HB6257

97TH GENERAL ASSEMBLY

State of Illinois

2011 and 2012

HB6257

by Rep. Cynthia Soto

SYNOPSIS AS INTRODUCED:

305 ILCS 5/5-5f

Amends the Medical Assistance Article of the Illinois Public Aid Code. Provides that in the event hospitals are deemed not to have reached the $40,000,000 in reduced expenditures as set forth under the Code, then for any individual hospital not meeting its established threshold, the Department of Public Health shall assess a penalty payment equal to one-half the amount of the differential between the hospital's actual liability related to readmissions and that of the threshold amount. Provides that these penalty payments shall be deposited into the Healthcare Provider Relief Fund and that in the event the Centers for Medicare and Medicaid Services finds that the penalty payments are an impermissible healthcare-related tax, the penalty payments shall be doubled. Further provides that the expenditures are to be defined as General Revenue Fund-based expenditures. Effective immediately.

LRB097 23599 KTG 72642 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 5-5f as follows:

6 (305 ILCS 5/5-5f)
7 Sec. 5-5f. Elimination and limitations of medical
8 assistance services. Notwithstanding any other provision of
9 this Code to the contrary, on and after July 1, 2012:
10 (a) The following services shall no longer be a covered
11 service available under this Code: group psychotherapy for
12 residents of any facility licensed under the Nursing Home Care
13 Act or the Specialized Mental Health Rehabilitation Act; and
14 adult chiropractic services.
15 (b) The Department shall place the following limitations on
16 services: (i) the Department shall limit adult eyeglasses to
17 one pair every 2 years; (ii) the Department shall set an annual
18 limit of a maximum of 20 visits for each of the following
19 services: adult speech, hearing, and language therapy
20 services, adult occupational therapy services, and physical
21 therapy services; (iii) the Department shall limit podiatry
22 services to individuals with diabetes; (iv) the Department
23 shall pay for caesarean sections at the normal vaginal delivery

1 rate unless a caesarean section was medically necessary; (v)
2 the Department shall limit adult dental services to
3 emergencies; and (vi) effective July 1, 2012, the Department
4 shall place limitations and require concurrent review on every
5 inpatient detoxification stay to prevent repeat admissions to
6 any hospital for detoxification within 60 days of a previous
7 inpatient detoxification stay. The Department shall convene a
8 workgroup of hospitals, substance abuse providers, care
9 coordination entities, managed care plans, and other
10 stakeholders to develop recommendations for quality standards,
11 diversion to other settings, and admission criteria for
12 patients who need inpatient detoxification.

13 (c) The Department shall require prior approval of the
14 following services: wheelchair repairs, regardless of the cost
15 of the repairs, coronary artery bypass graft, and bariatric
16 surgery consistent with Medicare standards concerning patient
17 responsibility. The wholesale cost of power wheelchairs shall
18 be actual acquisition cost including all discounts.

19 (d) The Department shall establish benchmarks for
20 hospitals to measure and align payments to reduce potentially
21 preventable hospital readmissions, inpatient complications,
22 and unnecessary emergency room visits. In doing so, the
23 Department shall consider items, including, but not limited to,
24 historic and current acuity of care and historic and current
25 trends in readmission. The Department shall publish
26 provider-specific historical readmission data and anticipated

1 potentially preventable targets 60 days prior to the start of
2 the program. In the instance of readmissions, the Department
3 shall adopt policies and rates of reimbursement for services
4 and other payments provided under this Code to ensure that, by
5 June 30, 2013, expenditures to hospitals are reduced by, at a
6 minimum, $40,000,000.

7 (1) In the event hospitals are deemed not to have
8 reached the $40,000,000 in reduced expenditures, then for
9 any individual hospital not meeting its established
10 threshold, the Department of Public Health shall assess a
11 penalty payment equal to one-half the amount of the
12 differential between the hospital's actual liability
13 related to readmissions and that of the threshold amount.
14 These penalty payments shall be deposited into the
15 Healthcare Provider Relief Fund.

16 (2) In the event the Centers for Medicare and Medicaid
17 Services finds that the penalty payments are an
18 impermissible healthcare-related tax, the penalty payments
19 calculated above shall be doubled.

20 (3) For purposes of this subsection, expenditures are
21 defined as General Revenue Fund-based expenditures.

22 (e) The Department shall establish utilization controls
23 for the hospice program such that it shall not pay for other
24 care services when an individual is in hospice.

25 (f) For home health services, the Department shall require
26 Medicare certification of providers participating in the

1 program, implement the Medicare face-to-face encounter rule,
2 and limit services to post-hospitalization. The Department
3 shall require providers to implement auditable electronic
4 service verification based on global positioning systems or
5 other cost-effective technology.

6 (g) For the Home Services Program operated by the
7 Department of Human Services and the Community Care Program
8 operated by the Department on Aging, the Department of Human
9 Services, in cooperation with the Department on Aging, shall
10 implement an electronic service verification based on global
11 positioning systems or other cost-effective technology.

12 (h) The Department shall not pay for hospital admissions
13 when the claim indicates a hospital acquired condition that
14 would cause Medicare to reduce its payment on the claim had the
15 claim been submitted to Medicare, nor shall the Department pay
16 for hospital admissions where a Medicare identified "never
17 event" occurred.

18 (i) The Department shall implement cost savings
19 initiatives for advanced imaging services, cardiac imaging
20 services, pain management services, and back surgery. Such
21 initiatives shall be designed to achieve annual costs savings.
22 (Source: P.A. 97-689, eff. 6-14-12.)

23 Section 99. Effective date. This Act takes effect upon
24 becoming law.