 ~~and the name and address of each long term care facility~~
15 ~~operated or maintained by the provider in this State.~~

16 ~~(3) The number of occupied bed days of the long term~~
17 ~~care provider for the calendar year just ended, the amount~~
18 ~~of assessment imposed under Section 5B-2 for the State~~
19 ~~fiscal year for which the return is filed, and the amount~~
20 ~~of each quarterly installment to be paid during the State~~
21 ~~fiscal year.~~

22 ~~(4) The amount of penalty due, if any.~~

23 ~~(5) Other~~ reasonable information the Illinois
24 Department requires for the administration of its
25 responsibilities under this Code.

26 (b) If a long-term care provider operates or maintains more

1 than one long-term care facility in this State, the provider
2 may not file a single return covering all those long-term care
3 facilities, but shall file a separate return for each long-term
4 care facility and shall compute and pay the assessment for each
5 long-term care facility separately.

6 (c) Notwithstanding any other provision in this Article, in
7 the case of a person who ceases to operate or maintain a
8 long-term care facility in respect of which the person is
9 subject to assessment under this Article as a long-term care
10 provider, ~~the assessment for the State fiscal year in which the~~
11 ~~cessation occurs shall be adjusted by multiplying the~~
12 ~~assessment computed under Section 5B-2 by a fraction, the~~
13 ~~numerator of which is the number of months in the year during~~
14 ~~which the provider operates or maintains the long term care~~
15 ~~facility and the denominator of which is 12. The person shall~~
16 file a final, amended return with the Illinois Department not
17 more than 90 days after the cessation reflecting the adjustment
18 and shall pay with the final return the assessment for the year
19 as so adjusted (to the extent not previously paid). If a person
20 fails to file a final amended return on a timely basis, there
21 shall, unless waived by the Illinois Department for reasonable
22 cause, be added to the assessment due a penalty assessment
23 equal to 25% of the assessment due.

24 (d) Notwithstanding any other provision of this Article, a
25 provider who commences operating or maintaining a long-term
26 care facility that was under a prior ownership and remained

1 licensed by the Department of Public Health shall notify the
2 Illinois Department of the change in ownership and shall be
3 responsible to immediately pay any prior amounts owed by the
4 facility. ~~shall file an initial return for the State fiscal~~
5 ~~year in which the commencement occurs within 90 days thereafter~~
6 ~~and shall pay the assessment computed under Section 5B-2 and~~
7 ~~subsection (c) in equal installments on the due date of the~~
8 ~~return and on the regular installment due dates for the State~~
9 ~~fiscal year occurring after the due date of the initial return.~~

10 (e) The Department shall develop a procedure for sharing
11 with a potential buyer of a facility information regarding
12 outstanding assessments and penalties owed by that facility.
13 ~~Notwithstanding any other provision of this Article, in the~~
14 ~~case of a long term care provider that did not operate or~~
15 ~~maintain a long term care facility throughout the calendar year~~
16 ~~preceding a State fiscal year, the assessment for that State~~
17 ~~fiscal year shall be computed on the basis of hypothetical~~
18 ~~occupied bed days for the full calendar year as determined by~~
19 ~~rules adopted by the Illinois Department (which may be based on~~
20 ~~annualization of the provider's actual occupied bed days for a~~
21 ~~portion of the calendar year, or the occupied bed days of a~~
22 ~~comparable facility for the year, including the same facility~~
23 ~~while operated by a prior provider).~~

24 (f) In the case of a long-term care provider existing as a
25 corporation or legal entity other than an individual, the
26 return filed by it shall be signed by its president,

1 vice-president, secretary, or treasurer or by its properly
2 authorized agent.

3 (g) If a long-term care provider fails to file its return
4 ~~for a State fiscal year~~ on or before the due date of the
5 return, there shall, unless waived by the Illinois Department
6 for reasonable cause, be added to the assessment imposed by
7 Section 5B-2 ~~for the State fiscal year~~ a penalty assessment
8 equal to 25% of the assessment imposed for the year.

9 (h) Every long-term care provider subject to assessment
10 under this Article shall keep records and books that will
11 permit the determination of occupied bed days on a calendar
12 year basis. All such books and records shall be kept in the
13 English language and shall, at all times during business hours
14 of the day, be subject to inspection by the Illinois Department
15 or its duly authorized agents and employees.

16 (Source: P.A. 87-861.)

17 (305 ILCS 5/5B-8) (from Ch. 23, par. 5B-8)

18 Sec. 5B-8. Long-Term Care Provider Fund.

19 (a) There is created in the State Treasury the Long-Term
20 Care Provider Fund. Interest earned by the Fund shall be
21 credited to the Fund. The Fund shall not be used to replace any
22 moneys appropriated to the Medicaid program by the General
23 Assembly.

24 (b) The Fund is created for the purpose of receiving and
25 disbursing moneys in accordance with this Article.

1 Disbursements from the Fund shall be made only as follows:

2 (1) For payments to ~~skilled or intermediate~~ nursing
3 facilities, including county nursing facilities but
4 excluding State-operated facilities, under Title XIX of
5 the Social Security Act and Article V of this Code.

6 (2) For the reimbursement of moneys collected by the
7 Illinois Department through error or mistake, ~~and for~~
8 ~~making required payments under Section 5 4.38(a)(1) if~~
9 ~~there are no moneys available for such payments in the~~
10 ~~Medicaid Long Term Care Provider Participation Fee Trust~~
11 ~~Fund.~~

12 (3) For payment of administrative expenses incurred by
13 the Illinois Department or its agent in performing the
14 activities authorized by this Article.

15 (3.5) For reimbursement of expenses incurred by
16 long-term care facilities, and payment of administrative
17 expenses incurred by the Department of Public Health, in
18 relation to the conduct and analysis of background checks
19 for identified offenders under the Nursing Home Care Act.

20 (4) For payments of any amounts that are reimbursable
21 to the federal government for payments from this Fund that
22 are required to be paid by State warrant.

23 (5) For making transfers to the General Obligation Bond
24 Retirement and Interest Fund, as those transfers are
25 authorized in the proceedings authorizing debt under the
26 Short Term Borrowing Act, but transfers made under this

1 paragraph (5) shall not exceed the principal amount of debt
2 issued in anticipation of the receipt by the State of
3 moneys to be deposited into the Fund.

4 (6) For making transfers, at the direction of the
5 Director of the Governor's Office of Management and Budget
6 during each fiscal year beginning on or after July 1, 2011,
7 to other State funds in an annual amount of \$20,000,000 of
8 the tax collected pursuant to this Article for the purpose
9 of enforcement of nursing home standards, support of the
10 ombudsman program, and efforts to expand home and
11 community-based services.

12 Disbursements from the Fund, other than transfers made
13 pursuant to paragraphs (5) and (6) of this subsection ~~to the~~
14 ~~General Obligation Bond Retirement and Interest Fund~~, shall be
15 by warrants drawn by the State Comptroller upon receipt of
16 vouchers duly executed and certified by the Illinois
17 Department.

18 (c) The Fund shall consist of the following:

19 (1) All moneys collected or received by the Illinois
20 Department from the long-term care provider assessment
21 imposed by this Article.

22 (2) All federal matching funds received by the Illinois
23 Department as a result of expenditures made by the Illinois
24 Department that are attributable to moneys deposited in the
25 Fund.

26 (3) Any interest or penalty levied in conjunction with

1 the administration of this Article.

2 (4) (Blank). ~~Any balance in the Medicaid Long Term Care~~
3 ~~Provider Participation Fee Fund in the State Treasury. The~~
4 ~~balance shall be transferred to the Fund upon certification~~
5 ~~by the Illinois Department to the State Comptroller that~~
6 ~~all of the disbursements required by Section 5 4.31(b) of~~
7 ~~this Code have been made.~~

8 (5) All other monies received for the Fund from any
9 other source, including interest earned thereon.

10 (Source: P.A. 95-707, eff. 1-11-08.)

11 (305 ILCS 5/5-4.20 rep.)

12 (305 ILCS 5/5-4.21 rep.)

13 (305 ILCS 5/5-4.22 rep.)

14 (305 ILCS 5/5-4.23 rep.)

15 (305 ILCS 5/5-4.24 rep.)

16 (305 ILCS 5/5-4.25 rep.)

17 (305 ILCS 5/5-4.26 rep.)

18 (305 ILCS 5/5-4.27 rep.)

19 (305 ILCS 5/5-4.28 rep.)

20 (305 ILCS 5/5-4.29 rep.)

21 (305 ILCS 5/5-4.30 rep.)

22 (305 ILCS 5/5-4.31 rep.)

23 (305 ILCS 5/5-4.32 rep.)

24 (305 ILCS 5/5-4.33 rep.)

25 (305 ILCS 5/5-4.34 rep.)

1 (305 ILCS 5/5-4.35 rep.)

2 (305 ILCS 5/5-4.36 rep.)

3 (305 ILCS 5/5-4.37 rep.)

4 (305 ILCS 5/5-4.38 rep.)

5 (305 ILCS 5/5-4.39 rep.)

6 (305 ILCS 5/5-5.6a rep.)

7 (305 ILCS 5/5-5.11 rep.)

8 (305 ILCS 5/5-5.21 rep.)

9 Section 35. The Illinois Public Aid Code is amended by
10 repealing Sections 5-4.20, 5-4.21, 5-4.22, 5-4.23, 5-4.24,
11 5-4.25, 5-4.26, 5-4.27, 5-4.28, 5-4.29, 5-4.30, 5-4.31,
12 5-4.32, 5-4.33, 5-4.34, 5-4.35, 5-4.36, 5-4.37, 5-4.38,
13 5-4.39, 5-5.6a, 5-5.11, and 5-5.21.

14 Section 99. Effective date. This Act takes effect upon
15 becoming law."