**Section 140.24 Payment Procedures**

a) Payment of valid claims will be made by a State warrant (check) issued through the Office of the State Comptroller.

b) All providers of medical services must designate a payee when enrolling in the Department's Medical Assistance Program.

1) Providers enrolled as business entities are limited to one payee. A business entity is defined as any firm, corporation, partnership, agency, institution or other legal organization organized for the purpose of providing medically related professional services. A provider enrolled as a business entity may designate the corporate or partnership name as the payee. The mailing address for the payee must be the provider's service address, the designated address of the provider's corporate or partnership office, or a designated address that will accept and forward the remittance advice to the business entity.

2) Providers enrolled as individual practitioners are allowed to have more than one payee. An individual practitioner is defined as an individual person licensed by an authorized State agency to provide medical services. Payment may be mailed to an individual practitioner at one of the following addresses that will accept and forward the remittance advice to the individual practitioner:

A) The provider's service address; or

B) The provider's residence; or

C) The provider's designated address; or

D) The address of the provider's designated alternate payee pursuant to subsection (d) of this Section; or

E) The address of the entity specified according to an arrangement under Section 140.27(c) or (d).

3) A long term care facility and its corporate or partnership owner may request the facility's warrant be sent directly to the business office address of the corporate or partnership owner. After approval is given, the warrant will be issued in the name of the facility or corporate name doing business under the facility name, but sent to the business office address of the corporate or partnership owner rather than the facility.

c) Individual practitioners may request the Department to designate an alternate payee for the practitioner. The Department may permit a request if the Department determines that the designation is consistent with the provision of medical services to eligible recipients. The alternate payee must meet the registration conditions for, and be registered as an alternate payee pursuant to, 89 Ill. Adm. Code 140.1001. Additionally, the individual practitioner must meet the following conditions:

1) The individual practitioner must have a contractual/salary arrangement with a hospital or a hospital affiliate, as defined by the Hospital Licensing Act [210 ILCS 85], that requires fees to be turned over to the hospital or hospital affiliate; or

2) The individual practitioner must have a contractual/salary arrangement with a professional school that requires fees to be turned over to the professional school. A professional school is defined as a college or university offering a degree to qualify individuals for licensure to perform medical services; or

3) The individual practitioner must have a contractual/salary arrangement with or be employed by a practitioner owned group practice that requires fees to be turned over to the practitioner owned group practice. The practitioner owned group practice must be owned by three or more full‑time licensed individual practitioners who are eligible to participate in the Medical Assistance Program; or

4) The individual practitioner must have a contractual/salary arrangement with a partnership that requires fees to be turned over to the partnership. The partnership must be solely-owned by two or more practitioners who are eligible to participate in the Medical Assistance Program; or

5) The individual practitioner must have a contractual/salary arrangement or be employed by a governmental entity that requires fees to be turned over to the governmental entity; or

6) The individual practitioner must have a contractual/salary arrangement with a community mental health agency that requires fees to be turned over to the community mental health agency. The community mental health agency must be certified by the Department of Human Services under 59 Ill. Adm. Code 132 and be enrolled as a provider in the Medical Assistance Program; or

7) The individual practitioner must have a contractual/salary arrangement or be employed by a Federally Qualified Health Center, Rural Health Center or Encounter Rate Clinic that requires fees to be turned over to the center or clinic. The center or clinic must be enrolled as a provider in the Medical Assistance Program; or

8) The individual practitioner must have a contractual/salary arrangement with a corporation registered with the Illinois Secretary of State's Office to do business in the State of Illinois that requires fees to be turned over to the corporation; or

9) The individual practitioner must have a contractual/salary arrangement as a condition of employment with an individual practitioner "employer" that requires fees to be turned over to the employer. The employer must be eligible to participate in the Medical Assistance Program. An individual practitioner may designate an employer who is a physician licensed under the Medical Practice Act of 1987 [225 ILCS 60] if the practitioner is an advanced practice nurse licensed under the Nurse Practice Act [225 ILCS 65].

d) The Department will not permit the designation of a payee or alternate payee that appoints, employs, or contracts with any person as an owner, officer, director, or individual with management or advisory responsibility who is terminated, suspended, or barred or has voluntarily withdrawn as a result of a settlement agreement, from any state or federal healthcare program.

e) If a practitioner designates an alternate payee, the practitioner and the alternate payee shall be jointly and severally liable to the Department for payments made to the alternate payee.

(Source: Amended at 38 Ill. Reg. 4330, effective January 29, 2014)