

SB1680



97TH GENERAL ASSEMBLY

State of Illinois

2011 and 2012

SB1680

Introduced 2/9/2011, by Sen. Jeffrey M. Schoenberg

SYNOPSIS AS INTRODUCED:

305 ILCS 5/5A-2
305 ILCS 5/5A-14

from Ch. 23, par. 5A-2

Amends the Hospital Provider Funding Article of the Illinois Public Aid Code. Extends the imposition of annual assessments on hospital inpatient services through State fiscal year 2016 (rather than State fiscal year 2013). Effective immediately.

LRB097 06865 KTG 46958 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning public aid.

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

4 Section 5. The Illinois Public Aid Code is amended by
5 changing Sections 5A-2 and 5A-14 as follows:

6 (305 ILCS 5/5A-2) (from Ch. 23, par. 5A-2)

7 (Section scheduled to be repealed on July 1, 2013)

8 Sec. 5A-2. Assessment.

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

15 For State fiscal years 2004 and 2005, the Department of
16 Healthcare and Family Services shall use the number of occupied
17 bed days as reported by each hospital on the Annual Survey of
18 Hospitals conducted by the Department of Public Health to
19 calculate the hospital's annual assessment. If the sum of a
20 hospital's occupied bed days is not reported on the Annual
21 Survey of Hospitals or if there are data errors in the reported
22 sum of a hospital's occupied bed days as determined by the
23 Department of Healthcare and Family Services (formerly

1 Department of Public Aid), then the Department of Healthcare
2 and Family Services may obtain the sum of occupied bed days
3 from any source available, including, but not limited to,
4 records maintained by the hospital provider, which may be
5 inspected at all times during business hours of the day by the
6 Department of Healthcare and Family Services or its duly
7 authorized agents and employees.

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

23 Subject to Sections 5A-3 and 5A-10, for State fiscal years
24 2009 through 2016 ~~2013~~, an annual assessment on inpatient
25 services is imposed on each hospital provider in an amount
26 equal to \$218.38 multiplied by the difference of the hospital's

1 occupied bed days less the hospital's Medicare bed days.

2 For State fiscal years 2009 through 2016 ~~2013~~, a hospital's
3 occupied bed days and Medicare bed days shall be determined
4 using the most recent data available from each hospital's 2005
5 Medicare cost report as contained in the Healthcare Cost Report
6 Information System file, for the quarter ending on December 31,
7 2006, without regard to any subsequent adjustments or changes
8 to such data. If a hospital's 2005 Medicare cost report is not
9 contained in the Healthcare Cost Report Information System,
10 then the Illinois Department may obtain the hospital provider's
11 occupied bed days and Medicare bed days from any source
12 available, including, but not limited to, records maintained by
13 the hospital provider, which may be inspected at all times
14 during business hours of the day by the Illinois Department or
15 its duly authorized agents and employees.

16 (b) (Blank).

17 (c) (Blank).

18 (d) Notwithstanding any of the other provisions of this
19 Section, the Department is authorized, during this 94th General
20 Assembly, to adopt rules to reduce the rate of any annual
21 assessment imposed under this Section, as authorized by Section
22 5-46.2 of the Illinois Administrative Procedure Act.

23 (e) Notwithstanding any other provision of this Section,
24 any plan providing for an assessment on a hospital provider as
25 a permissible tax under Title XIX of the federal Social
26 Security Act and Medicaid-eligible payments to hospital

1 providers from the revenues derived from that assessment shall
2 be reviewed by the Illinois Department of Healthcare and Family
3 Services, as the Single State Medicaid Agency required by
4 federal law, to determine whether those assessments and
5 hospital provider payments meet federal Medicaid standards. If
6 the Department determines that the elements of the plan may
7 meet federal Medicaid standards and a related State Medicaid
8 Plan Amendment is prepared in a manner and form suitable for
9 submission, that State Plan Amendment shall be submitted in a
10 timely manner for review by the Centers for Medicare and
11 Medicaid Services of the United States Department of Health and
12 Human Services and subject to approval by the Centers for
13 Medicare and Medicaid Services of the United States Department
14 of Health and Human Services. No such plan shall become
15 effective without approval by the Illinois General Assembly by
16 the enactment into law of related legislation. Notwithstanding
17 any other provision of this Section, the Department is
18 authorized to adopt rules to reduce the rate of any annual
19 assessment imposed under this Section. Any such rules may be
20 adopted by the Department under Section 5-50 of the Illinois
21 Administrative Procedure Act.

22 (Source: P.A. 94-242, eff. 7-18-05; 94-838, eff. 6-6-06;
23 95-859, eff. 8-19-08.)

24 (305 ILCS 5/5A-14)

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

1 (a) Section 5A-2 is repealed on July 1, 2016 ~~2013~~.

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

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

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

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

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

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