



97TH GENERAL ASSEMBLY

State of Illinois

2011 and 2012

HB5905

Introduced 2/16/2012, by Rep. Patricia R. Bellock

SYNOPSIS AS INTRODUCED:

305 ILCS 5/12-4.40

Amends the Administration Article of the Illinois Public Aid Code. Provides that the Department of Healthcare and Family Services shall contract (rather than is authorized to contract) with third-party entities to conduct Payment Recapture Audits to detect and recapture payments made in error or as a result of fraud or abuse. Effective immediately.

LRB097 17024 KTG 62220 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

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 12-4.40 as follows:

6 (305 ILCS 5/12-4.40)

7 Sec. 12-4.40. Payment Recapture Audits. The Department of
8 Healthcare and Family Services shall ~~is authorized to~~ contract
9 with third-party entities to conduct Payment Recapture Audits
10 to detect and recapture payments made in error or as a result
11 of fraud or abuse. Payment Recapture Audits under this Section
12 may be performed in conjunction with similar audits performed
13 under federal authorization.

14 A Payment Recapture Audit shall include the process of
15 identifying improper payments paid to providers or other
16 entities whereby accounting specialists and fraud examination
17 specialists examine payment records and uncover such problems
18 as duplicate payments, payments for services not rendered,
19 overpayments, payments for unauthorized services, and
20 fictitious vendors. This audit may include the use of
21 professional and specialized auditors on a contingency basis,
22 with compensation tied to the identification of misspent funds.

23 The use of Payment Recapture Audits does not preclude the

1 Office of the Inspector General or any other authorized agency
2 employee from performing activities to identify and prevent
3 improper payments.

4 (Source: P.A. 96-942, eff. 6-25-10; 97-333, eff. 8-12-11.)

5 Section 99. Effective date. This Act takes effect upon
6 becoming law.