



98TH GENERAL ASSEMBLY

State of Illinois

2013 and 2014

SB3415

Introduced 2/14/2014, by Sen. Dale A. Righter

SYNOPSIS AS INTRODUCED:

305 ILCS 5/11-5.2
305 ILCS 5/11-5.3

Amends the Illinois Public Aid Code. In provisions concerning the State's proposed integrated eligibility system for medical assistance, requires the Governor to meet with the exclusive representative within 14 days after the effective date of the amendatory Act for the purpose of discussing the reasons for a potential proposal to subcontract bargaining unit work. Requires the Department of Human Services to determine, within a specified time period, whether or not labor relations between the State of Illinois and the Department's public employees are currently governed by a collective bargaining agreement. Provides that until the integrated eligibility system is operational "and in order to achieve greater efficiency and economy, if, after review of existing bargaining agreements the Department of Human Services determines that relations between the State and the Department's public employees are currently governed by a collective bargaining agreement", the Department "shall" enter into a contract with the vendor selected as necessary to obtain certain electronic data matching (rather than until the integrated eligibility system is operational, the Department may enter into a contract with the vendor selected as necessary to obtain certain electronic data matching). Contains provisions concerning notice requirements. Extends the time period within which the Department must procure a vendor to verify medical assistance eligibility. Effective immediately.

LRB098 15783 KTG 50850 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 11-5.2 and 11-5.3 as follows:

6 (305 ILCS 5/11-5.2)

7 Sec. 11-5.2. Income, Residency, and Identity Verification
8 System. The General Assembly finds that the Department has made
9 every reasonable effort to utilize State employees to perform
10 eligibility determinations and redeterminations on applicants
11 and recipients of assistance provided under Article V of this
12 Code. However, the General Assembly declares that there exist
13 conditions in the State that require the Department to procure
14 a vendor to verify eligibility.

15 (a) The Department shall ensure that its proposed
16 integrated eligibility system shall include the computerized
17 functions of income, residency, and identity eligibility
18 verification to verify eligibility, eliminate duplication of
19 medical assistance, and deter fraud. The Governor shall meet
20 with the exclusive representative as that term is defined in
21 the Illinois Public Labor Relations Act within 14 days after
22 the effective date of this amendatory Act of the 98th General
23 Assembly for the purpose of discussing the reasons for a

1 potential proposal to subcontract bargaining unit work under
2 this Section. Beginning on the 15th day after the effective
3 date of this amendatory Act of the 98th General Assembly, the
4 Department of Human Services shall begin the process of
5 determining whether or not labor relations between the State of
6 Illinois and the Department of Human Services' public employees
7 are currently governed by a collective bargaining agreement as
8 authorized by the Illinois Public Labor Relations Act and shall
9 make a final determination by the 16th day after the effective
10 date of this amendatory Act. Until the integrated eligibility
11 system is operational and in order to achieve greater
12 efficiency and economy, if, after review of existing bargaining
13 agreements the Department of Human Services determines that
14 relations between the State of Illinois and the Department of
15 Human Services' public employees are currently governed by a
16 collective bargaining agreement, the Department shall ~~may~~
17 enter into a contract with the vendor selected pursuant to
18 Section 11-5.3 as necessary to obtain the electronic data
19 matching described in this Section. This contract shall be
20 exempt from the Illinois Procurement Code pursuant to
21 subsection (h) of Section 1-10 of that Code.

22 Prior to fulfilling its obligations under this subsection,
23 the Department shall comply with all notice and procedural
24 requirements mandated by any labor agreement, if any exists.

25 Prior to issuing a request for services pursuant to its
26 obligations under this subsection, the Department shall

1 provide advance notice, which shall not be less than 45 days,
2 except in emergency situations, in writing, to the exclusive
3 representative as that term is defined in the Illinois Public
4 Labor Relations Act.

5 (b) Prior to awarding medical assistance at application
6 under Article V of this Code, the Department shall, to the
7 extent such databases are available to the Department, conduct
8 data matches using the name, date of birth, address, and Social
9 Security Number of each applicant or recipient or responsible
10 relative of an applicant or recipient against the following:

11 (1) Income tax information.

12 (2) Employer reports of income and unemployment
13 insurance payment information maintained by the Department
14 of Employment Security.

15 (3) Earned and unearned income, citizenship and death,
16 and other relevant information maintained by the Social
17 Security Administration.

18 (4) Immigration status information maintained by the
19 United States Citizenship and Immigration Services.

20 (5) Wage reporting and similar information maintained
21 by states contiguous to this State.

22 (6) Employment information maintained by the
23 Department of Employment Security in its New Hire Directory
24 database.

25 (7) Employment information maintained by the United
26 States Department of Health and Human Services in its

1 National Directory of New Hires database.

2 (8) Veterans' benefits information maintained by the
3 United States Department of Health and Human Services, in
4 coordination with the Department of Health and Human
5 Services and the Department of Veterans' Affairs, in the
6 federal Public Assistance Reporting Information System
7 (PARIS) database.

8 (9) Residency information maintained by the Illinois
9 Secretary of State.

10 (10) A database which is substantially similar to or a
11 successor of a database described in this Section that
12 contains information relevant for verifying eligibility
13 for medical assistance.

14 (c) (Blank).

15 (d) If a discrepancy results between information provided
16 by an applicant, recipient, or responsible relative and
17 information contained in one or more of the databases or
18 information tools listed under subsection (b) ~~or (c)~~ of this
19 Section or subsection (c) of Section 11-5.3 and that
20 discrepancy calls into question the accuracy of information
21 relevant to a condition of eligibility provided by the
22 applicant, recipient, or responsible relative, the Department
23 or its contractor shall review the applicant's or recipient's
24 case using the following procedures:

25 (1) If the information discovered under subsection (b)
26 ~~(c)~~ of this Section or subsection (c) of Section 11-5.3

1 does not result in the Department finding the applicant or
2 recipient ineligible for assistance under Article V of this
3 Code, the Department shall finalize the determination or
4 redetermination of eligibility.

5 (2) If the information discovered results in the
6 Department finding the applicant or recipient ineligible
7 for assistance, the Department shall provide notice as set
8 forth in Section 11-7 of this Article.

9 (3) If the information discovered is insufficient to
10 determine that the applicant or recipient is eligible or
11 ineligible, the Department shall provide written notice to
12 the applicant or recipient which shall describe in
13 sufficient detail the circumstances of the discrepancy,
14 the information or documentation required, the manner in
15 which the applicant or recipient may respond, and the
16 consequences of failing to take action. The applicant or
17 recipient shall have 10 business days to respond.

18 (4) If the applicant or recipient does not respond to
19 the notice, the Department shall deny assistance for
20 failure to cooperate, in which case the Department shall
21 provide notice as set forth in Section 11-7. Eligibility
22 for assistance shall not be established until the
23 discrepancy has been resolved.

24 (5) If an applicant or recipient responds to the
25 notice, the Department shall determine the effect of the
26 information or documentation provided on the applicant's

1 or recipient's case and shall take appropriate action.
2 Written notice of the Department's action shall be provided
3 as set forth in Section 11-7 of this Article.

4 (6) Suspected cases of fraud shall be referred to the
5 Department's Inspector General.

6 (e) The Department shall adopt any rules necessary to
7 implement this Section.

8 (Source: P.A. 97-689, eff. 6-14-12; revised 11-12-13.)

9 (305 ILCS 5/11-5.3)

10 Sec. 11-5.3. Procurement of vendor to verify eligibility
11 for assistance under Article V.

12 (a) No later than 70 ~~60~~ days after the effective date of
13 this amendatory Act of the 98th ~~97th~~ General Assembly, the
14 Chief Procurement Officer for General Services, in
15 consultation with the Department of Healthcare and Family
16 Services, shall conduct and complete any procurement necessary
17 to procure a vendor to verify eligibility for assistance under
18 Article V of this Code. Such authority shall include procuring
19 a vendor to assist the Chief Procurement Officer in conducting
20 the procurement. The Chief Procurement Officer and the
21 Department shall jointly negotiate final contract terms with a
22 vendor selected by the Chief Procurement Officer. Within 30
23 days of selection of an eligibility verification vendor, the
24 Department of Healthcare and Family Services shall enter into a
25 contract with the selected vendor. The Department of Healthcare

1 and Family Services and the Department of Human Services shall
2 cooperate with and provide any information requested by the
3 Chief Procurement Officer to conduct the procurement.

4 (b) Notwithstanding any other provision of law, any
5 procurement or contract necessary to comply with this Section
6 shall be exempt from: (i) the Illinois Procurement Code
7 pursuant to Section 1-10(h) of the Illinois Procurement Code,
8 except that bidders shall comply with the disclosure
9 requirement in Sections 50-10.5(a) through (d), 50-13, 50-35,
10 and 50-37 of the Illinois Procurement Code and a vendor awarded
11 a contract under this Section shall comply with Section 50-37
12 of the Illinois Procurement Code; (ii) any administrative rules
13 of this State pertaining to procurement or contract formation;
14 and (iii) any State or Department policies or procedures
15 pertaining to procurement, contract formation, contract award,
16 and Business Enterprise Program approval.

17 (c) Upon becoming operational, the contractor shall
18 conduct data matches using the name, date of birth, address,
19 and Social Security Number of each applicant and recipient
20 against public records to verify eligibility. The contractor,
21 upon preliminary determination that an enrollee is eligible or
22 ineligible, shall notify the Department, except that the
23 contractor shall not make preliminary determinations regarding
24 the eligibility of persons residing in long term care
25 facilities whose income and resources were at or below the
26 applicable financial eligibility standards at the time of their

1 last review. Within 20 business days of such notification, the
2 Department shall accept the recommendation or reject it with a
3 stated reason. The Department shall retain final authority over
4 eligibility determinations. The contractor shall keep a record
5 of all preliminary determinations of ineligibility
6 communicated to the Department. Within 30 days of the end of
7 each calendar quarter, the Department and contractor shall file
8 a joint report on a quarterly basis to the Governor, the
9 Speaker of the House of Representatives, the Minority Leader of
10 the House of Representatives, the Senate President, and the
11 Senate Minority Leader. The report shall include, but shall not
12 be limited to, monthly recommendations of preliminary
13 determinations of eligibility or ineligibility communicated by
14 the contractor, the actions taken on those preliminary
15 determinations by the Department, and the stated reasons for
16 those recommendations that the Department rejected.

17 (d) An eligibility verification vendor contract shall be
18 awarded for an initial 2-year period with up to a maximum of 2
19 one-year renewal options. Nothing in this Section shall compel
20 the award of a contract to a vendor that fails to meet the
21 needs of the Department. A contract with a vendor to assist in
22 the procurement shall be awarded for a period of time not to
23 exceed 6 months.

24 (e) The provisions of this Section shall be administered in
25 compliance with federal law.

26 (Source: P.A. 97-689, eff. 6-14-12; 98-104, eff. 7-22-13.)

1 Section 99. Effective date. This Act takes effect upon
2 becoming law.