

96TH GENERAL ASSEMBLY State of Illinois 2009 and 2010 HB3610

Introduced 2/24/2009, by Rep. Thomas Holbrook

SYNOPSIS AS INTRODUCED:

305 ILCS 5/5-4.2 305 ILCS 5/5-5 from Ch. 23, par. 5-4.2 from Ch. 23, par. 5-5

Amends the Illinois Public Aid Code. Replaces provisions concerning medical assistance payments for ambulance services. Provides for payment for ground ambulance services under the medical assistance program. Provides that for ground ambulance services provided to a medical assistance recipient on or after July 1, 2009, the Department of Healthcare and Family Services shall provide payment to ground ambulance services providers for base charges and mileage charges based upon the lesser of the provider's charge, as reflected on the provider's claim form, or the Illinois Medicaid Ambulance Fee Schedule rates. Provides for establishment of the Illinois Medicaid Ambulance Fee Schedule, and provides for a 2-year phase-in of that Schedule. Provides that effective for dates of service on or after July 1, 2010, the Department shall update the Illinois Medicaid Ambulance Fee Schedule rates to be in compliance with the Medicare Ambulance Fee Schedule rates for ground ambulance services in effect at the time of the update. Makes other changes in connection with medical assistance payments for ground ambulance services. Effective immediately.

LRB096 04508 DRJ 21318 b

FISCAL NOTE ACT MAY APPLY 1 AN ACT concerning public aid.

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

- Section 5. The Illinois Public Aid Code is amended by changing Sections 5-4.2 and 5-5 as follows:
- 6 (305 ILCS 5/5-4.2) (from Ch. 23, par. 5-4.2)
- 7 Sec. 5-4.2. <u>Ground ambulance</u> Ambulance services payments.
- 8 (a) For purposes of this Section, the following terms have
- 9 the following meanings:
- 10 <u>"Department" means the Illinois Department of Healthcare</u>
 11 <u>and Family Services.</u>
- 12 <u>"Ground ambulance services" means medical transportation</u>
- services that are described as ground ambulance services by the
- 14 <u>Centers for Medicare and Medicaid Services and provided in a</u>
- 15 <u>vehicle that is licensed as an ambulance by the Illinois</u>
- Department of Public Health pursuant to the Emergency Medical
- 17 Services (EMS) Systems Act.
- 18 "Ground ambulance services provider" means a vehicle
- service provider as described in the Emergency Medical Services
- 20 (EMS) Systems Act that operates licensed ambulances for the
- 21 purpose of providing emergency ambulance services, or
- 22 non-emergency ambulance services, or both. For purposes of this
- 23 Section, this includes both ambulance providers and ambulance

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suppliers as described by the Centers for Medicare and Medicaid
Services.

"Rural county" means: any county not located in a U.S.

Bureau of the Census Metropolitan Statistical Area (MSA); or
any county located within a U.S. Bureau of the Census

Metropolitan Statistical Area but having a population of 60,000
or less.

- (b) It is the intent of the General Assembly to provide for the payment for ground ambulance services as part of the State Medicaid plan and to provide adequate payment for ground ambulance services under the State Medicaid plan so as to ensure adequate access to ground ambulance services for both recipients of aid under this Article and for the general population of Illinois. Unless otherwise indicated in this Section, the practices of the Department concerning payments for ground ambulance services provided to recipients of aid under this Article shall be consistent with the payment principles of Medicare, including the statutes, regulations, policies, procedures, principles, definitions, quidelines, coding systems, including the ambulance condition coding system, and manuals used by the Centers for Medicare and Medicaid Services and the Medicare Part B Carrier or the Medicare Administrative Contractor for the State of Illinois to determine the payment system to ground ambulance services providers under Title XVIII of the Social Security Act.
 - (c) For ground ambulance services provided to a recipient

of aid under this Article on or after July 1, 2009, the

Department shall provide payment to ground ambulance services

providers for base charges and mileage charges based upon the

lesser of the provider's charge, as reflected on the provider's

claim form, or the Illinois Medicaid Ambulance Fee Schedule

rates calculated in accordance with this Section.

Effective July 1, 2009, the Illinois Medicaid Ambulance Fee Schedule shall be established and shall include only the ground ambulance services rates outlined in the Medicare Ambulance Fee Schedule as promulgated by the Centers for Medicare and Medicaid Services and adjusted for the 4 Medicare Localities in Illinois, with an adjustment of 100% of the Medicare Ambulance Fee Schedule rates, by Medicare Locality, for both base rates and mileage for rural counties, and an adjustment of 80% of the Medicare Ambulance Fee Schedule rates, by Medicare Locality, for both base rates and mileage for all other counties. The transition from the current payment system to the Illinois Medicaid Ambulance Fee Schedule shall be by a 2-year phase-in as follows:

(1) Effective for dates of service from July 1, 2009 through June 30, 2010, for each individual base rate and mileage rate, the payment rate for ground ambulance services shall be based on 50% of the Medicaid rate in effect as of January 1, 2009 and 50% of the Illinois Medicaid Ambulance Fee Schedule amount in effect on July 1, 2009 for the designated Medicare Locality, except that any

rate that was previously approved by the Department that
exceeds this amount shall remain in force.

(2) Effective for dates of service on or after July 1, 2010, for each individual base rate and mileage rate, the payment rate for ground ambulance services shall be based on 100% of the Illinois Medicaid Ambulance Fee Schedule amount in effect on July 1, 2010 for the designated Medicare Locality, except that any rate that was previously approved by the Department that exceeds this amount shall remain in force.

Effective for dates of service on or after July 1, 2010, the Department shall update the Illinois Medicaid Ambulance Fee Schedule rates so that they comply with the Medicare Ambulance Fee Schedule rates for ground ambulance services in effect at the time of the update, in the manner prescribed in the second paragraph of this subsection (c).

(d) Payment for mileage shall be per loaded mile with no loaded mileage included in the base rate. If a natural disaster, weather, road repairs, traffic congestion, or other conditions necessitate a route other than the most direct route, payment shall be based upon the actual distance traveled. Notwithstanding the payment principles in subsection (b) of this Section, the Department shall develop the Illinois Medicaid Ambulance Fee Schedule using the ground mileage rate, as defined by the Centers for Medicare and Medicaid Services, and no other mileage rates which act as enhancements to the

ground mileage rate, whether permanent or temporary, shall be

recognized by the Department. When a ground ambulance services

provider provides transport pursuant to an emergency call as

defined by the Centers for Medicare and Medicaid Services, no

reduction in the mileage payment shall be made based upon the

fact that a closer facility may have been available, so long as

the ground ambulance services provider provided transport to

the recipient's facility of choice within the scope of the

Illinois Emergency Medical Services (EMS) Systems Act and

associated rules and the policies and procedures of the EMS

System of which the provider is a member.

(e) The Department shall provide payment for emergency ground ambulance services provided to a recipient of aid under this Article according to the requirements provided in subsection (b) of this Section when those services are provided pursuant to a request made through a 9-1-1 or equivalent emergency telephone number for evaluation, treatment, and transport from or on behalf of an individual with a condition of such a nature that a prudent layperson would have reasonably expected that a delay in seeking immediate medical attention would have been hazardous to life or health. This standard is deemed to be met if there is an emergency medical condition manifesting itself by acute symptoms of sufficient severity, including but not limited to severe pain, such that a prudent layperson who possesses an average knowledge of medicine and health can reasonably expect that the absence of immediate

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serious impairment to bodily functions, or cause serious

dysfunction of any bodily organ or part.

- (f) For ground ambulance services provided to a recipient enrolled in a Medicaid managed care plan by a ground ambulance services provider that is not a contracted provider to the Medicaid managed care plan in question, the amount of the payment for ground ambulance services by the Medicaid managed care plan shall be the lesser of the provider's charge, as reflected on the provider's claim form, or the Illinois Medicaid Ambulance Fee Schedule rates calculated in accordance with this Section.
- (g) Nothing in this Section prohibits the Department from setting payment rates for out-of-State ground ambulance services providers by administrative rule.
- (h) Effective for dates of service on or after July 1, 2009, payments for stretcher van services provided by ground ambulance services providers shall be as follows:
 - (1) For each individual base rate, the amount of the payment shall be the lesser of the provider's charge, as reflected on the provider's claim form, or 80% of the Illinois Medicaid Ambulance Fee Schedule rate for the basic life support non-emergency base rate.
 - (2) For each loaded mile, the amount of the payment

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Medicaid Ambulance Fee Schedule rate for mileage.

For ambulance services provided to a recipient of aid under this Article on or after January 1, 1993, the Illinois Department shall reimburse ambulance service providers at rates calculated in accordance with this Section. It is the the General Assembly to provide adequate intent of reimbursement for ambulance services so as to ensure adequate access to services for recipients of aid under this Article and to provide appropriate incentives to ambulance service providers to provide services in an efficient and cost-effective manner. Thus, it is the intent of the General Assembly that the Illinois Department implement reimbursement system for ambulance services that, to the extent practicable and subject to the availability of funds appropriated by the General Assembly for this purpose, is consistent with the payment principles of Medicare. To ensure uniformity between the payment principles of Medicare and Medicaid, the Illinois Department shall follow, to the extent necessary and practicable and subject to the availability of funds appropriated by the General Assembly for this purpose, the statutes, laws, regulations, policies, procedures, principles, definitions, guidelines, and manuals used to determine the amounts paid to ambulance service providers under Title XVIII of the Social Security Act (Medicare).

For ambulance services provided to a recipient of aid under this Article on or after January 1, 1996, the Illinois Department shall reimburse ambulance service providers based upon the actual distance traveled if a natural disaster, weather conditions, road repairs, or traffic congestion necessitates the use of a route other than the most direct route.

For purposes of this Section, "ambulance services" includes medical transportation services provided by means of an ambulance, medicar, service car, or taxi.

This Section does not prohibit separate billing by ambulance service providers for oxygen furnished while providing advanced life support services.

(i) Beginning with services rendered on or after July 1, 2008, all providers of non-emergency medi-car and service car transportation must certify that the driver and employee attendant, as applicable, have completed a safety program approved by the Department to protect both the patient and the driver, prior to transporting a patient. The provider must maintain this certification in its records. The provider shall produce such documentation upon demand by the Department or its representative. Failure to produce documentation of such training shall result in recovery of any payments made by the Department for services rendered by a non-certified driver or employee attendant. Medi-car and service car providers must maintain legible documentation in their records of the driver

- 1 and, as applicable, employee attendant that actually
- 2 transported the patient. Providers must recertify all drivers
- 3 and employee attendants every 3 years.
- 4 Notwithstanding the requirements above, any public
- 5 transportation provider of medi-car and service car
- 6 transportation that receives federal funding under 49 U.S.C.
- 7 5307 and 5311 need not certify its drivers and employee
- 8 attendants under this Section, since safety training is already
- 9 federally mandated.
- 10 (Source: P.A. 95-501, eff. 8-28-07.)
- 11 (305 ILCS 5/5-5) (from Ch. 23, par. 5-5)
- 12 Sec. 5-5. Medical services. The Illinois Department, by
- rule, shall determine the quantity and quality of and the rate
- of reimbursement for the medical assistance for which payment
- will be authorized, and the medical services to be provided,
- which may include all or part of the following: (1) inpatient
- hospital services; (2) outpatient hospital services; (3) other
- 18 laboratory and X-ray services; (4) skilled nursing home
- 19 services; (5) physicians' services whether furnished in the
- office, the patient's home, a hospital, a skilled nursing home,
- or elsewhere; (6) medical care, or any other type of remedial
- care furnished by licensed practitioners; (7) home health care
- 23 services; (8) private duty nursing service; (9) clinic
- 24 services; (10) dental services, including prevention and
- 25 treatment of periodontal disease and dental caries disease for

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pregnant women; (11) physical therapy and related services; (12) prescribed drugs, dentures, and prosthetic devices; and eyeglasses prescribed by a physician skilled in the diseases of the eye, or by an optometrist, whichever the person may select; other diagnostic, screening, preventive, rehabilitative services; (14) transportation and such other expenses as may be necessary, provided that payment for ground ambulance services shall be as provided in Section 5-4.2; (15) medical treatment of sexual assault survivors, as defined in Section 1a of the Sexual Assault Survivors Emergency Treatment Act, for injuries sustained as a result of the sexual assault, including examinations and laboratory tests to discover evidence which may be used in criminal proceedings arising from the sexual assault; (16) the diagnosis and treatment of sickle cell anemia; and (17) any other medical care, and any other type of remedial care recognized under the laws of this State, but not including abortions, or induced miscarriages or premature births, unless, in the opinion of a physician, such procedures are necessary for the preservation of the life of the woman seeking such treatment, or except an induced premature birth intended to produce a live viable child and such procedure is necessary for the health of the mother or her unborn child. The Illinois Department, by rule, shall prohibit any physician from providing medical assistance to anyone eligible therefor under this Code where such physician has been found quilty of performing an abortion procedure in a wilful

and wanton manner upon a woman who was not pregnant at the time such abortion procedure was performed. The term "any other type of remedial care" shall include nursing care and nursing home service for persons who rely on treatment by spiritual means alone through prayer for healing.

Notwithstanding any other provision of this Section, a comprehensive tobacco use cessation program that includes purchasing prescription drugs or prescription medical devices approved by the Food and Drug administration shall be covered under the medical assistance program under this Article for persons who are otherwise eligible for assistance under this Article.

Notwithstanding any other provision of this Code, the Illinois Department may not require, as a condition of payment for any laboratory test authorized under this Article, that a physician's handwritten signature appear on the laboratory test order form. The Illinois Department may, however, impose other appropriate requirements regarding laboratory test order documentation.

The Department of Healthcare and Family Services shall provide the following services to persons eligible for assistance under this Article who are participating in education, training or employment programs operated by the Department of Human Services as successor to the Department of Public Aid:

(1) dental services, which shall include but not be

limited to prosthodontics; and

2 (2) eyeglasses prescribed by a physician skilled in the 3 diseases of the eye, or by an optometrist, whichever the 4 person may select.

The Illinois Department, by rule, may distinguish and classify the medical services to be provided only in accordance with the classes of persons designated in Section 5-2.

The Department of Healthcare and Family Services must provide coverage and reimbursement for amino acid-based elemental formulas, regardless of delivery method, for the diagnosis and treatment of (i) eosinophilic disorders and (ii) short bowel syndrome when the prescribing physician has issued a written order stating that the amino acid-based elemental formula is medically necessary.

The Illinois Department shall authorize the provision of, and shall authorize payment for, screening by low-dose mammography for the presence of occult breast cancer for women 35 years of age or older who are eligible for medical assistance under this Article, as follows: a baseline mammogram for women 35 to 39 years of age and an annual mammogram for women 40 years of age or older. All screenings shall include a physical breast exam, instruction on self-examination and information regarding the frequency of self-examination and its value as a preventative tool. As used in this Section, "low-dose mammography" means the x-ray examination of the breast using equipment dedicated specifically for mammography,

including the x-ray tube, filter, compression device, image receptor, and cassettes, with an average radiation exposure

delivery of less than one rad mid-breast, with 2 views for each

4 breast.

Any medical or health care provider shall immediately recommend, to any pregnant woman who is being provided prenatal services and is suspected of drug abuse or is addicted as defined in the Alcoholism and Other Drug Abuse and Dependency Act, referral to a local substance abuse treatment provider licensed by the Department of Human Services or to a licensed hospital which provides substance abuse treatment services. The Department of Healthcare and Family Services shall assure coverage for the cost of treatment of the drug abuse or addiction for pregnant recipients in accordance with the Illinois Medicaid Program in conjunction with the Department of Human Services.

All medical providers providing medical assistance to pregnant women under this Code shall receive information from the Department on the availability of services under the Drug Free Families with a Future or any comparable program providing case management services for addicted women, including information on appropriate referrals for other social services that may be needed by addicted women in addition to treatment for addiction.

The Illinois Department, in cooperation with the Departments of Human Services (as successor to the Department

of Alcoholism and Substance Abuse) and Public Health, through a
public awareness campaign, may provide information concerning
treatment for alcoholism and drug abuse and addiction, prenatal
health care, and other pertinent programs directed at reducing
the number of drug-affected infants born to recipients of
medical assistance.

Neither the Department of Healthcare and Family Services nor the Department of Human Services shall sanction the recipient solely on the basis of her substance abuse.

The Illinois Department shall establish such regulations governing the dispensing of health services under this Article as it shall deem appropriate. The Department should seek the advice of formal professional advisory committees appointed by the Director of the Illinois Department for the purpose of providing regular advice on policy and administrative matters, information dissemination and educational activities for medical and health care providers, and consistency in procedures to the Illinois Department.

The Illinois Department may develop and contract with Partnerships of medical providers to arrange medical services for persons eligible under Section 5-2 of this Code. Implementation of this Section may be by demonstration projects in certain geographic areas. The Partnership shall be represented by a sponsor organization. The Department, by rule, shall develop qualifications for sponsors of Partnerships. Nothing in this Section shall be construed to require that the

1 sponsor organization be a medical organization.

The sponsor must negotiate formal written contracts with medical providers for physician services, inpatient and outpatient hospital care, home health services, treatment for alcoholism and substance abuse, and other services determined necessary by the Illinois Department by rule for delivery by Partnerships. Physician services must include prenatal and obstetrical care. The Illinois Department shall reimburse medical services delivered by Partnership providers to clients in target areas according to provisions of this Article and the Illinois Health Finance Reform Act, except that:

- (1) Physicians participating in a Partnership and providing certain services, which shall be determined by the Illinois Department, to persons in areas covered by the Partnership may receive an additional surcharge for such services.
- (2) The Department may elect to consider and negotiate financial incentives to encourage the development of Partnerships and the efficient delivery of medical care.
- (3) Persons receiving medical services through Partnerships may receive medical and case management services above the level usually offered through the medical assistance program.

Medical providers shall be required to meet certain qualifications to participate in Partnerships to ensure the delivery of high quality medical services. These

qualifications shall be determined by rule of the Illinois higher than qualifications Department and may be participation in the medical assistance program. Partnership sponsors may prescribe reasonable additional qualifications for participation by medical providers, only with the prior written approval of the Illinois Department.

Nothing in this Section shall limit the free choice of practitioners, hospitals, and other providers of medical services by clients. In order to ensure patient freedom of choice, the Illinois Department shall immediately promulgate all rules and take all other necessary actions so that provided services may be accessed from therapeutically certified optometrists to the full extent of the Illinois Optometric Practice Act of 1987 without discriminating between service providers.

The Department shall apply for a waiver from the United States Health Care Financing Administration to allow for the implementation of Partnerships under this Section.

The Illinois Department shall require health care providers to maintain records that document the medical care and services provided to recipients of Medical Assistance under this Article. The Illinois Department shall require health care providers to make available, when authorized by the patient, in writing, the medical records in a timely fashion to other health care providers who are treating or serving persons eligible for Medical Assistance under this Article. All

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dispensers of medical services shall be required to maintain and retain business and professional records sufficient to fully and accurately document the nature, scope, details and receipt of the health care provided to persons eligible for medical assistance under this Code, in accordance with regulations promulgated by the Illinois Department. The rules and regulations shall require that proof of the receipt of prescription drugs, dentures, prosthetic devices and eyeglasses by eligible persons under this Section accompany each claim for reimbursement submitted by the dispenser of such medical services. No such claims for reimbursement shall be approved for payment by the Illinois Department without such proof of receipt, unless the Illinois Department shall have put into effect and shall be operating a system of post-payment audit and review which shall, on a sampling basis, be deemed adequate by the Illinois Department to assure that such drugs, dentures, prosthetic devices and eyeqlasses for which payment being made are actually being received by eligible recipients. Within 90 days after the effective date of this amendatory Act of 1984, the Illinois Department shall establish a current list of acquisition costs for all prosthetic devices and any other items recognized as medical equipment and supplies reimbursable under this Article and shall update such list on a quarterly basis, except that the acquisition costs of all prescription drugs shall be updated no less frequently than every 30 days as required by Section 5-5.12.

The rules and regulations of the Illinois Department shall require that a written statement including the required opinion of a physician shall accompany any claim for reimbursement for abortions, or induced miscarriages or premature births. This statement shall indicate what procedures were used in providing such medical services.

The Illinois Department shall require all dispensers of medical services, other than an individual practitioner or group of practitioners, desiring to participate in the Medical Assistance program established under this Article to disclose all financial, beneficial, ownership, equity, surety or other interests in any and all firms, corporations, partnerships, associations, business enterprises, joint ventures, agencies, institutions or other legal entities providing any form of health care services in this State under this Article.

The Illinois Department may require that all dispensers of medical services desiring to participate in the medical assistance program established under this Article disclose, under such terms and conditions as the Illinois Department may by rule establish, all inquiries from clients and attorneys regarding medical bills paid by the Illinois Department, which inquiries could indicate potential existence of claims or liens for the Illinois Department.

Enrollment of a vendor that provides non-emergency medical transportation, defined by the Department by rule, shall be conditional for 180 days. During that time, the Department of

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Healthcare and Family Services may terminate the vendor's eligibility to participate in the medical assistance program without cause. That termination of eligibility is not subject to the Department's hearing process.

Illinois Department shall establish policies, procedures, standards and criteria by rule for the acquisition, repair and replacement of orthotic and prosthetic devices and durable medical equipment. Such rules shall provide, but not be limited to, the following services: (1) immediate repair or replacement of such devices by recipients without medical authorization; and (2) rental, lease, purchase or of durable medical lease-purchase equipment in а cost-effective taking into consideration manner, the recipient's medical prognosis, the extent of the recipient's needs, and the requirements and costs for maintaining such equipment. Such rules shall enable a recipient to temporarily acquire and use alternative or substitute devices or equipment pending repairs or replacements of any device or equipment previously authorized for such recipient by the Department.

The Department shall execute, relative to the nursing home prescreening project, written inter-agency agreements with the Department of Human Services and the Department on Aging, to effect the following: (i) intake procedures and common eligibility criteria for those persons who are receiving non-institutional services; and (ii) the establishment and development of non-institutional services in areas of the State

1 where they are not currently available or are undeveloped.

The Illinois Department shall develop and operate, in cooperation with other State Departments and agencies and in compliance with applicable federal laws and regulations, appropriate and effective systems of health care evaluation and programs for monitoring of utilization of health care services and facilities, as it affects persons eligible for medical assistance under this Code.

The Illinois Department shall report annually to the General Assembly, no later than the second Friday in April of 1979 and each year thereafter, in regard to:

- (a) actual statistics and trends in utilization of medical services by public aid recipients;
- (b) actual statistics and trends in the provision of the various medical services by medical vendors;
- (c) current rate structures and proposed changes in those rate structures for the various medical vendors; and
- (d) efforts at utilization review and control by the Illinois Department.

The period covered by each report shall be the 3 years ending on the June 30 prior to the report. The report shall include suggested legislation for consideration by the General Assembly. The filing of one copy of the report with the Speaker, one copy with the Minority Leader and one copy with the Clerk of the House of Representatives, one copy with the President, one copy with the Minority Leader and one copy with

- 1 the Secretary of the Senate, one copy with the Legislative
- 2 Research Unit, and such additional copies with the State
- 3 Government Report Distribution Center for the General Assembly
- 4 as is required under paragraph (t) of Section 7 of the State
- 5 Library Act shall be deemed sufficient to comply with this
- 6 Section.
- 7 (Source: P.A. 95-331, eff. 8-21-07; 95-520, eff. 8-28-07.)
- 8 Section 99. Effective date. This Act takes effect upon
- 9 becoming law.