

AN ACT concerning public aid.

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

Section 5. The Illinois Public Aid Code is amended by changing Section 5-1.2 as follows:

(305 ILCS 5/5-1.2)

Sec. 5-1.2. Recipient eligibility verification.

(a) The Illinois Department shall initiate a statewide system by which providers and sites of medical care can electronically verify recipient eligibility for aid under this Article. High-volume providers and sites of medical care, as defined by the Illinois Department by rule, shall be required to participate in the eligibility verification system. Every non-high-volume provider and site of medical care shall be afforded the opportunity to participate in the eligibility verification system. The Illinois Department shall provide by rule for implementation of the system, which may be accomplished in phases over time and by geographic region, recipient classification, and provider type. The system shall initially be implemented in, but not limited to, the following zip codes in Cook County: 60601, 60602, 60603, 60604, 60605, 60606, 60607, 60608, 60609, 60612, and 60616. The system shall be implemented within 6 months after approval by the federal

government. The Illinois Department shall report to the General Assembly by December 31, 1994 on the status of the Illinois Department's application to the federal government for approval of this system. The recipient eligibility verification system may be coordinated with the Electronic Benefits Transfer system established by Section 11-3.1 of this Code and compatible with any of the methods for the delivery of medical care and services authorized by this Article. The system shall make available to providers the history of claims for medical services submitted to the Illinois Department for those services provided to the recipient. The Illinois Department shall develop safeguards to protect each recipient's health information from misuse or unauthorized disclosure.

(b) The Illinois Department shall conduct a demonstration project in at least 2 geographic locations for the purpose of assessing the effectiveness of a recipient photo identification card in reducing abuses in the provision of services under this Article. In order to receive medical care, recipients included in this demonstration project must present a Medicaid card and photo identification card. The Illinois Department shall apply for any federal waivers or approvals necessary to conduct this demonstration project. The demonstration project shall become operational (i) 12 months after the effective date of this amendatory Act of 1994 or (ii) after the Illinois Department's receipt of all necessary

federal waivers and approvals, whichever occurs later, and shall operate for 12 months.

(c) Effective October 1, 2007, all changes in status of Medicaid recipients residing in Illinois nursing facilities after initial eligibility for Medicaid has been established shall be reported to the Department, using an Internet-based electronic data interchange system, by the nursing facilities, except for those changes made by personnel of the Department. Changes reported using the Internet-based electronic data interchange system shall be deemed valid and shall be used as the basis for future Medicaid payments unless Department approval of the transaction is required, or until such time as any review or audit conducted by the State establishes that the information is incorrect.

(Source: P.A. 88-554, eff. 7-26-94.)

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