



93RD GENERAL ASSEMBLY
State of Illinois
2003 and 2004

Introduced 02/09/04, by William B. Black

SYNOPSIS AS INTRODUCED:

305 ILCS 5/8A-8

from Ch. 23, par. 8A-8

Amends the Illinois Public Aid Code. Provides that a person who has been convicted of a felony is barred from participating as a vendor of goods or services in the Medicaid program. Provides that such a person may apply to the Department of Public Aid for reinstatement as a vendor after the passage of 10 years following the conviction. Effective immediately.

LRB093 19500 DRJ 45240 b

FISCAL NOTE ACT
MAY APPLY

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 Section 8A-8 as follows:

6 (305 ILCS 5/8A-8) (from Ch. 23, par. 8A-8)

7 Sec. 8A-8. Future Participation in the Public Assistance
8 Program.

9 (a) Any person applying for public assistance under this
10 Code who has been found guilty of a violation of this Article
11 or of any law of the United States or of any state which is
12 substantially similar to Sections 8A-2 through 8A-5 for
13 violations related to public assistance or medical assistance
14 programs of the kind provided under this Code and who has not
15 been previously convicted for a violation of this Article or of
16 any law of the United States or of any state which is
17 substantially similar to Sections 8A-2 through 8A-5 for
18 violations related to public assistance or medical assistance
19 programs of the kind provided under this Code shall have
20 applications for public assistance under this Code reviewed by
21 an administrative review board to determine the person's
22 eligibility and the need for administrative safeguards to
23 prevent any such further violations. The administrative review
24 board shall be composed of not less than two persons who are
25 selected in accordance with regulations of the Illinois
26 Department or the local governmental unit. Hearings conducted
27 by the board shall:

28 (1) be of an informal nature, permitting the applicant
29 to attend at his option;

30 (2) be open to the public, unless the applicant and the
31 administrative review board determine otherwise;

32 (3) be subject to reasonable time and notification

1 requirements as determined by regulations of the Illinois
2 Department or local governmental units; and

3 (4) be held at a location convenient to the applicant.

4 At the hearing, the administrative review board may deny
5 the application based on an investigation of the person's
6 eligibility, or the board may appoint a substitute payee,
7 require more frequent visits or consultations, more frequent
8 financial reports or require any other action to the extent
9 permitted by State and federal law and regulations. A decision
10 by the administrative review board to deny a person's
11 application shall only be based on the person's failure to
12 qualify under the eligibility criteria applicable to all
13 applicants for the public assistance program in question. Any
14 decision by the administrative review board may be appealed
15 pursuant to the provisions of this Code. In no instance shall
16 the administrative review board delay the hearing or its
17 decision beyond the time allowed under State or federal law and
18 regulations for determining an applicant's eligibility for
19 public assistance.

20 If the person has been determined eligible, the Illinois
21 Department or the local governmental unit may recoup prior
22 payments obtained in violation of this Article from the current
23 cash assistance grants, unless such payments have previously
24 been repaid. The Illinois Department or the local governmental
25 unit, on a case by case basis, shall limit the amount deducted
26 from the current cash assistance grant so as not to cause undue
27 hardship to the person.

28 (b) To the extent permitted under federal law, any person
29 found guilty of a first violation of this Article or of any law
30 of the United States or of any state which is substantially
31 similar to Sections 8A-2 through 8A-5 for violations related to
32 public assistance or medical assistance programs of the kind
33 provided under this Code may be suspended from eligibility for
34 public aid under this Code. Any person found guilty of a second
35 or subsequent violation of this Article or of any law of the
36 United States or of any state which is substantially similar to

1 Sections 8A-2 through 8A-5 for violations related to public
2 assistance or medical assistance programs of the kind provided
3 under this Code shall be ineligible for public aid under this
4 Code.

5 (c) In no instance shall this Section adversely affect the
6 eligibility of children who are in need of public aid under
7 this Code, or the amount of the grant received by such
8 children. If a child's caretaker relative is adversely affected
9 by this Section, a substitute payee may be appointed until the
10 Illinois Department can determine, by rule, that the caretaker
11 relative can manage the public aid in the best interest of the
12 child.

13 (d) Any person, firm, corporation, association, agency,
14 institution or other legal entity that has been convicted of a
15 violation of this Article shall be prohibited from
16 participating as a vendor of goods or services to recipients of
17 public aid under this Code. Such prohibition shall extend to
18 any person with management responsibility in a firm,
19 corporation, association, agency, institution, or other legal
20 entity that has been convicted of any such violation and to an
21 officer or person owning, either directly or indirectly, 5% or
22 more of the shares of stock or other evidences of ownership in
23 a corporation.

24 (d-5) A person who has been convicted of a felony under the
25 Criminal Code of 1961 or a similar law of another state is
26 barred from participating as a vendor of goods or services in
27 the medical assistance program under Article V of this Code.

28 After the passage of 10 years following the conviction, a
29 person who has been barred from participation in the medical
30 assistance program under this subsection may apply to the
31 Department of Public Aid for reinstatement as a vendor of goods
32 or services in that program. The person must apply for
33 reinstatement in the form and manner prescribed by the
34 Department. An administrative review board appointed by the
35 Director of Public Aid shall conduct a hearing to review the
36 application to determine the person's eligibility and the need

1 for administrative safeguards to prevent a reoccurrence of the
2 conduct that led to the person's conviction. The administrative
3 review board shall be composed at least 2 persons who are
4 selected in accordance with rules adopted by the Department.
5 The administrative review board must give the applicant prior
6 written notice of the time and place of the hearing and must
7 give the applicant an opportunity to present evidence at the
8 hearing. The hearing must:

9 (1) be of an informal nature, permitting the applicant
10 to attend at his or her option;

11 (2) be open to the public, unless the applicant and the
12 administrative review board determine otherwise;

13 (3) be subject to reasonable time and notification
14 requirements as determined by rules adopted by the
15 Department; and

16 (4) be held at a location convenient to the applicant.

17 Following the hearing, the administrative review board
18 shall issue a decision on the application for reinstatement
19 based on the evidence introduced at the hearing. The
20 administrative review board's decision is a final
21 administrative decision for purposes of the Administrative
22 Review Law.

23 (e) Any employee of the Illinois Department, county
24 department or local governmental unit who has been found guilty
25 of a violation of this Article shall be terminated from
26 employment.

27 (Source: P.A. 89-489, eff. 1-1-97; 90-725, eff. 8-7-98.)

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