



## 97TH GENERAL ASSEMBLY

### State of Illinois

### 2011 and 2012

#### HB4685

Introduced 2/3/2012, by Rep. Patricia R. Bellock

#### SYNOPSIS AS INTRODUCED:

215 ILCS 106/7  
215 ILCS 170/7  
305 ILCS 5/11-5.1

Amends the Children's Health Insurance Program Act, the Covering ALL KIDS Health Insurance Act, and the Illinois Public Aid Code. Provides that in the event the Department of Healthcare and Family Services receives written correspondence from the federal government that the Department interprets as being a denial of authority to implement eligibility verification provisions enacted by Public Act 96-1501, the Department shall file, as soon as practical, a waiver request formally requesting to implement the provisions. Effective immediately.

LRB097 17028 KTG 62224 b

FISCAL NOTE ACT  
MAY APPLY

1 AN ACT concerning public aid.

2 **Be it enacted by the People of the State of Illinois,**  
3 **represented in the General Assembly:**

4 Section 5. The Children's Health Insurance Program Act is  
5 amended by changing Section 7 as follows:

6 (215 ILCS 106/7)

7 Sec. 7. Eligibility verification. Notwithstanding any  
8 other provision of this Act, with respect to applications for  
9 benefits provided under the Program, eligibility shall be  
10 determined in a manner that ensures program integrity and that  
11 complies with federal law and regulations while minimizing  
12 unnecessary barriers to enrollment. To this end, as soon as  
13 practicable, and unless the Department receives written denial  
14 from the federal government, this Section shall be implemented:

15 (a) The Department of Healthcare and Family Services or its  
16 designees shall:

17 (1) By no later than July 1, 2011, require verification  
18 of, at a minimum, one month's income from all sources  
19 required for determining the eligibility of applicants to  
20 the Program. Such verification shall take the form of pay  
21 stubs, business or income and expense records for  
22 self-employed persons, letters from employers, and any  
23 other valid documentation of income including data

1           obtained electronically by the Department or its designees  
2           from other sources as described in subsection (b) of this  
3           Section.

4           (2) By no later than October 1, 2011, require  
5           verification of, at a minimum, one month's income from all  
6           sources required for determining the continued eligibility  
7           of recipients at their annual review of eligibility under  
8           the Program. Such verification shall take the form of pay  
9           stubs, business or income and expense records for  
10          self-employed persons, letters from employers, and any  
11          other valid documentation of income including data  
12          obtained electronically by the Department or its designees  
13          from other sources as described in subsection (b) of this  
14          Section. The Department shall send a notice to the  
15          recipient at least 60 days prior to the end of the period  
16          of eligibility that informs them of the requirements for  
17          continued eligibility. If a recipient does not fulfill the  
18          requirements for continued eligibility by the deadline  
19          established in the notice, a notice of cancellation shall  
20          be issued to the recipient and coverage shall end on the  
21          last day of the eligibility period. A recipient's  
22          eligibility may be reinstated without requiring a new  
23          application if the recipient fulfills the requirements for  
24          continued eligibility prior to the end of the month  
25          following the last date of coverage. Nothing in this  
26          Section shall prevent an individual whose coverage has been

1 cancelled from reapplying for health benefits at any time.

2 (3) By no later than July 1, 2011, require verification  
3 of Illinois residency.

4 (b) The Department shall establish or continue cooperative  
5 arrangements with the Social Security Administration, the  
6 Illinois Secretary of State, the Department of Human Services,  
7 the Department of Revenue, the Department of Employment  
8 Security, and any other appropriate entity to gain electronic  
9 access, to the extent allowed by law, to information available  
10 to those entities that may be appropriate for electronically  
11 verifying any factor of eligibility for benefits under the  
12 Program. Data relevant to eligibility shall be provided for no  
13 other purpose than to verify the eligibility of new applicants  
14 or current recipients of health benefits under the Program.  
15 Data will be requested or provided for any new applicant or  
16 current recipient only insofar as that individual's  
17 circumstances are relevant to that individual's or another  
18 individual's eligibility.

19 (c) Within 90 days of the effective date of this amendatory  
20 Act of the 96th General Assembly, the Department of Healthcare  
21 and Family Services shall send notice to current recipients  
22 informing them of the changes regarding their eligibility  
23 verification.

24 (d) In the event the Department receives written  
25 correspondence from the federal government that the Department  
26 interprets as being a denial of authority to implement this

1 Section, the Department shall file, as soon as practical, a  
2 waiver request formally requesting to implement the provisions  
3 of this Section.

4 (Source: P.A. 96-1501, eff. 1-25-11.)

5 Section 10. The Covering ALL KIDS Health Insurance Act is  
6 amended by changing Section 7 as follows:

7 (215 ILCS 170/7)

8 (Section scheduled to be repealed on July 1, 2016)

9 Sec. 7. Eligibility verification. Notwithstanding any  
10 other provision of this Act, with respect to applications for  
11 benefits provided under the Program, eligibility shall be  
12 determined in a manner that ensures program integrity and that  
13 complies with federal law and regulations while minimizing  
14 unnecessary barriers to enrollment. To this end, as soon as  
15 practicable, and unless the Department receives written denial  
16 from the federal government, this Section shall be implemented:

17 (a) The Department of Healthcare and Family Services or its  
18 designees shall:

19 (1) By July 1, 2011, require verification of, at a  
20 minimum, one month's income from all sources required for  
21 determining the eligibility of applicants to the Program.  
22 Such verification shall take the form of pay stubs,  
23 business or income and expense records for self-employed  
24 persons, letters from employers, and any other valid

1 documentation of income including data obtained  
2 electronically by the Department or its designees from  
3 other sources as described in subsection (b) of this  
4 Section.

5 (2) By October 1, 2011, require verification of, at a  
6 minimum, one month's income from all sources required for  
7 determining the continued eligibility of recipients at  
8 their annual review of eligibility under the Program. Such  
9 verification shall take the form of pay stubs, business or  
10 income and expense records for self-employed persons,  
11 letters from employers, and any other valid documentation  
12 of income including data obtained electronically by the  
13 Department or its designees from other sources as described  
14 in subsection (b) of this Section. The Department shall  
15 send a notice to recipients at least 60 days prior to the  
16 end of their period of eligibility that informs them of the  
17 requirements for continued eligibility. If a recipient  
18 does not fulfill the requirements for continued  
19 eligibility by the deadline established in the notice, a  
20 notice of cancellation shall be issued to the recipient and  
21 coverage shall end on the last day of the eligibility  
22 period. A recipient's eligibility may be reinstated  
23 without requiring a new application if the recipient  
24 fulfills the requirements for continued eligibility prior  
25 to the end of the month following the last date of  
26 coverage. Nothing in this Section shall prevent an

1 individual whose coverage has been cancelled from  
2 reapplying for health benefits at any time.

3 (3) By July 1, 2011, require verification of Illinois  
4 residency.

5 (b) The Department shall establish or continue cooperative  
6 arrangements with the Social Security Administration, the  
7 Illinois Secretary of State, the Department of Human Services,  
8 the Department of Revenue, the Department of Employment  
9 Security, and any other appropriate entity to gain electronic  
10 access, to the extent allowed by law, to information available  
11 to those entities that may be appropriate for electronically  
12 verifying any factor of eligibility for benefits under the  
13 Program. Data relevant to eligibility shall be provided for no  
14 other purpose than to verify the eligibility of new applicants  
15 or current recipients of health benefits under the Program.  
16 Data will be requested or provided for any new applicant or  
17 current recipient only insofar as that individual's  
18 circumstances are relevant to that individual's or another  
19 individual's eligibility.

20 (c) Within 90 days of the effective date of this amendatory  
21 Act of the 96th General Assembly, the Department of Healthcare  
22 and Family Services shall send notice to current recipients  
23 informing them of the changes regarding their eligibility  
24 verification.

25 (d) In the event the Department receives written  
26 correspondence from the federal government that the Department

1 interprets as being a denial of authority to implement this  
2 Section, the Department shall file, as soon as practical, a  
3 waiver request formally requesting to implement the provisions  
4 of this Section.

5 (Source: P.A. 96-1501, eff. 1-25-11.)

6 Section 15. The Illinois Public Aid Code is amended by  
7 changing Section 11-5.1 as follows:

8 (305 ILCS 5/11-5.1)

9 Sec. 11-5.1. Eligibility verification. Notwithstanding any  
10 other provision of this Code, with respect to applications for  
11 medical assistance provided under Article V of this Code,  
12 eligibility shall be determined in a manner that ensures  
13 program integrity and complies with federal laws and  
14 regulations while minimizing unnecessary barriers to  
15 enrollment. To this end, as soon as practicable, and unless the  
16 Department receives written denial from the federal  
17 government, this Section shall be implemented:

18 (a) The Department of Healthcare and Family Services or its  
19 designees shall:

20 (1) By no later than July 1, 2011, require verification  
21 of, at a minimum, one month's income from all sources  
22 required for determining the eligibility of applicants for  
23 medical assistance under this Code. Such verification  
24 shall take the form of pay stubs, business or income and



1 expense records for self-employed persons, letters from  
2 employers, and any other valid documentation of income  
3 including data obtained electronically by the Department  
4 or its designees from other sources as described in  
5 subsection (b) of this Section.

6 (2) By no later than October 1, 2011, require  
7 verification of, at a minimum, one month's income from all  
8 sources required for determining the continued eligibility  
9 of recipients at their annual review of eligibility for  
10 medical assistance under this Code. Such verification  
11 shall take the form of pay stubs, business or income and  
12 expense records for self-employed persons, letters from  
13 employers, and any other valid documentation of income  
14 including data obtained electronically by the Department  
15 or its designees from other sources as described in  
16 subsection (b) of this Section. The Department shall send a  
17 notice to recipients at least 60 days prior to the end of  
18 their period of eligibility that informs them of the  
19 requirements for continued eligibility. If a recipient  
20 does not fulfill the requirements for continued  
21 eligibility by the deadline established in the notice a  
22 notice of cancellation shall be issued to the recipient and  
23 coverage shall end on the last day of the eligibility  
24 period. A recipient's eligibility may be reinstated  
25 without requiring a new application if the recipient  
26 fulfills the requirements for continued eligibility prior

1 to the end of the month following the last date of  
2 coverage. Nothing in this Section shall prevent an  
3 individual whose coverage has been cancelled from  
4 reapplying for health benefits at any time.

5 (3) By no later than July 1, 2011, require verification  
6 of Illinois residency.

7 (b) The Department shall establish or continue cooperative  
8 arrangements with the Social Security Administration, the  
9 Illinois Secretary of State, the Department of Human Services,  
10 the Department of Revenue, the Department of Employment  
11 Security, and any other appropriate entity to gain electronic  
12 access, to the extent allowed by law, to information available  
13 to those entities that may be appropriate for electronically  
14 verifying any factor of eligibility for benefits under the  
15 Program. Data relevant to eligibility shall be provided for no  
16 other purpose than to verify the eligibility of new applicants  
17 or current recipients of health benefits under the Program.  
18 Data shall be requested or provided for any new applicant or  
19 current recipient only insofar as that individual's  
20 circumstances are relevant to that individual's or another  
21 individual's eligibility.

22 (c) Within 90 days of the effective date of this amendatory  
23 Act of the 96th General Assembly, the Department of Healthcare  
24 and Family Services shall send notice to current recipients  
25 informing them of the changes regarding their eligibility  
26 verification.

1       (d) In the event the Department of Healthcare and Family  
2       Services receives written correspondence from the federal  
3       government that the Department interprets as being a denial of  
4       authority to implement this Section, the Department shall file,  
5       as soon as practical, a waiver request formally requesting to  
6       implement the provisions of this Section.

7       (Source: P.A. 96-1501, eff. 1-25-11.)

8       Section 99. Effective date. This Act takes effect upon  
9       becoming law.