



Sen. Omar Aquino

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10400SB0598sam001

LRB104 06857 KTG 36970 a

1 AMENDMENT TO SENATE BILL 598

2 AMENDMENT NO. \_\_\_\_\_. Amend Senate Bill 598 by replacing  
3 everything after the enacting clause with the following:

4 "Section 5. The Illinois Public Aid Code is amended by  
5 changing Section 5-5.20 as follows:

6 (305 ILCS 5/5-5.20)

7 Sec. 5-5.20. Clinic payments. For services provided by  
8 federally qualified health centers (FQHC) and FQHC Look-Alikes  
9 (LALs) as defined in Section 1905 (1)(2)(B) of the federal  
10 Social Security Act, on or after April 1, 1989, and as long as  
11 required by federal law, the Illinois Department shall  
12 reimburse those FQHCs and LALs ~~health centers~~ for those  
13 services according to a prospective cost-reimbursement  
14 methodology as required by Section 1902(bb) of the federal  
15 Social Security Act and paragraphs (1) through (6) of this  
16 Section. In setting this prospective cost-reimbursement

1 methodology, the Illinois Department shall seek a State Plan  
2 amendment from the Centers for Medicare and Medicaid Services  
3 (CMS) as soon as possible. The Illinois Department shall  
4 implement the State Plan amendment promptly after CMS approval  
5 and no later than 30 days after approval. The State Plan  
6 amendment shall contain the following provisions: -

7 (1) Prospective Payment System (PPS) rates for FQHCs,  
8 whether initial rates or rates adjusted in accordance with  
9 paragraph (2), shall be based on reasonable costs of each  
10 individual FQHC related to the provision of covered  
11 ambulatory services using the cost principles found at 2  
12 Code of Federal Regulations Part 200 or its successor.  
13 Such rates shall be set without the application of cost  
14 caps, productivity standards, the use of statewide  
15 averages or other methods unrelated to the specific,  
16 reasonable cost of the individual FQHC; notwithstanding  
17 the foregoing, the Illinois Department shall pay FQHCs for  
18 vaccines separately on a fee-for-service basis and the  
19 cost of such vaccines shall not be included in the PPS  
20 rate.

21 (2) Rate adjustment process. Each FQHC shall have its  
22 rate adjusted annually by the Medicare Economic Index as  
23 required by Section 1902(bb)(3)(A) of the federal Social  
24 Security Act, and shall also have the right annually to  
25 apply for an adjustment, as required by Section  
26 1902(bb)(3)(B) of the federal Social Security Act, to its

1 current rate to take into account statutory and regulatory  
2 changes, including changes as a result of this amendatory  
3 Act of the 104th General Assembly as well as other changes  
4 that affect the type, intensity, duration, or amount of  
5 services provided in an average visit; for the purposes of  
6 this paragraph, the new adjusted rate shall be equivalent  
7 to the total cost per visit for the FQHC's fiscal year in  
8 which the changes took place and shall be finalized by the  
9 Illinois Department within 90 days of the FQHC's  
10 application.

11 (3) Rate setting for new FQHCs. The Illinois  
12 Department shall establish a process to set a provisional  
13 PPS rate for a new FQHC based upon 100% of the projected  
14 cost per visit for the provision of ambulatory services as  
15 required in this Section; this provisional rate shall be  
16 replaced by a final PPS rate based on 100% of the actual  
17 costs of the FQHC for the first full fiscal year of  
18 operation as an FQHC as approved by the Illinois  
19 Department within 12 months of the end of that fiscal  
20 year; the Illinois Department shall reconcile the  
21 provisional PPS rate to the actual, final PPS rate and  
22 make any necessary payment adjustments.

23 (4) Payment in the event of Medicaid Managed Care. The  
24 Illinois Department shall ensure that:

25 (A) FQHCs are fully paid under the methodology  
26 required by Section 1902(bb) of the federal Social

1           Security Act when serving a Medicaid beneficiary  
2           regardless of whether or not that FQHC has entered  
3           into a provider agreement with a Medicaid managed care  
4           organization (MCO) in which the beneficiary is  
5           enrolled;

6           (B) if it utilizes the MCOs to fulfill or  
7           eliminate its obligation to make the supplemental or  
8           wraparound payment to one or more FQHCs as required  
9           under Section 1902(bb)(5) of the federal Social  
10           Security Act, it shall make a payment on at least a  
11           quarterly basis to the MCOs to compensate them for  
12           fulfilling or eliminating that obligation; such  
13           payment shall be in addition to and separate from the  
14           monthly capitated payment negotiated between the  
15           Illinois Department and the MCOs; and

16           (C) FQHCs are fully compensated in a managed care  
17           setting if they have more than one type of visit per  
18           day per patient.

19           (5) Payment in the event of dual enrollment in  
20           Medicare and Medicaid. The Illinois Department shall  
21           ensure that:

22           (A) FQHCs are fully compensated under the  
23           methodology required by Section 1902(bb) of the  
24           federal Social Security Act when serving an individual  
25           who is both a Medicaid beneficiary and a federal  
26           Medicare beneficiary; and

1           (B) payment to an FQHC equals the amount due to the  
2           FQHC under Section 1902(bb) of the federal Social  
3           Security Act less any amount paid to the FQHC for the  
4           same beneficiary visit by Medicare.

5           (6) Appeal rights. The Illinois Department shall  
6           ensure that FQHCs receive notice and an opportunity to  
7           appeal any Department determination set forth in  
8           paragraphs (1) through (5) in accordance with State  
9           administrative procedures.

10          ~~On and after July 1, 2012, the Department shall reduce any~~  
11          ~~rate of reimbursement for services or other payments or alter~~  
12          ~~any methodologies authorized by this Code to reduce any rate~~  
13          ~~of reimbursement for services or other payments in accordance~~  
14          ~~with Section 5-5c.~~

15          (Source: P.A. 97-689, eff. 6-14-12.)"