

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 5-1.2 as follows:

6 (305 ILCS 5/5-1.2)

7 Sec. 5-1.2. Recipient eligibility verification.

8 (a) The Illinois Department shall initiate a statewide
9 system by which providers and sites of medical care can
10 electronically verify recipient eligibility for aid under this
11 Article. High-volume providers and sites of medical care, as
12 defined by the Illinois Department by rule, shall be required
13 to participate in the eligibility verification system. Every
14 non-high-volume provider and site of medical care shall be
15 afforded the opportunity to participate in the eligibility
16 verification system. The Illinois Department shall provide by
17 rule for implementation of the system, which may be
18 accomplished in phases over time and by geographic region,
19 recipient classification, and provider type. The system shall
20 initially be implemented in, but not limited to, the following
21 zip codes in Cook County: 60601, 60602, 60603, 60604, 60605,
22 60606, 60607, 60608, 60609, 60612, and 60616. The system shall
23 be implemented within 6 months after approval by the federal

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

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

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

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

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

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