



98TH GENERAL ASSEMBLY

State of Illinois

2013 and 2014

SB1722

Introduced 2/15/2013, by Sen. John M. Sullivan

SYNOPSIS AS INTRODUCED:

305 ILCS 5/5-4.2

from Ch. 23, par. 5-4.2

305 ILCS 5/5-5

from Ch. 23, par. 5-5

Amends the Medical Assistance Article of the Illinois Public Aid Code. 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 January 1, 2014, 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 payment rates. Provides that effective January 1, 2014, the Illinois Medicaid Ambulance Fee Schedule shall be established and shall include only the ground ambulance services payment rates outlined in the Medicare Ambulance Fee Schedule as promulgated by the Centers for Medicare and Medicaid Services in effect as of July 1, 2013 and adjusted for the 4 Medicare Localities in Illinois, with an adjustment of 80% of the Medicare Ambulance Fee Schedule payment rates, by Medicare Locality, for both base rates and mileage for all counties. Provides that for ground ambulance services provided where the point of pickup is in a rural county, the Department shall pay an amount equal to one and one-half times the ground mileage rate for the first 17 miles of such a transport and the ground mileage rate for the remaining miles of the transport. Makes other changes in connection with medical assistance payments for ground ambulance services. Effective July 1, 2013.

LRB098 07791 KTG 37871 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 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. Ground ambulance ~~Ambulance~~ services payments.

8 (a) For purposes of this Section, the following terms have
9 the following meanings:

10 "Department" means the Illinois Department of Healthcare
11 and Family Services.

12 "Ground ambulance services" means medical transportation
13 services that are described as ground ambulance services by the
14 Centers for Medicare and Medicaid Services and provided in a
15 vehicle that is licensed as an ambulance by the Illinois
16 Department of Public Health pursuant to the Emergency Medical
17 Services (EMS) Systems Act.

18 "Ground ambulance services provider" means a vehicle
19 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

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

3 "Payment principles of Medicare" means: the accepted
4 method propounded by the Centers for Medicare and Medicaid
5 Services and used to determine the payment system for ground
6 ambulance services providers and suppliers under Title XVIII of
7 the Social Security Act. These principles are outlined in the
8 United States Code, the Code of Federal Regulations, and the
9 CMS Online Manual System, including, but not limited to, the
10 Medicare Benefit Policy Manual and the Medicare Claims
11 Processing Manual, and include the statutes, regulations,
12 policies, procedures, definitions, guidelines, and coding
13 systems, including the Health Care Common Procedure Coding
14 System (HCPCS) and ambulance condition coding system, as well
15 as other resources which have been or will be developed and
16 recognized by the Centers for Medicare and Medicaid Services.

17 "Rural county" means: any county not located in a U.S.
18 Bureau of the Census Metropolitan Statistical Area (MSA); or
19 any county located within a U.S. Bureau of the Census
20 Metropolitan Statistical Area but having a population of 60,000
21 or less.

22 (b) It is the intent of the General Assembly to provide for
23 the payment for ground ambulance services as part of the State
24 Medicaid plan and to provide adequate payment for ground
25 ambulance services under the State Medicaid plan so as to
26 ensure adequate access to ground ambulance services for both

1 recipients of aid under this Article and for the general
2 population of Illinois. Unless otherwise indicated in this
3 Section, the practices of the Department concerning payments
4 for ground ambulance services provided to recipients of aid
5 under this Article shall be consistent with the payment
6 principles of Medicare.

7 (c) For ground ambulance services provided to a recipient
8 of aid under this Article on or after January 1, 2014, the
9 Department shall provide payment to ground ambulance services
10 providers for base charges and mileage charges based upon the
11 lesser of the provider's charge, as reflected on the provider's
12 claim form, or the Illinois Medicaid Ambulance Fee Schedule
13 payment rates calculated in accordance with this Section.

14 Effective January 1, 2014, the Illinois Medicaid Ambulance
15 Fee Schedule shall be established and shall include only the
16 ground ambulance services payment rates outlined in the
17 Medicare Ambulance Fee Schedule as promulgated by the Centers
18 for Medicare and Medicaid Services in effect as of July 1, 2013
19 and adjusted for the 4 Medicare Localities in Illinois, with an
20 adjustment of 80% of the Medicare Ambulance Fee Schedule
21 payment rates, by Medicare Locality, for both base rates and
22 mileage for all counties. The transition from the current
23 payment system to the Illinois Medicaid Ambulance Fee Schedule
24 shall be as follows: Effective for dates of service on or after
25 January 1, 2014, for each individual base rate and mileage
26 rate, the payment rate for ground ambulance services shall be

1 based on the Illinois Medicaid Ambulance Fee Schedule amount in
2 effect on January 1, 2014 for the designated Medicare Locality,
3 except that any payment rate that was previously approved by
4 the Department that exceeds this amount shall remain in force.

5 Notwithstanding the payment principles in subsection (b)
6 of this Section, the Department shall develop the Illinois
7 Medicaid Ambulance Fee Schedule using the ground mileage
8 payment rate, as defined by the Centers for Medicare and
9 Medicaid Services. For ground ambulance services provided
10 where the point of pickup is in a rural county, the Department
11 shall pay an amount equal to one and one-half times the ground
12 mileage rate for the first 17 miles of such a transport and the
13 ground mileage rate for the remaining miles of the transport.

14 (d) Payment for mileage shall be per loaded mile with no
15 loaded mileage included in the base rate. If a natural
16 disaster, weather, road repairs, traffic congestion, or other
17 conditions necessitate a route other than the most direct
18 route, payment shall be based upon the actual distance
19 traveled. When a ground ambulance services provider provides
20 transport pursuant to an emergency call as defined by the
21 Centers for Medicare and Medicaid Services, no reduction in the
22 mileage payment shall be made based upon the fact that a closer
23 facility may have been available, so long as the ground
24 ambulance services provider provided transport to the
25 recipient's facility of choice or other appropriate facility
26 described within the scope of the Illinois Emergency Medical

1 Services (EMS) Systems Act and associated rules or the policies
2 and procedures of the EMS System of which the provider is a
3 member.

4 (d-5) The Department shall provide payment for emergency
5 ground ambulance services provided to a recipient of aid under
6 this Article according to the requirements provided in
7 subsection (b) of this Section when those services are provided
8 pursuant to a request made through a 9-1-1 or equivalent
9 emergency telephone number for evaluation, treatment, and
10 transport from or on behalf of an individual with a condition
11 of such a nature that a prudent layperson would have reasonably
12 expected that a delay in seeking immediate medical attention
13 would have been hazardous to life or health. This standard is
14 deemed to be met if there is an emergency medical condition
15 manifesting itself by acute symptoms of sufficient severity,
16 including but not limited to severe pain, such that a prudent
17 layperson who possesses an average knowledge of medicine and
18 health can reasonably expect that the absence of immediate
19 medical attention could result in placing the health of the
20 individual or, with respect to a pregnant woman, the health of
21 the woman or her unborn child, in serious jeopardy, cause
22 serious impairment to bodily functions, or cause serious
23 dysfunction of any bodily organ or part.

24 (e) For ground ambulance services provided to a recipient
25 enrolled in a Medicaid managed care plan by a ground ambulance
26 services provider that is not a contracted provider to the

1 Medicaid managed care plan in question, the amount of the
2 payment for ground ambulance services by the Medicaid managed
3 care plan shall be the lesser of the provider's charge, as
4 reflected on the provider's claim form, or the Illinois
5 Medicaid Ambulance Fee Schedule payment rates calculated in
6 accordance with this Section.

7 (f) Nothing in this Section prohibits the Department from
8 setting payment rates for out-of-State ground ambulance
9 services providers by administrative rule.

10 (f-1) Nothing in this Section prohibits the Department from
11 setting payment rates for ground ambulance services providers
12 by administrative rule pending the availability of
13 appropriations dedicated to rate increases provided under
14 subsection (c).

15 (f-2) All payments under subsection (c) of this Section are
16 subject to the availability of appropriations for those
17 purposes.

18 ~~(a) For ambulance services provided to a recipient of aid~~
19 ~~under this Article on or after January 1, 1993, the Illinois~~
20 ~~Department shall reimburse ambulance service providers at~~
21 ~~rates calculated in accordance with this Section. It is the~~
22 ~~intent of the General Assembly to provide adequate~~
23 ~~reimbursement for ambulance services so as to ensure adequate~~
24 ~~access to services for recipients of aid under this Article and~~
25 ~~to provide appropriate incentives to ambulance service~~
26 ~~providers to provide services in an efficient and~~

1 ~~most effective manner. Thus, it is the intent of the General~~
2 ~~Assembly that the Illinois Department implement a~~
3 ~~reimbursement system for ambulance services that, to the extent~~
4 ~~practicable and subject to the availability of funds~~
5 ~~appropriated by the General Assembly for this purpose, is~~
6 ~~consistent with the payment principles of Medicare. To ensure~~
7 ~~uniformity between the payment principles of Medicare and~~
8 ~~Medicaid, the Illinois Department shall follow, to the extent~~
9 ~~necessary and practicable and subject to the availability of~~
10 ~~funds appropriated by the General Assembly for this purpose,~~
11 ~~the statutes, laws, regulations, policies, procedures,~~
12 ~~principles, definitions, guidelines, and manuals used to~~
13 ~~determine the amounts paid to ambulance service providers under~~
14 ~~Title XVIII of the Social Security Act (Medicare).~~

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

22 ~~(c) For purposes of this Section, "ambulance services"~~
23 ~~includes medical transportation services provided by means of~~
24 ~~an ambulance, medi car, service car, or taxi.~~

25 ~~(c-1) For purposes of this Section, "ground ambulance~~
26 ~~service" means medical transportation services that are~~

1 ~~described as ground ambulance services by the Centers for~~
2 ~~Medicare and Medicaid Services and provided in a vehicle that~~
3 ~~is licensed as an ambulance by the Illinois Department of~~
4 ~~Public Health pursuant to the Emergency Medical Services (EMS)~~
5 ~~Systems Act.~~

6 ~~(c 2) For purposes of this Section, "ground ambulance~~
7 ~~service provider" means a vehicle service provider as described~~
8 ~~in the Emergency Medical Services (EMS) Systems Act that~~
9 ~~operates licensed ambulances for the purpose of providing~~
10 ~~emergency ambulance services, or non emergency ambulance~~
11 ~~services, or both. For purposes of this Section, this includes~~
12 ~~both ambulance providers and ambulance suppliers as described~~
13 ~~by the Centers for Medicare and Medicaid Services.~~

14 ~~(d) This Section does not prohibit separate billing by~~
15 ~~ambulance service providers for oxygen furnished while~~
16 ~~providing advanced life support services.~~

17 (f-3) ~~(e)~~ Beginning with services rendered on or after July
18 1, 2008, all providers of non-emergency medi-car and service
19 car transportation must certify that the driver and employee
20 attendant, as applicable, have completed a safety program
21 approved by the Department to protect both the patient and the
22 driver, prior to transporting a patient. The provider must
23 maintain this certification in its records. The provider shall
24 produce such documentation upon demand by the Department or its
25 representative. Failure to produce documentation of such
26 training shall result in recovery of any payments made by the

1 Department for services rendered by a non-certified driver or
2 employee attendant. Medi-car and service car providers must
3 maintain legible documentation in their records of the driver
4 and, as applicable, employee attendant that actually
5 transported the patient. Providers must recertify all drivers
6 and employee attendants every 3 years.

7 Notwithstanding the requirements above, any public
8 transportation provider of medi-car and service car
9 transportation that receives federal funding under 49 U.S.C.
10 5307 and 5311 need not certify its drivers and employee
11 attendants under this Section, since safety training is already
12 federally mandated.

13 (f-4) ~~(f)~~ With respect to any policy or program
14 administered by the Department or its agent regarding approval
15 of non-emergency medical transportation by ground ambulance
16 service providers, including, but not limited to, the
17 Non-Emergency Transportation Services Prior Approval Program
18 (NETSPAP), the Department shall establish by rule a process by
19 which ground ambulance service providers of non-emergency
20 medical transportation may appeal any decision by the
21 Department or its agent for which no denial was received prior
22 to the time of transport that either (i) denies a request for
23 approval for payment of non-emergency transportation by means
24 of ground ambulance service or (ii) grants a request for
25 approval of non-emergency transportation by means of ground
26 ambulance service at a level of service that entitles the

1 ground ambulance service provider to a lower level of
2 compensation from the Department than the ground ambulance
3 service provider would have received as compensation for the
4 level of service requested. The rule shall be filed by December
5 15, 2012 and shall provide that, for any decision rendered by
6 the Department or its agent on or after the date the rule takes
7 effect, the ground ambulance service provider shall have 60
8 days from the date the decision is received to file an appeal.
9 The rule established by the Department shall be, insofar as is
10 practical, consistent with the Illinois Administrative
11 Procedure Act. The Director's decision on an appeal under this
12 Section shall be a final administrative decision subject to
13 review under the Administrative Review Law.

14 (f-5) ~~(g)~~ Beginning 90 days after July 20, 2012 (the
15 effective date of Public Act 97-842) ~~this amendatory Act of the~~
16 ~~97th General Assembly~~, (i) no denial of a request for approval
17 for payment of non-emergency transportation by means of ground
18 ambulance service, and (ii) no approval of non-emergency
19 transportation by means of ground ambulance service at a level
20 of service that entitles the ground ambulance service provider
21 to a lower level of compensation from the Department than would
22 have been received at the level of service submitted by the
23 ground ambulance service provider, may be issued by the
24 Department or its agent unless the Department has submitted the
25 criteria for determining the appropriateness of the transport
26 for first notice publication in the Illinois Register pursuant

1 to Section 5-40 of the Illinois Administrative Procedure Act.

2 (g) Whenever a patient covered by a medical assistance
3 program under this Code or by another medical program
4 administered by the Department is being discharged from a
5 facility, a physician discharge order as described in this
6 Section shall be required for each patient whose discharge
7 requires medically supervised ground ambulance services.
8 Facilities shall develop procedures for a physician with
9 medical staff privileges to provide a written and signed
10 physician discharge order. The physician discharge order shall
11 specify the level of ground ambulance services needed and
12 complete a medical certification establishing the criteria for
13 approval of non-emergency ambulance transportation, as
14 published by the Department of Healthcare and Family Services,
15 that is met by the patient. This order and the medical
16 certification shall be completed prior to ordering an ambulance
17 service and prior to patient discharge.

18 Pursuant to subsection (E) of Section 12-4.25 of this Code,
19 the Department is entitled to recover overpayments paid to a
20 provider or vendor, including, but not limited to, from the
21 discharging physician, the discharging facility, and the
22 ground ambulance service provider, in instances where a
23 non-emergency ground ambulance service is rendered as the
24 result of improper or false certification.

25 (h) On and after July 1, 2012, the Department shall reduce
26 any rate of reimbursement for services or other payments or

1 alter any methodologies authorized by this Code to reduce any
2 rate of reimbursement for services or other payments in
3 accordance with Section 5-5e.

4 (Source: P.A. 97-584, eff. 8-26-11; 97-689, eff. 6-14-12;
5 97-842, eff. 7-20-12; revised 8-3-12.)

6 (305 ILCS 5/5-5) (from Ch. 23, par. 5-5)

7 Sec. 5-5. Medical services. The Illinois Department, by
8 rule, shall determine the quantity and quality of and the rate
9 of reimbursement for the medical assistance for which payment
10 will be authorized, and the medical services to be provided,
11 which may include all or part of the following: (1) inpatient
12 hospital services; (2) outpatient hospital services; (3) other
13 laboratory and X-ray services; (4) skilled nursing home
14 services; (5) physicians' services whether furnished in the
15 office, the patient's home, a hospital, a skilled nursing home,
16 or elsewhere; (6) medical care, or any other type of remedial
17 care furnished by licensed practitioners; (7) home health care
18 services; (8) private duty nursing service; (9) clinic
19 services; (10) dental services, including prevention and
20 treatment of periodontal disease and dental caries disease for
21 pregnant women, provided by an individual licensed to practice
22 dentistry or dental surgery; for purposes of this item (10),
23 "dental services" means diagnostic, preventive, or corrective
24 procedures provided by or under the supervision of a dentist in
25 the practice of his or her profession; (11) physical therapy

1 and related services; (12) prescribed drugs, dentures, and
2 prosthetic devices; and eyeglasses prescribed by a physician
3 skilled in the diseases of the eye, or by an optometrist,
4 whichever the person may select; (13) other diagnostic,
5 screening, preventive, and rehabilitative services, including
6 to ensure that the individual's need for intervention or
7 treatment of mental disorders or substance use disorders or
8 co-occurring mental health and substance use disorders is
9 determined using a uniform screening, assessment, and
10 evaluation process inclusive of criteria, for children and
11 adults; for purposes of this item (13), a uniform screening,
12 assessment, and evaluation process refers to a process that
13 includes an appropriate evaluation and, as warranted, a
14 referral; "uniform" does not mean the use of a singular
15 instrument, tool, or process that all must utilize; (14)
16 transportation and such other expenses as may be necessary,
17 provided that payment for ground ambulance services shall be as
18 provided in Section 5-4.2; (15) medical treatment of sexual
19 assault survivors, as defined in Section 1a of the Sexual
20 Assault Survivors Emergency Treatment Act, for injuries
21 sustained as a result of the sexual assault, including
22 examinations and laboratory tests to discover evidence which
23 may be used in criminal proceedings arising from the sexual
24 assault; (16) the diagnosis and treatment of sickle cell
25 anemia; and (17) any other medical care, and any other type of
26 remedial care recognized under the laws of this State, but not

1 including abortions, or induced miscarriages or premature
2 births, unless, in the opinion of a physician, such procedures
3 are necessary for the preservation of the life of the woman
4 seeking such treatment, or except an induced premature birth
5 intended to produce a live viable child and such procedure is
6 necessary for the health of the mother or her unborn child. The
7 Illinois Department, by rule, shall prohibit any physician from
8 providing medical assistance to anyone eligible therefor under
9 this Code where such physician has been found guilty of
10 performing an abortion procedure in a wilful and wanton manner
11 upon a woman who was not pregnant at the time such abortion
12 procedure was performed. The term "any other type of remedial
13 care" shall include nursing care and nursing home service for
14 persons who rely on treatment by spiritual means alone through
15 prayer for healing.

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

23 Notwithstanding any other provision of this Code, the
24 Illinois Department may not require, as a condition of payment
25 for any laboratory test authorized under this Article, that a
26 physician's handwritten signature appear on the laboratory

1 test order form. The Illinois Department may, however, impose
2 other appropriate requirements regarding laboratory test order
3 documentation.

4 On and after July 1, 2012, the Department of Healthcare and
5 Family Services may provide the following services to persons
6 eligible for assistance under this Article who are
7 participating in education, training or employment programs
8 operated by the Department of Human Services as successor to
9 the Department of Public Aid:

10 (1) dental services provided by or under the
11 supervision of a dentist; and

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

15 Notwithstanding any other provision of this Code and
16 subject to federal approval, the Department may adopt rules to
17 allow a dentist who is volunteering his or her service at no
18 cost to render dental services through an enrolled
19 not-for-profit health clinic without the dentist personally
20 enrolling as a participating provider in the medical assistance
21 program. A not-for-profit health clinic shall include a public
22 health clinic or Federally Qualified Health Center or other
23 enrolled provider, as determined by the Department, through
24 which dental services covered under this Section are performed.
25 The Department shall establish a process for payment of claims
26 for reimbursement for covered dental services rendered under

1 this provision.

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

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

12 The Illinois Department shall authorize the provision of,
13 and shall authorize payment for, screening by low-dose
14 mammography for the presence of occult breast cancer for women
15 35 years of age or older who are eligible for medical
16 assistance under this Article, as follows:

17 (A) A baseline mammogram for women 35 to 39 years of
18 age.

19 (B) An annual mammogram for women 40 years of age or
20 older.

21 (C) A mammogram at the age and intervals considered
22 medically necessary by the woman's health care provider for
23 women under 40 years of age and having a family history of
24 breast cancer, prior personal history of breast cancer,
25 positive genetic testing, or other risk factors.

26 (D) A comprehensive ultrasound screening of an entire

1 breast or breasts if a mammogram demonstrates
2 heterogeneous or dense breast tissue, when medically
3 necessary as determined by a physician licensed to practice
4 medicine in all of its branches.

5 All screenings shall include a physical breast exam,
6 instruction on self-examination and information regarding the
7 frequency of self-examination and its value as a preventative
8 tool. For purposes of this Section, "low-dose mammography"
9 means the x-ray examination of the breast using equipment
10 dedicated specifically for mammography, including the x-ray
11 tube, filter, compression device, and image receptor, with an
12 average radiation exposure delivery of less than one rad per
13 breast for 2 views of an average size breast. The term also
14 includes digital mammography.

15 On and after January 1, 2012, providers participating in a
16 quality improvement program approved by the Department shall be
17 reimbursed for screening and diagnostic mammography at the same
18 rate as the Medicare program's rates, including the increased
19 reimbursement for digital mammography.

20 The Department shall convene an expert panel including
21 representatives of hospitals, free-standing mammography
22 facilities, and doctors, including radiologists, to establish
23 quality standards.

24 Subject to federal approval, the Department shall
25 establish a rate methodology for mammography at federally
26 qualified health centers and other encounter-rate clinics.

1 These clinics or centers may also collaborate with other
2 hospital-based mammography facilities.

3 The Department shall establish a methodology to remind
4 women who are age-appropriate for screening mammography, but
5 who have not received a mammogram within the previous 18
6 months, of the importance and benefit of screening mammography.

7 The Department shall establish a performance goal for
8 primary care providers with respect to their female patients
9 over age 40 receiving an annual mammogram. This performance
10 goal shall be used to provide additional reimbursement in the
11 form of a quality performance bonus to primary care providers
12 who meet that goal.

13 The Department shall devise a means of case-managing or
14 patient navigation for beneficiaries diagnosed with breast
15 cancer. This program shall initially operate as a pilot program
16 in areas of the State with the highest incidence of mortality
17 related to breast cancer. At least one pilot program site shall
18 be in the metropolitan Chicago area and at least one site shall
19 be outside the metropolitan Chicago area. An evaluation of the
20 pilot program shall be carried out measuring health outcomes
21 and cost of care for those served by the pilot program compared
22 to similarly situated patients who are not served by the pilot
23 program.

24 Any medical or health care provider shall immediately
25 recommend, to any pregnant woman who is being provided prenatal
26 services and is suspected of drug abuse or is addicted as

1 defined in the Alcoholism and Other Drug Abuse and Dependency
2 Act, referral to a local substance abuse treatment provider
3 licensed by the Department of Human Services or to a licensed
4 hospital which provides substance abuse treatment services.
5 The Department of Healthcare and Family Services shall assure
6 coverage for the cost of treatment of the drug abuse or
7 addiction for pregnant recipients in accordance with the
8 Illinois Medicaid Program in conjunction with the Department of
9 Human Services.

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

18 The Illinois Department, in cooperation with the
19 Departments of Human Services (as successor to the Department
20 of Alcoholism and Substance Abuse) and Public Health, through a
21 public awareness campaign, may provide information concerning
22 treatment for alcoholism and drug abuse and addiction, prenatal
23 health care, and other pertinent programs directed at reducing
24 the number of drug-affected infants born to recipients of
25 medical assistance.

26 Neither the Department of Healthcare and Family Services

1 nor the Department of Human Services shall sanction the
2 recipient solely on the basis of her substance abuse.

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

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

21 The sponsor must negotiate formal written contracts with
22 medical providers for physician services, inpatient and
23 outpatient hospital care, home health services, treatment for
24 alcoholism and substance abuse, and other services determined
25 necessary by the Illinois Department by rule for delivery by
26 Partnerships. Physician services must include prenatal and

1 obstetrical care. The Illinois Department shall reimburse
2 medical services delivered by Partnership providers to clients
3 in target areas according to provisions of this Article and the
4 Illinois Health Finance Reform Act, except that:

5 (1) Physicians participating in a Partnership and
6 providing certain services, which shall be determined by
7 the Illinois Department, to persons in areas covered by the
8 Partnership may receive an additional surcharge for such
9 services.

10 (2) The Department may elect to consider and negotiate
11 financial incentives to encourage the development of
12 Partnerships and the efficient delivery of medical care.

13 (3) Persons receiving medical services through
14 Partnerships may receive medical and case management
15 services above the level usually offered through the
16 medical assistance program.

17 Medical providers shall be required to meet certain
18 qualifications to participate in Partnerships to ensure the
19 delivery of high quality medical services. These
20 qualifications shall be determined by rule of the Illinois
21 Department and may be higher than qualifications for
22 participation in the medical assistance program. Partnership
23 sponsors may prescribe reasonable additional qualifications
24 for participation by medical providers, only with the prior
25 written approval of the Illinois Department.

26 Nothing in this Section shall limit the free choice of

1 practitioners, hospitals, and other providers of medical
2 services by clients. In order to ensure patient freedom of
3 choice, the Illinois Department shall immediately promulgate
4 all rules and take all other necessary actions so that provided
5 services may be accessed from therapeutically certified
6 optometrists to the full extent of the Illinois Optometric
7 Practice Act of 1987 without discriminating between service
8 providers.

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

12 The Illinois Department shall require health care
13 providers to maintain records that document the medical care
14 and services provided to recipients of Medical Assistance under
15 this Article. Such records must be retained for a period of not
16 less than 6 years from the date of service or as provided by
17 applicable State law, whichever period is longer, except that
18 if an audit is initiated within the required retention period
19 then the records must be retained until the audit is completed
20 and every exception is resolved. The Illinois Department shall
21 require health care providers to make available, when
22 authorized by the patient, in writing, the medical records in a
23 timely fashion to other health care providers who are treating
24 or serving persons eligible for Medical Assistance under this
25 Article. All dispensers of medical services shall be required
26 to maintain and retain business and professional records

1 sufficient to fully and accurately document the nature, scope,
2 details and receipt of the health care provided to persons
3 eligible for medical assistance under this Code, in accordance
4 with regulations promulgated by the Illinois Department. The
5 rules and regulations shall require that proof of the receipt
6 of prescription drugs, dentures, prosthetic devices and
7 eyeglasses by eligible persons under this Section accompany
8 each claim for reimbursement submitted by the dispenser of such
9 medical services. No such claims for reimbursement shall be
10 approved for payment by the Illinois Department without such
11 proof of receipt, unless the Illinois Department shall have put
12 into effect and shall be operating a system of post-payment
13 audit and review which shall, on a sampling basis, be deemed
14 adequate by the Illinois Department to assure that such drugs,
15 dentures, prosthetic devices and eyeglasses for which payment
16 is being made are actually being received by eligible
17 recipients. Within 90 days after the effective date of this
18 amendatory Act of 1984, the Illinois Department shall establish
19 a current list of acquisition costs for all prosthetic devices
20 and any other items recognized as medical equipment and
21 supplies reimbursable under this Article and shall update such
22 list on a quarterly basis, except that the acquisition costs of
23 all prescription drugs shall be updated no less frequently than
24 every 30 days as required by Section 5-5.12.

25 The rules and regulations of the Illinois Department shall
26 require that a written statement including the required opinion

1 of a physician shall accompany any claim for reimbursement for
2 abortions, or induced miscarriages or premature births. This
3 statement shall indicate what procedures were used in providing
4 such medical services.

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

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

22 Enrollment of a vendor shall be subject to a provisional
23 period and shall be conditional for one year. During the period
24 of conditional enrollment, the Department may terminate the
25 vendor's eligibility to participate in, or may disenroll the
26 vendor from, the medical assistance program without cause.

1 Unless otherwise specified, such termination of eligibility or
2 disenrollment is not subject to the Department's hearing
3 process. However, a disenrolled vendor may reapply without
4 penalty.

5 The Department has the discretion to limit the conditional
6 enrollment period for vendors based upon category of risk of
7 the vendor.

8 Prior to enrollment and during the conditional enrollment
9 period in the medical assistance program, all vendors shall be
10 subject to enhanced oversight, screening, and review based on
11 the risk of fraud, waste, and abuse that is posed by the
12 category of risk of the vendor. The Illinois Department shall
13 establish the procedures for oversight, screening, and review,
14 which may include, but need not be limited to: criminal and
15 financial background checks; fingerprinting; license,
16 certification, and authorization verifications; unscheduled or
17 unannounced site visits; database checks; prepayment audit
18 reviews; audits; payment caps; payment suspensions; and other
19 screening as required by federal or State law.

20 The Department shall define or specify the following: (i)
21 by provider notice, the "category of risk of the vendor" for
22 each type of vendor, which shall take into account the level of
23 screening applicable to a particular category of vendor under
24 federal law and regulations; (ii) by rule or provider notice,
25 the maximum length of the conditional enrollment period for
26 each category of risk of the vendor; and (iii) by rule, the

1 hearing rights, if any, afforded to a vendor in each category
2 of risk of the vendor that is terminated or disenrolled during
3 the conditional enrollment period.

4 To be eligible for payment consideration, a vendor's
5 payment claim or bill, either as an initial claim or as a
6 resubmitted claim following prior rejection, must be received
7 by the Illinois Department, or its fiscal intermediary, no
8 later than 180 days after the latest date on the claim on which
9 medical goods or services were provided, with the following
10 exceptions:

11 (1) In the case of a provider whose enrollment is in
12 process by the Illinois Department, the 180-day period
13 shall not begin until the date on the written notice from
14 the Illinois Department that the provider enrollment is
15 complete.

16 (2) In the case of errors attributable to the Illinois
17 Department or any of its claims processing intermediaries
18 which result in an inability to receive, process, or
19 adjudicate a claim, the 180-day period shall not begin
20 until the provider has been notified of the error.

21 (3) In the case of a provider for whom the Illinois
22 Department initiates the monthly billing process.

23 For claims for services rendered during a period for which
24 a recipient received retroactive eligibility, claims must be
25 filed within 180 days after the Department determines the
26 applicant is eligible. For claims for which the Illinois

1 Department is not the primary payer, claims must be submitted
2 to the Illinois Department within 180 days after the final
3 adjudication by the primary payer.

4 In the case of long term care facilities, admission
5 documents shall be submitted within 30 days of an admission to
6 the facility through the Medical Electronic Data Interchange
7 (MEDI) or the Recipient Eligibility Verification (REV) System,
8 or shall be submitted directly to the Department of Human
9 Services using required admission forms. Confirmation numbers
10 assigned to an accepted transaction shall be retained by a
11 facility to verify timely submittal. Once an admission
12 transaction has been completed, all resubmitted claims
13 following prior rejection are subject to receipt no later than
14 180 days after the admission transaction has been completed.

15 Claims that are not submitted and received in compliance
16 with the foregoing requirements shall not be eligible for
17 payment under the medical assistance program, and the State
18 shall have no liability for payment of those claims.

19 To the extent consistent with applicable information and
20 privacy, security, and disclosure laws, State and federal
21 agencies and departments shall provide the Illinois Department
22 access to confidential and other information and data necessary
23 to perform eligibility and payment verifications and other
24 Illinois Department functions. This includes, but is not
25 limited to: information pertaining to licensure;
26 certification; earnings; immigration status; citizenship; wage

1 reporting; unearned and earned income; pension income;
2 employment; supplemental security income; social security
3 numbers; National Provider Identifier (NPI) numbers; the
4 National Practitioner Data Bank (NPDB); program and agency
5 exclusions; taxpayer identification numbers; tax delinquency;
6 corporate information; and death records.

7 The Illinois Department shall enter into agreements with
8 State agencies and departments, and is authorized to enter into
9 agreements with federal agencies and departments, under which
10 such agencies and departments shall share data necessary for
11 medical assistance program integrity functions and oversight.
12 The Illinois Department shall develop, in cooperation with
13 other State departments and agencies, and in compliance with
14 applicable federal laws and regulations, appropriate and
15 effective methods to share such data. At a minimum, and to the
16 extent necessary to provide data sharing, the Illinois
17 Department shall enter into agreements with State agencies and
18 departments, and is authorized to enter into agreements with
19 federal agencies and departments, including but not limited to:
20 the Secretary of State; the Department of Revenue; the
21 Department of Public Health; the Department of Human Services;
22 and the Department of Financial and Professional Regulation.

23 Beginning in fiscal year 2013, the Illinois Department
24 shall set forth a request for information to identify the
25 benefits of a pre-payment, post-adjudication, and post-edit
26 claims system with the goals of streamlining claims processing

1 and provider reimbursement, reducing the number of pending or
2 rejected claims, and helping to ensure a more transparent
3 adjudication process through the utilization of: (i) provider
4 data verification and provider screening technology; and (ii)
5 clinical code editing; and (iii) pre-pay, pre- or
6 post-adjudicated predictive modeling with an integrated case
7 management system with link analysis. Such a request for
8 information shall not be considered as a request for proposal
9 or as an obligation on the part of the Illinois Department to
10 take any action or acquire any products or services.

11 The Illinois Department shall establish policies,
12 procedures, standards and criteria by rule for the acquisition,
13 repair and replacement of orthotic and prosthetic devices and
14 durable medical equipment. Such rules shall provide, but not be
15 limited to, the following services: (1) immediate repair or
16 replacement of such devices by recipients; and (2) rental,
17 lease, purchase or lease-purchase of durable medical equipment
18 in a cost-effective manner, taking into consideration the
19 recipient's medical prognosis, the extent of the recipient's
20 needs, and the requirements and costs for maintaining such
21 equipment. Subject to prior approval, such rules shall enable a
22 recipient to temporarily acquire and use alternative or
23 substitute devices or equipment pending repairs or
24 replacements of any device or equipment previously authorized
25 for such recipient by the Department.

26 The Department shall execute, relative to the nursing home

1 prescreening project, written inter-agency agreements with the
2 Department of Human Services and the Department on Aging, to
3 effect the following: (i) intake procedures and common
4 eligibility criteria for those persons who are receiving
5 non-institutional services; and (ii) the establishment and
6 development of non-institutional services in areas of the State
7 where they are not currently available or are undeveloped; and
8 (iii) notwithstanding any other provision of law, subject to
9 federal approval, on and after July 1, 2012, an increase in the
10 determination of need (DON) scores from 29 to 37 for applicants
11 for institutional and home and community-based long term care;
12 if and only if federal approval is not granted, the Department
13 may, in conjunction with other affected agencies, implement
14 utilization controls or changes in benefit packages to
15 effectuate a similar savings amount for this population; and
16 (iv) no later than July 1, 2013, minimum level of care
17 eligibility criteria for institutional and home and
18 community-based long term care. In order to select the minimum
19 level of care eligibility criteria, the Governor shall
20 establish a workgroup that includes affected agency
21 representatives and stakeholders representing the
22 institutional and home and community-based long term care
23 interests. This Section shall not restrict the Department from
24 implementing lower level of care eligibility criteria for
25 community-based services in circumstances where federal
26 approval has been granted.

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

8 The Illinois Department shall report annually to the
9 General Assembly, no later than the second Friday in April of
10 1979 and each year thereafter, in regard to:

11 (a) actual statistics and trends in utilization of
12 medical services by public aid recipients;

13 (b) actual statistics and trends in the provision of
14 the various medical services by medical vendors;

15 (c) current rate structures and proposed changes in
16 those rate structures for the various medical vendors; and

17 (d) efforts at utilization review and control by the
18 Illinois Department.

19 The period covered by each report shall be the 3 years
20 ending on the June 30 prior to the report. The report shall
21 include suggested legislation for consideration by the General
22 Assembly. The filing of one copy of the report with the
23 Speaker, one copy with the Minority Leader and one copy with
24 the Clerk of the House of Representatives, one copy with the
25 President, one copy with the Minority Leader and one copy with
26 the Secretary of the Senate, one copy with the Legislative

1 Research Unit, and such additional copies with the State
2 Government Report Distribution Center for the General Assembly
3 as is required under paragraph (t) of Section 7 of the State
4 Library Act shall be deemed sufficient to comply with this
5 Section.

6 Rulemaking authority to implement Public Act 95-1045, if
7 any, is conditioned on the rules being adopted in accordance
8 with all provisions of the Illinois Administrative Procedure
9 Act and all rules and procedures of the Joint Committee on
10 Administrative Rules; any purported rule not so adopted, for
11 whatever reason, is unauthorized.

12 On and after July 1, 2012, the Department shall reduce any
13 rate of reimbursement for services or other payments or alter
14 any methodologies authorized by this Code to reduce any rate of
15 reimbursement for services or other payments in accordance with
16 Section 5-5e.

17 (Source: P.A. 96-156, eff. 1-1-10; 96-806, eff. 7-1-10; 96-926,
18 eff. 1-1-11; 96-1000, eff. 7-2-10; 97-48, eff. 6-28-11; 97-638,
19 eff. 1-1-12; 97-689, eff. 6-14-12; 97-1061, eff. 8-24-12;
20 revised 9-20-12.)

21 Section 99. Effective date. This Act takes effect July 1,
22 2013.