

1 AMENDMENT TO SENATE BILL 742

2 AMENDMENT NO. _____. Amend Senate Bill 742 by replacing
3 the title with the following:

4 "AN ACT concerning budget implementation."; and

5 by replacing everything after the enacting clause with the
6 following:

7 ARTICLE 1.

8 Section 1-1. Short title. This Act may be cited as the
9 FY2004 Budget Implementation (Health and Human Services) Act.

10 Section 1-5. Purpose. It is the purpose of this Act to
11 make changes relating to health and human services that are
12 necessary to implement the State's FY2004 budget.

13 ARTICLE 3.

14 Section 3-5. The Illinois Administrative Procedure Act
15 is amended by changing Section 5-45 as follows:

16 (5 ILCS 100/5-45) (from Ch. 127, par. 1005-45)

17 Sec. 5-45. Emergency rulemaking.

1 (a) "Emergency" means the existence of any situation
2 that any agency finds reasonably constitutes a threat to the
3 public interest, safety, or welfare.

4 (b) If any agency finds that an emergency exists that
5 requires adoption of a rule upon fewer days than is required
6 by Section 5-40 and states in writing its reasons for that
7 finding, the agency may adopt an emergency rule without prior
8 notice or hearing upon filing a notice of emergency
9 rulemaking with the Secretary of State under Section 5-70.
10 The notice shall include the text of the emergency rule and
11 shall be published in the Illinois Register. Consent orders
12 or other court orders adopting settlements negotiated by an
13 agency may be adopted under this Section. Subject to
14 applicable constitutional or statutory provisions, an
15 emergency rule becomes effective immediately upon filing
16 under Section 5-65 or at a stated date less than 10 days
17 thereafter. The agency's finding and a statement of the
18 specific reasons for the finding shall be filed with the
19 rule. The agency shall take reasonable and appropriate
20 measures to make emergency rules known to the persons who may
21 be affected by them.

22 (c) An emergency rule may be effective for a period of
23 not longer than 150 days, but the agency's authority to adopt
24 an identical rule under Section 5-40 is not precluded. No
25 emergency rule may be adopted more than once in any 24 month
26 period, except that this limitation on the number of
27 emergency rules that may be adopted in a 24 month period does
28 not apply to (i) emergency rules that make additions to and
29 deletions from the Drug Manual under Section 5-5.16 of the
30 Illinois Public Aid Code or the generic drug formulary under
31 Section 3.14 of the Illinois Food, Drug and Cosmetic Act or
32 (ii) emergency rules adopted by the Pollution Control Board
33 before July 1, 1997 to implement portions of the Livestock
34 Management Facilities Act. Two or more emergency rules

1 having substantially the same purpose and effect shall be
2 deemed to be a single rule for purposes of this Section.

3 (d) In order to provide for the expeditious and timely
4 implementation of the State's fiscal year 1999 budget,
5 emergency rules to implement any provision of Public Act
6 90-587 or 90-588 or any other budget initiative for fiscal
7 year 1999 may be adopted in accordance with this Section by
8 the agency charged with administering that provision or
9 initiative, except that the 24-month limitation on the
10 adoption of emergency rules and the provisions of Sections
11 5-115 and 5-125 do not apply to rules adopted under this
12 subsection (d). The adoption of emergency rules authorized
13 by this subsection (d) shall be deemed to be necessary for
14 the public interest, safety, and welfare.

15 (e) In order to provide for the expeditious and timely
16 implementation of the State's fiscal year 2000 budget,
17 emergency rules to implement any provision of this amendatory
18 Act of the 91st General Assembly or any other budget
19 initiative for fiscal year 2000 may be adopted in accordance
20 with this Section by the agency charged with administering
21 that provision or initiative, except that the 24-month
22 limitation on the adoption of emergency rules and the
23 provisions of Sections 5-115 and 5-125 do not apply to rules
24 adopted under this subsection (e). The adoption of emergency
25 rules authorized by this subsection (e) shall be deemed to be
26 necessary for the public interest, safety, and welfare.

27 (f) In order to provide for the expeditious and timely
28 implementation of the State's fiscal year 2001 budget,
29 emergency rules to implement any provision of this amendatory
30 Act of the 91st General Assembly or any other budget
31 initiative for fiscal year 2001 may be adopted in accordance
32 with this Section by the agency charged with administering
33 that provision or initiative, except that the 24-month
34 limitation on the adoption of emergency rules and the

1 provisions of Sections 5-115 and 5-125 do not apply to rules
2 adopted under this subsection (f). The adoption of emergency
3 rules authorized by this subsection (f) shall be deemed to be
4 necessary for the public interest, safety, and welfare.

5 (g) In order to provide for the expeditious and timely
6 implementation of the State's fiscal year 2002 budget,
7 emergency rules to implement any provision of this amendatory
8 Act of the 92nd General Assembly or any other budget
9 initiative for fiscal year 2002 may be adopted in accordance
10 with this Section by the agency charged with administering
11 that provision or initiative, except that the 24-month
12 limitation on the adoption of emergency rules and the
13 provisions of Sections 5-115 and 5-125 do not apply to rules
14 adopted under this subsection (g). The adoption of emergency
15 rules authorized by this subsection (g) shall be deemed to be
16 necessary for the public interest, safety, and welfare.

17 (h) In order to provide for the expeditious and timely
18 implementation of the State's fiscal year 2003 budget,
19 emergency rules to implement any provision of this amendatory
20 Act of the 92nd General Assembly or any other budget
21 initiative for fiscal year 2003 may be adopted in accordance
22 with this Section by the agency charged with administering
23 that provision or initiative, except that the 24-month
24 limitation on the adoption of emergency rules and the
25 provisions of Sections 5-115 and 5-125 do not apply to rules
26 adopted under this subsection (h). The adoption of emergency
27 rules authorized by this subsection (h) shall be deemed to be
28 necessary for the public interest, safety, and welfare.

29 (i) In order to provide for the expeditious and timely
30 implementation of the State's fiscal year 2004 budget,
31 emergency rules to implement any provision of this amendatory
32 Act of the 93rd General Assembly or any other budget
33 initiative for fiscal year 2004 may be adopted in accordance
34 with this Section by the agency charged with administering

1 that provision or initiative, except that the 24-month
 2 limitation on the adoption of emergency rules and the
 3 provisions of Sections 5-115 and 5-125 do not apply to rules
 4 adopted under this subsection (i). The adoption of emergency
 5 rules authorized by this subsection (i) shall be deemed to be
 6 necessary for the public interest, safety, and welfare.

7 (Source: P.A. 91-24, eff. 7-1-99; 91-357, eff. 7-29-99;
 8 91-712, eff. 7-1-00; 92-10, eff. 6-11-01; 92-597, eff.
 9 6-28-02.)

10 ARTICLE 5.

11 Section 5-5. The State Finance Act is amended by
 12 changing Sections 6z-30 and 6z-58 as follows:

13 (30 ILCS 105/6z-30)

14 Sec. 6z-30. University of Illinois Hospital Services
 15 Fund.

16 (a) The University of Illinois Hospital Services Fund is
 17 created as a special fund in the State Treasury. The
 18 following moneys shall be deposited into the Fund:

19 (1) As soon as possible after the beginning of each
 20 fiscal year (starting in fiscal year 1995), and in no
 21 event later than July 30, the State Comptroller and the
 22 State Treasurer shall automatically transfer \$44,700,000
 23 from the General Revenue Fund to the University of
 24 Illinois Hospital Services Fund.

25 (2) All intergovernmental transfer payments to the
 26 Illinois Department of Public Aid by the University of
 27 Illinois Hospital made pursuant to an intergovernmental
 28 agreement under subsection (b) or (c) of Section 5A-3 of
 29 the Illinois Public Aid Code.

30 (3) All federal matching funds received by the
 31 Illinois Department of Public Aid as a result of

1 expenditures made by the Illinois Department that are
2 attributable to moneys that were deposited in the Fund.

3 (b) Moneys in the fund may be used by the Illinois
4 Department of Public Aid, subject to appropriation, to
5 reimburse the University of Illinois Hospital for hospital
6 and pharmacy services. The fund may also be used to make
7 monthly transfers to the General Revenue Fund as provided in
8 subsection (c).

9 (c) The State Comptroller and State Treasurer shall
10 automatically transfer on the last day of each month except
11 June, beginning August 31, 1994, from the University of
12 Illinois Hospital Services Fund to the General Revenue Fund,
13 an amount determined and certified to the State Comptroller
14 by the Director of Public Aid, equal to the amount by which
15 the balance in the Fund exceeds the amount necessary to
16 ensure timely payments to the University of Illinois
17 Hospital.

18 On June 30, 1995 and each June 30 thereafter, the State
19 Comptroller and State Treasurer shall automatically transfer
20 the entire balance in the University of Illinois Hospital
21 Services Fund to the General Revenue Fund.

22 (Source: P.A. 88-554, eff. 7-26-94; 89-499, eff. 6-28-96.)

23 (30 ILCS 105/6z-58)

24 Sec. 6z-58. The Family Care Fund.

25 (a) There is created in the State treasury the Family
26 Care Fund. Interest earned by the Fund shall be credited to
27 the Fund.

28 (b) The Fund is created solely for the purposes of
29 receiving, investing, and distributing moneys in accordance
30 with an approved waiver under the Social Security Act
31 resulting from the Family Care waiver request submitted by
32 the Illinois Department of Public Aid on February 15, 2002.
33 The Fund shall consist of:

1 including but not limited to the following:

2 (a) All persons otherwise eligible for basic
3 maintenance under Article III but who fail to qualify
4 under that Article on the basis of need and who meet
5 either of the following requirements:

6 (i) their income, as determined by the
7 Illinois Department in accordance with any federal
8 requirements, is equal to or less than 70% in fiscal
9 year 2001, equal to or less than 85% in fiscal year
10 2002 and until a date to be determined by the
11 Department by rule, and equal to or less than 100%
12 beginning on the date determined by the Department
13 by rule, of the nonfarm income official poverty
14 line, as defined by the federal Office of Management
15 and Budget and revised annually in accordance with
16 Section 673(2) of the Omnibus Budget Reconciliation
17 Act of 1981, applicable to families of the same
18 size; or

19 (ii) their income, after the deduction of
20 costs incurred for medical care and for other types
21 of remedial care, is equal to or less than 70% in
22 fiscal year 2001, equal to or less than 85% in
23 fiscal year 2002 and until a date to be determined
24 by the Department by rule, and equal to or less than
25 100% beginning on the date determined by the
26 Department by rule, of the nonfarm income official
27 poverty line, as defined in item (i) of this
28 subparagraph (a).

29 (b) All persons who would be determined eligible
30 for such basic maintenance under Article IV by
31 disregarding the maximum earned income permitted by
32 federal law.

33 3. Persons who would otherwise qualify for Aid to the
34 Medically Indigent under Article VII.

1 4. Persons not eligible under any of the preceding
2 paragraphs who fall sick, are injured, or die, not having
3 sufficient money, property or other resources to meet the
4 costs of necessary medical care or funeral and burial
5 expenses.

6 5. (a) Women during pregnancy, after the fact of
7 pregnancy has been determined by medical diagnosis, and
8 during the 60-day period beginning on the last day of the
9 pregnancy, together with their infants and children born
10 after September 30, 1983, whose income and resources are
11 insufficient to meet the costs of necessary medical care
12 to the maximum extent possible under Title XIX of the
13 Federal Social Security Act.

14 (b) The Illinois Department and the Governor shall
15 provide a plan for coverage of the persons eligible under
16 paragraph 5(a) by April 1, 1990. Such plan shall provide
17 ambulatory prenatal care to pregnant women during a
18 presumptive eligibility period and establish an income
19 eligibility standard that is equal to 133% of the nonfarm
20 income official poverty line, as defined by the federal
21 Office of Management and Budget and revised annually in
22 accordance with Section 673(2) of the Omnibus Budget
23 Reconciliation Act of 1981, applicable to families of the
24 same size, provided that costs incurred for medical care
25 are not taken into account in determining such income
26 eligibility.

27 (c) The Illinois Department may conduct a
28 demonstration in at least one county that will provide
29 medical assistance to pregnant women, together with their
30 infants and children up to one year of age, where the
31 income eligibility standard is set up to 185% of the
32 nonfarm income official poverty line, as defined by the
33 federal Office of Management and Budget. The Illinois
34 Department shall seek and obtain necessary authorization

1 provided under federal law to implement such a
2 demonstration. Such demonstration may establish resource
3 standards that are not more restrictive than those
4 established under Article IV of this Code.

5 6. Persons under the age of 18 who fail to qualify as
6 dependent under Article IV and who have insufficient income
7 and resources to meet the costs of necessary medical care to
8 the maximum extent permitted under Title XIX of the Federal
9 Social Security Act.

10 7. Persons who are under 21 ~~18~~ years of age ~~or--younger~~
11 and would qualify as disabled as defined under the Federal
12 Supplemental Security Income Program, provided medical
13 service for such persons would be eligible for Federal
14 Financial Participation, and provided the Illinois Department
15 determines that:

16 (a) the person requires a level of care provided by
17 a hospital, skilled nursing facility, or intermediate
18 care facility, as determined by a physician licensed to
19 practice medicine in all its branches;

20 (b) it is appropriate to provide such care outside
21 of an institution, as determined by a physician licensed
22 to practice medicine in all its branches;

23 (c) the estimated amount which would be expended
24 for care outside the institution is not greater than the
25 estimated amount which would be expended in an
26 institution.

27 8. Persons who become ineligible for basic maintenance
28 assistance under Article IV of this Code in programs
29 administered by the Illinois Department due to employment
30 earnings and persons in assistance units comprised of adults
31 and children who become ineligible for basic maintenance
32 assistance under Article VI of this Code due to employment
33 earnings. The plan for coverage for this class of persons
34 shall:

1 (a) extend the medical assistance coverage for up
2 to 12 months following termination of basic maintenance
3 assistance; and

4 (b) offer persons who have initially received 6
5 months of the coverage provided in paragraph (a) above,
6 the option of receiving an additional 6 months of
7 coverage, subject to the following:

8 (i) such coverage shall be pursuant to
9 provisions of the federal Social Security Act;

10 (ii) such coverage shall include all services
11 covered while the person was eligible for basic
12 maintenance assistance;

13 (iii) no premium shall be charged for such
14 coverage; and

15 (iv) such coverage shall be suspended in the
16 event of a person's failure without good cause to
17 file in a timely fashion reports required for this
18 coverage under the Social Security Act and coverage
19 shall be reinstated upon the filing of such reports
20 if the person remains otherwise eligible.

21 9. Persons with acquired immunodeficiency syndrome
22 (AIDS) or with AIDS-related conditions with respect to whom
23 there has been a determination that but for home or
24 community-based services such individuals would require the
25 level of care provided in an inpatient hospital, skilled
26 nursing facility or intermediate care facility the cost of
27 which is reimbursed under this Article. Assistance shall be
28 provided to such persons to the maximum extent permitted
29 under Title XIX of the Federal Social Security Act.

30 10. Participants in the long-term care insurance
31 partnership program established under the Partnership for
32 Long-Term Care Act who meet the qualifications for protection
33 of resources described in Section 25 of that Act.

34 11. Persons with disabilities who are employed and

1 eligible for Medicaid, pursuant to Section
2 1902(a)(10)(A)(ii)(xv) of the Social Security Act, as
3 provided by the Illinois Department by rule.

4 12. Subject to federal approval, persons who are
5 eligible for medical assistance coverage under applicable
6 provisions of the federal Social Security Act and the federal
7 Breast and Cervical Cancer Prevention and Treatment Act of
8 2000. Those eligible persons are defined to include, but not
9 be limited to, the following persons:

10 (1) persons who have been screened for breast or
11 cervical cancer under the U.S. Centers for Disease
12 Control and Prevention Breast and Cervical Cancer Program
13 established under Title XV of the federal Public Health
14 Services Act in accordance with the requirements of
15 Section 1504 of that Act as administered by the Illinois
16 Department of Public Health; and

17 (2) persons whose screenings under the above
18 program were funded in whole or in part by funds
19 appropriated to the Illinois Department of Public Health
20 for breast or cervical cancer screening.

21 "Medical assistance" under this paragraph 12 shall be
22 identical to the benefits provided under the State's approved
23 plan under Title XIX of the Social Security Act. The
24 Department must request federal approval of the coverage
25 under this paragraph 12 within 30 days after the effective
26 date of this amendatory Act of the 92nd General Assembly.

27 The Illinois Department and the Governor shall provide a
28 plan for coverage of the persons eligible under paragraph 7
29 as soon as possible after July 1, 1984.

30 The eligibility of any such person for medical assistance
31 under this Article is not affected by the payment of any
32 grant under the Senior Citizens and Disabled Persons Property
33 Tax Relief and Pharmaceutical Assistance Act or any
34 distributions or items of income described under subparagraph

1 (X) of paragraph (2) of subsection (a) of Section 203 of the
 2 Illinois Income Tax Act. The Department shall by rule
 3 establish the amounts of assets to be disregarded in
 4 determining eligibility for medical assistance, which shall
 5 at a minimum equal the amounts to be disregarded under the
 6 Federal Supplemental Security Income Program. The amount of
 7 assets of a single person to be disregarded shall not be less
 8 than \$2,000, and the amount of assets of a married couple to
 9 be disregarded shall not be less than \$3,000.

10 To the extent permitted under federal law, any person
 11 found guilty of a second violation of Article VIII A shall be
 12 ineligible for medical assistance under this Article, as
 13 provided in Section 8A-8.

14 The eligibility of any person for medical assistance
 15 under this Article shall not be affected by the receipt by
 16 the person of donations or benefits from fundraisers held for
 17 the person in cases of serious illness, as long as neither
 18 the person nor members of the person's family have actual
 19 control over the donations or benefits or the disbursement of
 20 the donations or benefits.

21 (Source: P.A. 91-676, eff. 12-23-99; 91-699, eff. 7-1-00;
 22 91-712, eff. 7-1-00; 92-16, eff. 6-28-01; 92-47, eff. 7-3-01;
 23 92-597, eff. 6-28-02.)

24 (305 ILCS 5/5-5.4) (from Ch. 23, par. 5-5.4)

25 Sec. 5-5.4. Standards of Payment - Department of Public
 26 Aid. The Department of Public Aid shall develop standards of
 27 payment of skilled nursing and intermediate care services in
 28 facilities providing such services under this Article which:

- 29 (1) Provide for the determination of a facility's
- 30 payment for skilled nursing and intermediate care services on
- 31 a prospective basis. The amount of the payment rate for all
- 32 nursing facilities certified by the Department of Public
- 33 Health under the Nursing Home Care Act as Intermediate Care

1 for the Developmentally Disabled facilities, Long Term Care
2 for Under Age 22 facilities, Skilled Nursing facilities, or
3 Intermediate Care facilities under the medical assistance
4 program shall be prospectively established annually on the
5 basis of historical, financial, and statistical data
6 reflecting actual costs from prior years, which shall be
7 applied to the current rate year and updated for inflation,
8 except that the capital cost element for newly constructed
9 facilities shall be based upon projected budgets. The
10 annually established payment rate shall take effect on July 1
11 in 1984 and subsequent years. No rate increase and no update
12 for inflation shall be provided on or after July 1, 1994 and
13 before July 1, ~~2004~~ 2003, unless specifically provided for in
14 this Section.

15 For facilities licensed by the Department of Public
16 Health under the Nursing Home Care Act as Intermediate Care
17 for the Developmentally Disabled facilities or Long Term Care
18 for Under Age 22 facilities, the rates taking effect on July
19 1, 1998 shall include an increase of 3%. For facilities
20 licensed by the Department of Public Health under the Nursing
21 Home Care Act as Skilled Nursing facilities or Intermediate
22 Care facilities, the rates taking effect on July 1, 1998
23 shall include an increase of 3% plus \$1.10 per resident-day,
24 as defined by the Department.

25 For facilities licensed by the Department of Public
26 Health under the Nursing Home Care Act as Intermediate Care
27 for the Developmentally Disabled facilities or Long Term Care
28 for Under Age 22 facilities, the rates taking effect on July
29 1, 1999 shall include an increase of 1.6% plus \$3.00 per
30 resident-day, as defined by the Department. For facilities
31 licensed by the Department of Public Health under the Nursing
32 Home Care Act as Skilled Nursing facilities or Intermediate
33 Care facilities, the rates taking effect on July 1, 1999
34 shall include an increase of 1.6% and, for services provided

1 on or after October 1, 1999, shall be increased by \$4.00 per
2 resident-day, as defined by the Department.

3 For facilities licensed by the Department of Public
4 Health under the Nursing Home Care Act as Intermediate Care
5 for the Developmentally Disabled facilities or Long Term Care
6 for Under Age 22 facilities, the rates taking effect on July
7 1, 2000 shall include an increase of 2.5% per resident-day,
8 as defined by the Department. For facilities licensed by the
9 Department of Public Health under the Nursing Home Care Act
10 as Skilled Nursing facilities or Intermediate Care
11 facilities, the rates taking effect on July 1, 2000 shall
12 include an increase of 2.5% per resident-day, as defined by
13 the Department.

14 For facilities licensed by the Department of Public
15 Health under the Nursing Home Care Act as skilled nursing
16 facilities or intermediate care facilities, a new payment
17 methodology must be implemented for the nursing component of
18 the rate effective July 1, 2003. The Department of Public Aid
19 shall develop the new payment methodology using the Minimum
20 Data Set (MDS) as the instrument to collect information
21 concerning nursing home resident condition necessary to
22 compute the rate. The Department of Public Aid shall develop
23 the new payment methodology to meet the unique needs of
24 Illinois nursing home residents while remaining subject to
25 the appropriations provided by the General Assembly. A
26 transition period from the payment methodology in effect on
27 June 30, 2003 to the payment methodology in effect on July 1,
28 2003 shall be provided for a period not exceeding 2 years
29 after implementation of the new payment methodology as
30 follows:

31 (A) For a facility that would receive a lower
32 nursing component rate per patient day under the new
33 system than the facility received effective on the date
34 immediately preceding the date that the Department

1 implements the new payment methodology, the nursing
2 component rate per patient day for the facility shall be
3 held at the level in effect on the date immediately
4 preceding the date that the Department implements the new
5 payment methodology until a higher nursing component rate
6 of reimbursement is achieved by that facility.

7 (B) For a facility that would receive a higher
8 nursing component rate per patient day under the payment
9 methodology in effect on July 1, 2003 than the facility
10 received effective on the date immediately preceding the
11 date that the Department implements the new payment
12 methodology, the nursing component rate per patient day
13 for the facility shall be adjusted.

14 (C) Notwithstanding paragraphs (A) and (B), the
15 nursing component rate per patient day for the facility
16 shall be adjusted subject to appropriations provided by
17 the General Assembly.

18 For facilities licensed by the Department of Public
19 Health under the Nursing Home Care Act as Intermediate Care
20 for the Developmentally Disabled facilities or Long Term Care
21 for Under Age 22 facilities, the rates taking effect on March
22 1, 2001 shall include a statewide increase of 7.85%, as
23 defined by the Department.

24 For facilities licensed by the Department of Public
25 Health under the Nursing Home Care Act as Intermediate Care
26 for the Developmentally Disabled facilities or Long Term Care
27 for Under Age 22 facilities, the rates taking effect on April
28 1, 2002 shall include a statewide increase of 2.0%, as
29 defined by the Department. This increase terminates on July
30 1, 2002; beginning July 1, 2002 these rates are reduced to
31 the level of the rates in effect on March 31, 2002, as
32 defined by the Department.

33 For facilities licensed by the Department of Public
34 Health under the Nursing Home Care Act as skilled nursing

1 facilities or intermediate care facilities, the rates taking
2 effect on July 1, 2001, ~~and each subsequent year thereafter,~~
3 shall be computed using the most recent cost reports on file
4 with the Department of Public Aid no later than April 1,
5 2000, updated for inflation to January 1, 2001. For rates
6 effective July 1, 2001 only, rates shall be the greater of
7 the rate computed for July 1, 2001 or the rate effective on
8 June 30, 2001.

9 Notwithstanding any other provision of this Section, for
10 facilities licensed by the Department of Public Health under
11 the Nursing Home Care Act as skilled nursing facilities or
12 intermediate care facilities, the Illinois Department shall
13 determine by rule the rates taking effect on July 1, 2002,
14 which shall be 5.9% less than the rates in effect on June 30,
15 2002.

16 Rates established effective each July 1 shall govern
17 payment for services rendered throughout that fiscal year,
18 except that rates established on July 1, 1996 shall be
19 increased by 6.8% for services provided on or after January
20 1, 1997. Such rates will be based upon the rates calculated
21 for the year beginning July 1, 1990, and for subsequent years
22 thereafter until June 30, 2001 shall be based on the facility
23 cost reports for the facility fiscal year ending at any point
24 in time during the previous calendar year, updated to the
25 midpoint of the rate year. The cost report shall be on file
26 with the Department no later than April 1 of the current rate
27 year. Should the cost report not be on file by April 1, the
28 Department shall base the rate on the latest cost report
29 filed by each skilled care facility and intermediate care
30 facility, updated to the midpoint of the current rate year.
31 In determining rates for services rendered on and after July
32 1, 1985, fixed time shall not be computed at less than zero.
33 The Department shall not make any alterations of regulations
34 which would reduce any component of the Medicaid rate to a

1 level below what that component would have been utilizing in
2 the rate effective on July 1, 1984.

3 (2) Shall take into account the actual costs incurred by
4 facilities in providing services for recipients of skilled
5 nursing and intermediate care services under the medical
6 assistance program.

7 (3) Shall take into account the medical and
8 psycho-social characteristics and needs of the patients.

9 (4) Shall take into account the actual costs incurred by
10 facilities in meeting licensing and certification standards
11 imposed and prescribed by the State of Illinois, any of its
12 political subdivisions or municipalities and by the U.S.
13 Department of Health and Human Services pursuant to Title XIX
14 of the Social Security Act.

15 The Department of Public Aid shall develop precise
16 standards for payments to reimburse nursing facilities for
17 any utilization of appropriate rehabilitative personnel for
18 the provision of rehabilitative services which is authorized
19 by federal regulations, including reimbursement for services
20 provided by qualified therapists or qualified assistants, and
21 which is in accordance with accepted professional practices.
22 Reimbursement also may be made for utilization of other
23 supportive personnel under appropriate supervision.

24 (Source: P.A. 91-24, eff. 7-1-99; 91-712, eff. 7-1-00; 92-10,
25 eff. 6-11-01; 92-31, eff. 6-28-01; 92-597, eff. 6-28-02;
26 92-651, eff. 7-11-02; 92-848, eff. 1-1-03; revised 9-20-02.)

27 (305 ILCS 5/5-5.4b new)

28 Sec. 5-5.4b. Publicly-owned or publicly-operated nursing
29 facilities. The Illinois Department may by rule establish
30 alternative reimbursement methodologies for nursing
31 facilities that are owned or operated by a county, a
32 township, a municipality, a hospital district, or any other
33 local government in Illinois.

1 (305 ILCS 5/10-26)

2 Sec. 10-26. State Disbursement Unit.

3 (a) Effective October 1, 1999 the Illinois Department
4 shall establish a State Disbursement Unit in accordance with
5 the requirements of Title IV-D of the Social Security Act.
6 The Illinois Department shall enter into an agreement with a
7 State or local governmental unit or private entity to perform
8 the functions of the State Disbursement Unit as set forth in
9 this Section. The State Disbursement Unit shall collect and
10 disburse support payments made under court and administrative
11 support orders:

12 (1) being enforced in cases in which child and
13 spouse support services are being provided under this
14 Article X; and

15 (2) in all cases in which child and spouse support
16 services are not being provided under this Article X and
17 in which support payments are made under the provisions
18 of the Income Withholding for Support Act.

19 (a-2) The contract entered into by the Illinois
20 Department with a public or private entity or an individual
21 for the operation of the State Disbursement Unit is subject
22 to competitive bidding. In addition, the contract is subject
23 to Section 10-26.2 of this Code. As used in this subsection
24 (a-2), "contract" has the same meaning as in the Illinois
25 Procurement Code.

26 (a-5) If the State Disbursement Unit receives a support
27 payment that was not appropriately made to the Unit under
28 this Section, the Unit shall immediately return the payment
29 to the sender, including, if possible, instructions detailing
30 where to send the support payments.

31 (b) All payments received by the State Disbursement
32 Unit:

33 (1) shall be deposited into an account obtained by
34 the Illinois Department ~~the-State-or--local--governmental~~

1 ~~unit-or-private-entity, as the case may be,~~ and

2 (2) distributed and disbursed by the State
3 Disbursement Unit, in accordance with the directions of
4 the Illinois Department, pursuant to Title IV-D of the
5 Social Security Act and rules promulgated by the
6 Department.

7 (c) All support payments assigned to the Illinois
8 Department under Article X of this Code and rules promulgated
9 by the Illinois Department that are disbursed to the Illinois
10 Department by the State Disbursement Unit shall be paid into
11 the Child Support Enforcement Trust Fund.

12 (d) If the agreement with the State or local
13 governmental unit or private entity provided for in this
14 Section is not in effect for any reason, the Department shall
15 perform the functions of the State Disbursement Unit as set
16 forth in this Section for a maximum of 12 months before July
17 1, 2001, and for a maximum of 24 months after June 30, 2001.
18 If the Illinois Department is performing the functions of the
19 State Disbursement Unit on July 1, 2001, then the Illinois
20 Department shall make an award on or before December 31,
21 2002, to a State or local government unit or private entity
22 to perform the functions of the State Disbursement Unit.
23 Payments received by the Illinois Department in performance
24 of the duties of the State Disbursement Unit shall be
25 deposited into the State Disbursement Unit Revolving Fund
26 established under Section 12-8.1. Nothing in this Section
27 shall prohibit the Illinois Department from holding the State
28 Disbursement Unit Revolving Fund after June 30, 2003.

29 (e) By February 1, 2000, the Illinois Department shall
30 conduct at least 4 regional training and educational seminars
31 to educate the clerks of the circuit court on the general
32 operation of the State Disbursement Unit, the role of the
33 State Disbursement Unit, and the role of the clerks of the
34 circuit court in the collection and distribution of child

1 support payments.

2 (f) By March 1, 2000, the Illinois Department shall
3 conduct at least 4 regional educational and training seminars
4 to educate payors, as defined in the Income Withholding for
5 Support Act, on the general operation of the State
6 Disbursement Unit, the role of the State Disbursement Unit,
7 and the distribution of income withholding payments pursuant
8 to this Section and the Income Withholding for Support Act.

9 (Source: P.A. 91-212, eff. 7-20-99; 91-677, eff. 1-5-00;
10 91-712, eff. 7-1-00; 92-44, eff. 7-1-01.)

11 (305 ILCS 5/12-8.1)

12 Sec. 12-8.1. State Disbursement Unit Revolving Fund.

13 (a) There is created a revolving fund to be known as the
14 State Disbursement Unit Revolving Fund, to be held by the
15 Director of the Illinois Department, outside the State
16 treasury, for the following purposes:

17 (1) the deposit of all support payments received by
18 the Illinois Department's State Disbursement Unit;

19 (2) the deposit of other funds including, but not
20 limited to, transfers of funds from other accounts
21 attributable to support payments received by the Illinois
22 Department's State Disbursement Unit;

23 (3) the deposit of any interest accrued by the
24 revolving fund, which interest shall be available for
25 payment of (i) any amounts considered to be Title IV-D
26 program income that must be paid to the U.S. Department
27 of Health and Human Services and (ii) any balance
28 remaining after payments made under item (i) of this
29 subsection (3) to the General Revenue Fund; however, the
30 disbursements under this subdivision (3) may not exceed
31 the amount of the interest accrued by the revolving fund;

32 (4) the disbursement of such payments to obligees
33 or to the assignees of the obligees in accordance with

1 the provisions of Title IV-D of the Social Security Act
 2 and rules promulgated by the Department, provided that
 3 such disbursement is based upon a payment by a payor or
 4 obligor deposited into the revolving fund established by
 5 this Section; and

6 (5) the disbursement of funds to payors or obligors
 7 to correct erroneous payments to the Illinois
 8 Department's State Disbursement Unit, in an amount not to
 9 exceed the erroneous payments.

10 (b) (Blank). ~~The provisions of this Section shall apply~~
 11 ~~only if the Department performs the functions of the Illinois~~
 12 ~~Department's State Disbursement Unit under paragraph (d) of~~
 13 ~~Section 10-26.~~

14 (Source: P.A. 91-712, eff. 7-1-00; 92-44, eff. 7-1-01.)

15 (305 ILCS 5/12-9) (from Ch. 23, par. 12-9)

16 Sec. 12-9. Public Aid Recoveries Trust Fund; uses. The
 17 Public Aid Recoveries Trust Fund shall consist of (1)
 18 recoveries by the Illinois Department of Public Aid
 19 authorized by this Code in respect to applicants or
 20 recipients under Articles III, IV, V, and VI, including
 21 recoveries made by the Illinois Department of Public Aid from
 22 the estates of deceased recipients, (2) recoveries made by
 23 the Illinois Department of Public Aid in respect to
 24 applicants and recipients under the Children's Health
 25 Insurance Program, and (3) federal funds received on behalf
 26 of and earned by State universities and local governmental
 27 entities for services provided to applicants or recipients
 28 covered under this Code. The Fund shall be held as a special
 29 fund in the State Treasury.

30 Disbursements from this Fund shall be only (1) for the
 31 reimbursement of claims collected by the Illinois Department
 32 of Public Aid through error or mistake, (2) for payment to
 33 persons or agencies designated as payees or co-payees on any

1 instrument, whether or not negotiable, delivered to the
2 Illinois Department of Public Aid as a recovery under this
3 Section, such payment to be in proportion to the respective
4 interests of the payees in the amount so collected, (3) for
5 payments to the Department of Human Services for collections
6 made by the Illinois Department of Public Aid on behalf of
7 the Department of Human Services under this Code, (4) for
8 payment of administrative expenses incurred in performing the
9 activities authorized under this Code, (5) for payment of
10 fees to persons or agencies in the performance of activities
11 pursuant to the collection of monies owed the State that are
12 collected under this Code, (6) for payments of any amounts
13 which are reimbursable to the federal government which are
14 required to be paid by State warrant by either the State or
15 federal government, and (7) for payments to State
16 universities and local governmental entities of federal funds
17 for services provided to applicants or recipients covered
18 under this Code. Disbursements from this Fund for purposes
19 of items (4) and (5) of this paragraph shall be subject to
20 appropriations from the Fund to the Illinois Department of
21 Public Aid.

22 The balance in this Fund on the first day of each
23 calendar quarter, after payment therefrom of any amounts
24 reimbursable to the federal government, and minus the amount
25 reasonably anticipated to be needed to make the disbursements
26 during that quarter authorized by this Section, shall be
27 certified by the Director of the Illinois Department of
28 Public Aid and transferred by the State Comptroller to the
29 Drug Rebate Fund or the General Revenue Fund in the State
30 Treasury, as appropriate, within 30 days of the first day of
31 each calendar quarter.

32 On July 1, 1999, the State Comptroller shall transfer the
33 sum of \$5,000,000 from the Public Aid Recoveries Trust Fund
34 (formerly the Public Assistance Recoveries Trust Fund) into

1 the DHS Recoveries Trust Fund.

2 (Source: P.A. 91-24, eff. 7-1-99; 91-212, eff. 7-20-99;
3 92-10, eff. 6-11-01; 92-16, eff. 6-28-01.)

4 (305 ILCS 5/14-8) (from Ch. 23, par. 14-8)

5 Sec. 14-8. Disbursements to Hospitals.

6 (a) For inpatient hospital services rendered on and
7 after September 1, 1991, the Illinois Department shall
8 reimburse hospitals for inpatient services at an inpatient
9 payment rate calculated for each hospital based upon the
10 Medicare Prospective Payment System as set forth in Sections
11 1886(b), (d), (g), and (h) of the federal Social Security
12 Act, and the regulations, policies, and procedures
13 promulgated thereunder, except as modified by this Section.
14 Payment rates for inpatient hospital services rendered on or
15 after September 1, 1991 and on or before September 30, 1992
16 shall be calculated using the Medicare Prospective Payment
17 rates in effect on September 1, 1991. Payment rates for
18 inpatient hospital services rendered on or after October 1,
19 1992 and on or before March 31, 1994 shall be calculated
20 using the Medicare Prospective Payment rates in effect on
21 September 1, 1992. Payment rates for inpatient hospital
22 services rendered on or after April 1, 1994 shall be
23 calculated using the Medicare Prospective Payment rates
24 (including the Medicare grouping methodology and weighting
25 factors as adjusted pursuant to paragraph (1) of this
26 subsection) in effect 90 days prior to the date of
27 admission. For services rendered on or after July 1, 1995,
28 the reimbursement methodology implemented under this
29 subsection shall not include those costs referred to in
30 Sections 1886(d)(5)(B) and 1886(h) of the Social Security
31 Act. The additional payment amounts required under Section
32 1886(d)(5)(F) of the Social Security Act, for hospitals
33 serving a disproportionate share of low-income or indigent

1 patients, are not required under this Section. For hospital
2 inpatient services rendered on or after July 1, 1995, the
3 Illinois Department shall reimburse hospitals using the
4 relative weighting factors and the base payment rates
5 calculated for each hospital that were in effect on June 30,
6 1995, less the portion of such rates attributed by the
7 Illinois Department to the cost of medical education.

8 (1) The weighting factors established under Section
9 1886(d)(4) of the Social Security Act shall not be used
10 in the reimbursement system established under this
11 Section. Rather, the Illinois Department shall establish
12 by rule Medicaid weighting factors to be used in the
13 reimbursement system established under this Section.

14 (2) The Illinois Department shall define by rule
15 those hospitals or distinct parts of hospitals that shall
16 be exempt from the reimbursement system established under
17 this Section. In defining such hospitals, the Illinois
18 Department shall take into consideration those hospitals
19 exempt from the Medicare Prospective Payment System as of
20 September 1, 1991. For hospitals defined as exempt under
21 this subsection, the Illinois Department shall by rule
22 establish a reimbursement system for payment of inpatient
23 hospital services rendered on and after September 1,
24 1991. For all hospitals that are children's hospitals as
25 defined in Section 5-5.02 of this Code, the reimbursement
26 methodology shall, through June 30, 1992, net of all
27 applicable fees, at least equal each children's hospital
28 1990 ICARE payment rates, indexed to the current year by
29 application of the DRI hospital cost index from 1989 to
30 the year in which payments are made. Excepting county
31 providers as defined in Article XV of this Code,
32 hospitals licensed under the University of Illinois
33 Hospital Act, and facilities operated by the Department
34 of Mental Health and Developmental Disabilities (or its

1 successor, the Department of Human Services) for hospital
2 inpatient services rendered on or after July 1, 1995, the
3 Illinois Department shall reimburse children's hospitals,
4 as defined in 89 Illinois Administrative Code Section
5 149.50(c)(3), at the rates in effect on June 30, 1995,
6 and shall reimburse all other hospitals at the rates in
7 effect on June 30, 1995, less the portion of such rates
8 attributed by the Illinois Department to the cost of
9 medical education. For inpatient hospital services
10 provided on or after August 1, 1998, the Illinois
11 Department may establish by rule a means of adjusting the
12 rates of children's hospitals, as defined in 89 Illinois
13 Administrative Code Section 149.50(c)(3), that did not
14 meet that definition on June 30, 1995, in order for the
15 inpatient hospital rates of such hospitals to take into
16 account the average inpatient hospital rates of those
17 children's hospitals that did meet the definition of
18 children's hospitals on June 30, 1995.

19 (3) (Blank)

20 (4) Notwithstanding any other provision of this
21 Section, hospitals that on August 31, 1991, have a
22 contract with the Illinois Department under Section 3-4
23 of the Illinois Health Finance Reform Act may elect to
24 continue to be reimbursed at rates stated in such
25 contracts for general and specialty care.

26 (5) In addition to any payments made under this
27 subsection (a), the Illinois Department shall make the
28 adjustment payments required by Section 5-5.02 of this
29 Code; provided, that in the case of any hospital
30 reimbursed under a per case methodology, the Illinois
31 Department shall add an amount equal to the product of
32 the hospital's average length of stay, less one day,
33 multiplied by 20, for inpatient hospital services
34 rendered on or after September 1, 1991 and on or before

1 September 30, 1992.

2 (b) (Blank)

3 (b-5) Excepting county providers as defined in Article
4 XV of this Code, hospitals licensed under the University of
5 Illinois Hospital Act, and facilities operated by the
6 Illinois Department of Mental Health and Developmental
7 Disabilities (or its successor, the Department of Human
8 Services), for outpatient services rendered on or after July
9 1, 1995 and before July 1, 1998 the Illinois Department shall
10 reimburse children's hospitals, as defined in the Illinois
11 Administrative Code Section 149.50(c)(3), at the rates in
12 effect on June 30, 1995, less that portion of such rates
13 attributed by the Illinois Department to the outpatient
14 indigent volume adjustment and shall reimburse all other
15 hospitals at the rates in effect on June 30, 1995, less the
16 portions of such rates attributed by the Illinois Department
17 to the cost of medical education and attributed by the
18 Illinois Department to the outpatient indigent volume
19 adjustment. For outpatient services provided on or after
20 July 1, 1998, reimbursement rates shall be established by
21 rule.

22 (c) In addition to any other payments under this Code,
23 the Illinois Department shall develop a hospital
24 disproportionate share reimbursement methodology that,
25 effective July 1, 1991, through September 30, 1992, shall
26 reimburse hospitals sufficiently to expend the fee monies
27 described in subsection (b) of Section 14-3 of this Code and
28 the federal matching funds received by the Illinois
29 Department as a result of expenditures made by the Illinois
30 Department as required by this subsection (c) and Section
31 14-2 that are attributable to fee monies deposited in the
32 Fund, less amounts applied to adjustment payments under
33 Section 5-5.02.

34 (d) Critical Care Access Payments.

1 (1) In addition to any other payments made under
2 this Code, the Illinois Department shall develop a
3 reimbursement methodology that shall reimburse Critical
4 Care Access Hospitals for the specialized services that
5 qualify them as Critical Care Access Hospitals. No
6 adjustment payments shall be made under this subsection
7 on or after July 1, 1995.

8 (2) "Critical Care Access Hospitals" includes, but
9 is not limited to, hospitals that meet at least one of
10 the following criteria:

11 (A) Hospitals located outside of a
12 metropolitan statistical area that are designated as
13 Level II Perinatal Centers and that provide a
14 disproportionate share of perinatal services to
15 recipients; or

16 (B) Hospitals that are designated as Level I
17 Trauma Centers (adult or pediatric) and certain
18 Level II Trauma Centers as determined by the
19 Illinois Department; or

20 (C) Hospitals located outside of a
21 metropolitan statistical area and that provide a
22 disproportionate share of obstetrical services to
23 recipients.

24 (e) Inpatient high volume adjustment. For hospital
25 inpatient services, effective with rate periods beginning on
26 or after October 1, 1993, in addition to rates paid for
27 inpatient services by the Illinois Department, the Illinois
28 Department shall make adjustment payments for inpatient
29 services furnished by Medicaid high volume hospitals. The
30 Illinois Department shall establish by rule criteria for
31 qualifying as a Medicaid high volume hospital and shall
32 establish by rule a reimbursement methodology for calculating
33 these adjustment payments to Medicaid high volume hospitals.
34 No adjustment payment shall be made under this subsection for

1 services rendered on or after July 1, 1995.

2 (f) The Illinois Department shall modify its current
3 rules governing adjustment payments for targeted access,
4 critical care access, and uncompensated care to classify
5 those adjustment payments as not being payments to
6 disproportionate share hospitals under Title XIX of the
7 federal Social Security Act. Rules adopted under this
8 subsection shall not be effective with respect to services
9 rendered on or after July 1, 1995. The Illinois Department
10 has no obligation to adopt or implement any rules or make any
11 payments under this subsection for services rendered on or
12 after July 1, 1995.

13 (f-5) The State recognizes that adjustment payments to
14 hospitals providing certain services or incurring certain
15 costs may be necessary to assure that recipients of medical
16 assistance have adequate access to necessary medical
17 services. These adjustments include payments for teaching
18 costs and uncompensated care, trauma center payments,
19 rehabilitation hospital payments, perinatal center payments,
20 obstetrical care payments, targeted access payments, Medicaid
21 high volume payments, and outpatient indigent volume
22 payments. On or before April 1, 1995, the Illinois
23 Department shall issue recommendations regarding (i)
24 reimbursement mechanisms or adjustment payments to reflect
25 these costs and services, including methods by which the
26 payments may be calculated and the method by which the
27 payments may be financed, and (ii) reimbursement mechanisms
28 or adjustment payments to reflect costs and services of
29 federally qualified health centers with respect to recipients
30 of medical assistance.

31 (g) If one or more hospitals file suit in any court
32 challenging any part of this Article XIV, payments to
33 hospitals under this Article XIV shall be made only to the
34 extent that sufficient monies are available in the Fund and

1 only to the extent that any monies in the Fund are not
2 prohibited from disbursement under any order of the court.

3 (h) Payments under the disbursement methodology
4 described in this Section are subject to approval by the
5 federal government in an appropriate State plan amendment.

6 (i) The Illinois Department may by rule establish
7 criteria for and develop methodologies for adjustment
8 payments to hospitals participating under this Article.

9 (j) Hospital Residing Long Term Care Services. In
10 addition to any other payments made under this Code, the
11 Illinois Department may by rule establish criteria and
12 develop methodologies for payments to hospitals for Hospital
13 Residing Long Term Care Services.

14 (Source: P.A. 89-21, eff. 7-1-95; 89-499, eff. 6-28-96;
15 89-507, eff. 7-1-97; 90-9, eff. 7-1-97; 90-14, eff. 7-1-97;
16 90-588, eff. 7-1-98.)

17 (305 ILCS 5/15-5) (from Ch. 23, par. 15-5)
18 Sec. 15-5. Disbursements from the Fund.

19 (a) The monies in the Fund shall be disbursed only as
20 provided in Section 15-2 of this Code and as follows:

21 (1) To pay the county hospitals' inpatient
22 reimbursement rate based on actual costs, trended forward
23 annually by an inflation index and supplemented by
24 teaching, capital, and other direct and indirect costs,
25 according to a State plan approved by the federal
26 government. Effective October 1, 1992, the inpatient
27 reimbursement rate (including any disproportionate or
28 supplemental disproportionate share payments) for
29 hospital services provided by county operated facilities
30 within the County shall be no less than the reimbursement
31 rates in effect on June 1, 1992, except that this minimum
32 shall be adjusted as of July 1, 1992 and each July 1
33 thereafter through July 1, 2002 by the annual percentage

1 change in the per diem cost of inpatient hospital
2 services as reported in the most recent annual Medicaid
3 cost report. Effective July 1, 2003, the rate for
4 hospital inpatient services provided by county hospitals
5 shall be the rate in effect on January 1, 2003, except
6 that this minimum may be adjusted by the Illinois
7 Department to ensure compliance with aggregate and
8 hospital-specific federal payment limitations.

9 (2) To pay county hospitals and county operated
10 outpatient facilities for outpatient services based on a
11 federally approved methodology to cover the maximum
12 allowable costs per patient visit. Effective October 1,
13 1992, the outpatient reimbursement rate for outpatient
14 services provided by county hospitals and county operated
15 outpatient facilities shall be no less than the
16 reimbursement rates in effect on June 1, 1992, except
17 that this minimum shall be adjusted as of July 1, 1992
18 and each July 1 thereafter through July 1, 2002 by the
19 annual percentage change in the per diem cost of
20 inpatient hospital services as reported in the most
21 recent annual Medicaid cost report. Effective July 1,
22 2003, the Illinois Department shall by rule establish
23 rates for outpatient services provided by county
24 hospitals and other county-operated facilities within the
25 County that are in compliance with aggregate and
26 hospital-specific federal payment limitations.

27 (3) To pay the county hospitals' disproportionate
28 share payments as established by the Illinois Department
29 under Section 5-5.02 of this Code. Effective October 1,
30 1992, the disproportionate share payments for hospital
31 services provided by county operated facilities within
32 the County shall be no less than the reimbursement rates
33 in effect on June 1, 1992, except that this minimum shall
34 be adjusted as of July 1, 1992 and each July 1 thereafter

1 through July 1, 2002 by the annual percentage change in
 2 the per diem cost of inpatient hospital services as
 3 reported in the most recent annual Medicaid cost report.
 4 Effective July 1, 2003, the Illinois Department may by
 5 rule establish rates for disproportionate share payments
 6 to county hospitals that are in compliance with aggregate
 7 and hospital-specific federal payment limitations.

8 (3.5) To pay county providers for services provided
 9 pursuant to Section 5-11 of this Code.

10 (4) To reimburse the county providers for expenses
 11 contractually assumed pursuant to Section 15-4 of this
 12 Code.

13 (5) To pay the Illinois Department its necessary
 14 administrative expenses relative to the Fund and other
 15 amounts agreed to, if any, by the county providers in the
 16 agreement provided for in subsection (c).

17 (6) To pay the county providers any other amount
 18 due hospitals¹---supplemental---disproportionate---share
 19 payments,---hereby---authorized,---as---specified---in---the
 20 agreement-provided-for-in-subsection-(e)-and according to
 21 a federally approved State plan, including but not
 22 limited to payments made under the provisions of Section
 23 701(d)(3)(B) of the federal Medicare, Medicaid, and SCHIP
 24 Benefits Improvement and Protection Act of 2000.
 25 Intergovernmental transfers supporting payments under
 26 this paragraph (6) shall not be subject to the
 27 computation described in subsection (a) of Section 15-3
 28 of this Code, but shall be computed as the difference
 29 between the total of such payments made by the Illinois
 30 Department to county providers less any amount of federal
 31 financial participation due the Illinois Department under
 32 Titles XIX and XXI of the Social Security Act as a result
 33 of such payments to county providers. Effective--October
 34 17--1992,--the-supplemental-disproportionate-share-payments

1 for hospital services provided by county operated
2 facilities within the County shall be no less than the
3 reimbursement rates in effect on June 17, 1992, except
4 that this minimum shall be adjusted as of July 1, 1992
5 and each July 1 thereafter by the annual percentage
6 change in the per diem cost of inpatient hospital
7 services as reported in the most recent annual Medicaid
8 cost report.

9 (b) The Illinois Department shall promptly seek all
10 appropriate amendments to the Illinois State Plan to effect
11 the foregoing payment methodology.

12 (c) The Illinois Department shall implement the changes
13 made by Article 3 of this amendatory Act of 1992 beginning
14 October 1, 1992. All terms and conditions of the
15 disbursement of monies from the Fund not set forth expressly
16 in this Article shall be set forth in the agreement executed
17 under the Intergovernmental Cooperation Act so long as those
18 terms and conditions are not inconsistent with this Article
19 or applicable federal law. The Illinois Department shall
20 report in writing to the Hospital Service Procurement
21 Advisory Board and the Health Care Cost Containment Council
22 by October 15, 1992, the terms and conditions of all such
23 initial agreements and, where no such initial agreement has
24 yet been executed with a qualifying county, the Illinois
25 Department's reasons that each such initial agreement has not
26 been executed. Copies and reports of amended agreements
27 following the initial agreements shall likewise be filed by
28 the Illinois Department with the Hospital Service Procurement
29 Advisory Board and the Health Care Cost Containment Council
30 within 30 days following their execution. The foregoing
31 filing obligations of the Illinois Department are
32 informational only, to allow the Board and Council,
33 respectively, to better perform their public roles, except
34 that the Board or Council may, at its discretion, advise the

1 Illinois Department in the case of the failure of the
2 Illinois Department to reach agreement with any qualifying
3 county by the required date.

4 (d) The payments provided for herein are intended to
5 cover services rendered on and after July 1, 1991, and any
6 agreement executed between a qualifying county and the
7 Illinois Department pursuant to this Section may relate back
8 to that date, provided the Illinois Department obtains
9 federal approval. Any changes in payment rates resulting
10 from the provisions of Article 3 of this amendatory Act of
11 1992 are intended to apply to services rendered on or after
12 October 1, 1992, and any agreement executed between a
13 qualifying county and the Illinois Department pursuant to
14 this Section may be effective as of that date.

15 (e) If one or more hospitals file suit in any court
16 challenging any part of this Article XV, payments to
17 hospitals from the Fund under this Article XV shall be made
18 only to the extent that sufficient monies are available in
19 the Fund and only to the extent that any monies in the Fund
20 are not prohibited from disbursement and may be disbursed
21 under any order of the court.

22 (f) All payments under this Section are contingent upon
23 federal approval of changes to the State plan, if that
24 approval is required.

25 (Source: P.A. 92-370, eff. 8-15-01.)

26 (305 ILCS 5/5-7 rep.)

27 Section 15-6. The Illinois Public Aid Code is amended by
28 repealing Section 5-7.

29 ARTICLE 20.

30 Section 20-5. The Alzheimer's Disease Assistance Act is
31 amended by changing Section 7 as follows:

(410 ILCS 405/7) (from Ch. 111 1/2, par. 6957)

Sec. 7. Regional ADA center funding grants-in-aid.

Pursuant to appropriations enacted by the General Assembly, the Department shall provide funds grants-in-aid to hospitals affiliated with each Regional ADA Center for necessary research and for the development and maintenance of services for victims of Alzheimer's disease and related disorders and their families. For the fiscal year beginning July 1, 2003, and each year thereafter, the Department shall effect payments under this Section to hospitals affiliated with each Regional ADA Center through the Illinois Department of Public Aid. The Department shall include the annual expenditures for this purpose in the plan required by Section 5 of this Act. ~~in accordance with the State Alzheimer's Assistance Plan. The first \$2,000,000 of any grants-in-aid appropriated by the General Assembly for Regional ADA Centers in any State fiscal year shall be distributed in equal portions to those Regional ADA Centers receiving the appropriated grants-in-aid for the State fiscal year beginning July 1, 1996. The first \$400,000 appropriated by the General Assembly in excess of \$2,000,000 in any State fiscal year beginning on or after July 1, 1997 shall be distributed in equal portions to those Regional ADA Centers receiving the appropriated grants-in-aid for the State fiscal year beginning July 1, 1996. Any monies appropriated by the General Assembly in excess of \$2,400,000 for any State fiscal year beginning on or after July 1, 1997 shall be distributed in equal portions to each Regional ADA Center. The Department shall promulgate rules and procedures governing the distribution and specific purposes for such grants, including any contributions of recipients of services toward the cost of care.~~

(Source: P.A. 90-404, eff. 8-15-97.)

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