



104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

HB5238

Introduced 2/10/2026, by Rep. Kelly M. Cassidy

SYNOPSIS AS INTRODUCED:

20 ILCS 1305/10-13 new

Provides that the Act may be referred to as the Illinois Newborn Equity Support Transfer (NEST) Program Act. Amends the Department of Human Services Act. Requires the Department of Human Services to establish and administer, subject to appropriations, the Illinois Newborn Equity Support Transfer (NEST) Program to provide direct cash assistance to eligible participants by July 1, 2026. Defines "participant" to mean any individual who gives birth in Illinois while enrolled in or eligible for Medicaid through Moms and Babies. Permits the Department to adopt any rules necessary to implement the NEST Program. Provides that program participants shall receive a \$1,500 lump sum payment in or around the third trimester of pregnancy, prior to delivery; and a \$500 monthly cash payment for the first 6 months following delivery. Requires the Department to submit reports to the General Assembly on a biennial basis that summarizes (1) the number of program participants and distribution across the State, (2) outcomes related to maternal and child health, housing stability, and economic security, or other outcomes identified by the Department in collaboration with stakeholders, and (3) recommendations for program improvements or additional populations beyond Medicaid enrollment to include as participants. Provides that cash disbursements made to participants under the NEST Program shall be considered "guaranteed income" as described in the Hospital Uninsured Patient Discount Act for purposes of determining eligibility for assistance under the Illinois Public Aid Code. Effective immediately.

LRB104 19476 KTG 32924 b

1 AN ACT concerning State government.

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

4 Section 1. Reference to Act. This Act may be referred to as
5 the Illinois Newborn Equity Support Transfer (NEST) Program
6 Act.

7 Section 5. The Department of Human Services Act is amended
8 by adding Section 10-13 as follows:

9 (20 ILCS 1305/10-13 new)

10 Sec. 10-13. Illinois Newborn Equity Support Transfer
11 Program.

12 (a) Findings and declaration of policy. The General
13 Assembly finds the following:

14 (1) All mothers and babies deserve to start their
15 lives together with dignity, stability, and the resources
16 they need for health and well-being.

17 (2) Financial support during pregnancy and in the
18 first year of a baby's life improves health outcomes for
19 both mother and child.

20 (3) Medicaid covers approximately half of all births
21 in Illinois, underscoring the State's role in ensuring
22 equitable and effective maternal and infant care.

1 (4) Lump sum and monthly direct supports to new
2 mothers have been shown to improve maternal and child
3 health, strengthen family stability, and reduce financial
4 stress during the most critical time of a baby's life.

5 (5) Illinois is committed to supporting new mothers
6 and their children through innovative and effective
7 programs that address health and economic disparities.

8 (6) The NEST Program aims to improve outcomes for
9 families by focusing on specific goals, including:
10 enhancing maternal and child health outcomes; promoting
11 housing and economic stability; reducing involvement in
12 the child welfare and criminal justice systems; and
13 providing critical support to caregivers.

14 (b) Definitions. As used in this Section:

15 "Department" means the Department of Human Services.

16 "Medicaid" means medical assistance provided under Article
17 V of the Illinois Public Aid Code as authorized under Section
18 1902 of the Social Security Act.

19 "Participant" means any individual who gives birth in
20 Illinois while enrolled in or eligible for Medicaid through
21 Moms and Babies.

22 "Stakeholders" means stakeholders that include, but are
23 not limited to, other State departments, hospitals, birthing
24 centers, healthcare providers, advocates for maternal health,
25 advocates for child welfare, advocates for housing support,
26 and advocates for economic justice, early childhood providers,

1 and advocates for food security.

2 (c) Illinois Newborn Equity Support Transfer Program.
3 Subject to appropriation, the Department shall establish and
4 administer the Illinois Newborn Equity Support Transfer (NEST)
5 Program to provide direct cash assistance to eligible
6 participants by July 1, 2026. The Department may adopt any
7 rules necessary to implement the program.

8 (d) Disbursement. A participant shall receive:

9 (1) A lump sum payment of \$1,500 provided in or around
10 the third trimester of pregnancy, prior to delivery.

11 (2) A monthly cash payment of \$500 for the first 6
12 months following delivery. The monthly disbursements begin
13 the first day after the date of delivery.

14 (e) Reporting. The Department, in consultation or
15 partnership with stakeholders, shall submit reports to the
16 General Assembly on a biennial basis summarizing:

17 (1) the number of program participants and
18 distribution across the State;

19 (2) outcomes related to maternal and child health,
20 housing stability, and economic security, or other
21 outcomes identified by the Department in collaboration
22 with stakeholders; and

23 (3) recommendations for program improvements or
24 additional populations beyond Medicaid enrollment to
25 include as participants, including, but not limited to, by
26 socio-economic status, geographic impact goals, or other

1 identifiers.

2 (f) Public aid income exemption. For all intents and
3 purposes, disbursements made to participants under the NEST
4 Program shall be considered "guaranteed income" as described
5 in Section 5 of the Hospital Uninsured Patient Discount Act
6 for purposes of determining eligibility for assistance under
7 the Illinois Public Aid Code.

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