

# HB0705



## 100TH GENERAL ASSEMBLY

### State of Illinois

2017 and 2018

HB0705

Introduced 1/25/2017, by Rep. Patricia R. Bellock

#### SYNOPSIS AS INTRODUCED:

305 ILCS 5/12-13.1

Amends the Illinois Public Aid Code. Provides that notwithstanding any other provision of the Code to the contrary, the Department of Healthcare and Family Services' Inspector General shall report all suspected cases of provider fraud involving a vendor, a medical provider, or any other provider authorized to participate in the medical assistance program to the State's Attorney of the county where the alleged fraud occurred or, when appropriate, to the Office of the Attorney General or to the Offices of the several United States Attorneys in Illinois. Effective immediately.

LRB100 07068 KTG 17122 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 12-13.1 as follows:

6 (305 ILCS 5/12-13.1)

7 Sec. 12-13.1. Inspector General.

8 (a) The Governor shall appoint, and the Senate shall  
9 confirm, an Inspector General who shall function within the  
10 Illinois Department of Public Aid (now Healthcare and Family  
11 Services) and report to the Governor. The term of the Inspector  
12 General shall expire on the third Monday of January, 1997 and  
13 every 4 years thereafter.

14 (b) In order to prevent, detect, and eliminate fraud,  
15 waste, abuse, mismanagement, and misconduct, the Inspector  
16 General shall oversee the Department of Healthcare and Family  
17 Services' and the Department on Aging's integrity functions,  
18 which include, but are not limited to, the following:

19 (1) Investigation of misconduct by employees, vendors,  
20 contractors and medical providers, except for allegations  
21 of violations of the State Officials and Employees Ethics  
22 Act which shall be referred to the Office of the Governor's  
23 Executive Inspector General for investigation.

1           (2) Prepayment and post-payment audits of medical  
2 providers related to ensuring that appropriate payments  
3 are made for services rendered and to the prevention and  
4 recovery of overpayments.

5           (3) Monitoring of quality assurance programs  
6 administered by the Department of Healthcare and Family  
7 Services and the Community Care Program administered by the  
8 Department on Aging.

9           (4) Quality control measurements of the programs  
10 administered by the Department of Healthcare and Family  
11 Services and the Community Care Program administered by the  
12 Department on Aging.

13           (5) Investigations of fraud or intentional program  
14 violations committed by clients of the Department of  
15 Healthcare and Family Services and the Community Care  
16 Program administered by the Department on Aging.

17           (6) Actions initiated against contractors, vendors, or  
18 medical providers for any of the following reasons:

19               (A) Violations of the medical assistance program  
20 and the Community Care Program administered by the  
21 Department on Aging.

22               (B) Sanctions against providers brought in  
23 conjunction with the Department of Public Health or the  
24 Department of Human Services (as successor to the  
25 Department of Mental Health and Developmental  
26 Disabilities).

1           (C) Recoveries of assessments against hospitals  
2           and long-term care facilities.

3           (D) Sanctions mandated by the United States  
4           Department of Health and Human Services against  
5           medical providers.

6           (E) Violations of contracts related to any  
7           programs administered by the Department of Healthcare  
8           and Family Services and the Community Care Program  
9           administered by the Department on Aging.

10          (7) Representation of the Department of Healthcare and  
11          Family Services at hearings with the Illinois Department of  
12          Financial and Professional Regulation in actions taken  
13          against professional licenses held by persons who are in  
14          violation of orders for child support payments.

15          (b-5) At the request of the Secretary of Human Services,  
16          the Inspector General shall, in relation to any function  
17          performed by the Department of Human Services as successor to  
18          the Department of Public Aid, exercise one or more of the  
19          powers provided under this Section as if those powers related  
20          to the Department of Human Services; in such matters, the  
21          Inspector General shall report his or her findings to the  
22          Secretary of Human Services.

23          (c) Notwithstanding, and in addition to, any other  
24          provision of law, the Inspector General shall have access to  
25          all information, personnel and facilities of the Department of  
26          Healthcare and Family Services and the Department of Human

1 Services (as successor to the Department of Public Aid), their  
2 employees, vendors, contractors and medical providers and any  
3 federal, State or local governmental agency that are necessary  
4 to perform the duties of the Office as directly related to  
5 public assistance programs administered by those departments.  
6 No medical provider shall be compelled, however, to provide  
7 individual medical records of patients who are not clients of  
8 the programs administered by the Department of Healthcare and  
9 Family Services. State and local governmental agencies are  
10 authorized and directed to provide the requested information,  
11 assistance or cooperation.

12 For purposes of enhanced program integrity functions and  
13 oversight, and to the extent consistent with applicable  
14 information and privacy, security, and disclosure laws, State  
15 agencies and departments shall provide the Office of Inspector  
16 General access to confidential and other information and data,  
17 and the Inspector General is authorized to enter into  
18 agreements with appropriate federal agencies and departments  
19 to secure similar data. This includes, but is not limited to,  
20 information pertaining to: licensure; certification; earnings;  
21 immigration status; citizenship; wage reporting; unearned and  
22 earned income; pension income; employment; supplemental  
23 security income; social security numbers; National Provider  
24 Identifier (NPI) numbers; the National Practitioner Data Bank  
25 (NPDB); program and agency exclusions; taxpayer identification  
26 numbers; tax delinquency; corporate information; and death

1 records.

2       The Inspector General shall enter into agreements with  
3 State agencies and departments, and is authorized to enter into  
4 agreements with federal agencies and departments, under which  
5 such agencies and departments shall share data necessary for  
6 medical assistance program integrity functions and oversight.  
7 The Inspector General shall enter into agreements with State  
8 agencies and departments, and is authorized to enter into  
9 agreements with federal agencies and departments, under which  
10 such agencies shall share data necessary for recipient and  
11 vendor screening, review, and investigation, including but not  
12 limited to vendor payment and recipient eligibility  
13 verification. The Inspector General shall develop, in  
14 cooperation with other State and federal agencies and  
15 departments, and in compliance with applicable federal laws and  
16 regulations, appropriate and effective methods to share such  
17 data. The Inspector General shall enter into agreements with  
18 State agencies and departments, and is authorized to enter into  
19 agreements with federal agencies and departments, including,  
20 but not limited to: the Secretary of State; the Department of  
21 Revenue; the Department of Public Health; the Department of  
22 Human Services; and the Department of Financial and  
23 Professional Regulation.

24       The Inspector General shall have the authority to deny  
25 payment, prevent overpayments, and recover overpayments.

26       The Inspector General shall have the authority to deny or

1 suspend payment to, and deny, terminate, or suspend the  
2 eligibility of, any vendor who fails to grant the Inspector  
3 General timely access to full and complete records, including  
4 records of recipients under the medical assistance program for  
5 the most recent 6 years, in accordance with Section 140.28 of  
6 Title 89 of the Illinois Administrative Code, and other  
7 information for the purpose of audits, investigations, or other  
8 program integrity functions, after reasonable written request  
9 by the Inspector General.

10 (d) The Inspector General shall serve as the Department of  
11 Healthcare and Family Services' primary liaison with law  
12 enforcement, investigatory and prosecutorial agencies,  
13 including but not limited to the following:

14 (1) The Department of State Police.

15 (2) The Federal Bureau of Investigation and other  
16 federal law enforcement agencies.

17 (3) The various Inspectors General of federal agencies  
18 overseeing the programs administered by the Department of  
19 Healthcare and Family Services.

20 (4) The various Inspectors General of any other State  
21 agencies with responsibilities for portions of programs  
22 primarily administered by the Department of Healthcare and  
23 Family Services.

24 (5) The Offices of the several United States Attorneys  
25 in Illinois.

26 (6) The several State's Attorneys.

1           (7) The offices of the Centers for Medicare and  
2           Medicaid Services that administer the Medicare and  
3           Medicaid integrity programs.

4           The Inspector General shall meet on a regular basis with  
5           these entities to share information regarding possible  
6           misconduct by any persons or entities involved with the public  
7           aid programs administered by the Department of Healthcare and  
8           Family Services.

9           (e) All investigations conducted by the Inspector General  
10          shall be conducted in a manner that ensures the preservation of  
11          evidence for use in criminal prosecutions. If the Inspector  
12          General determines that a possible criminal act relating to  
13          fraud in the provision or administration of the medical  
14          assistance program has been committed, the Inspector General  
15          shall immediately notify the Medicaid Fraud Control Unit. If  
16          the Inspector General determines that a possible criminal act  
17          has been committed within the jurisdiction of the Office, the  
18          Inspector General may request the special expertise of the  
19          Department of State Police. The Inspector General may present  
20          for prosecution the findings of any criminal investigation to  
21          the Office of the Attorney General, the Offices of the several  
22          United States Attorneys in Illinois or the several State's  
23          Attorneys.

24          (f) To carry out his or her duties as described in this  
25          Section, the Inspector General and his or her designees shall  
26          have the power to compel by subpoena the attendance and



1 testimony of witnesses and the production of books, electronic  
2 records and papers as directly related to public assistance  
3 programs administered by the Department of Healthcare and  
4 Family Services or the Department of Human Services (as  
5 successor to the Department of Public Aid). No medical provider  
6 shall be compelled, however, to provide individual medical  
7 records of patients who are not clients of the Medical  
8 Assistance Program.

9 (g) The Inspector General shall report all convictions,  
10 terminations, and suspensions taken against vendors,  
11 contractors and medical providers to the Department of  
12 Healthcare and Family Services and to any agency responsible  
13 for licensing or regulating those persons or entities.

14 (h) The Inspector General shall make annual reports,  
15 findings, and recommendations regarding the Office's  
16 investigations into reports of fraud, waste, abuse,  
17 mismanagement, or misconduct relating to any programs  
18 administered by the Department of Healthcare and Family  
19 Services or the Department of Human Services (as successor to  
20 the Department of Public Aid) to the General Assembly and the  
21 Governor. These reports shall include, but not be limited to,  
22 the following information:

23 (1) Aggregate provider billing and payment  
24 information, including the number of providers at various  
25 Medicaid earning levels.

26 (2) The number of audits of the medical assistance

1 program and the dollar savings resulting from those audits.

2 (3) The number of prescriptions rejected annually  
3 under the Department of Healthcare and Family Services'  
4 Refill Too Soon program and the dollar savings resulting  
5 from that program.

6 (4) Provider sanctions, in the aggregate, including  
7 terminations and suspensions.

8 (5) A detailed summary of the investigations  
9 undertaken in the previous fiscal year. These summaries  
10 shall comply with all laws and rules regarding maintaining  
11 confidentiality in the public aid programs.

12 (i) Nothing in this Section shall limit investigations by  
13 the Department of Healthcare and Family Services or the  
14 Department of Human Services that may otherwise be required by  
15 law or that may be necessary in their capacity as the central  
16 administrative authorities responsible for administration of  
17 their agency's programs in this State.

18 (j) The Inspector General may issue shields or other  
19 distinctive identification to his or her employees not  
20 exercising the powers of a peace officer if the Inspector  
21 General determines that a shield or distinctive identification  
22 is needed by an employee to carry out his or her  
23 responsibilities.

24 (k) Notwithstanding any other provision of this Code to the  
25 contrary, the Inspector General shall report all suspected  
26 cases of provider fraud involving a vendor, a medical provider,

1 or any other provider authorized to participate in the medical  
2 assistance program to the State's Attorney of the county where  
3 the alleged fraud occurred or, when appropriate, to the Office  
4 of the Attorney General or to the Offices of the several United  
5 States Attorneys in Illinois.

6 (Source: P.A. 97-689, eff. 6-14-12; 98-8, eff. 5-3-13.)

7 Section 99. Effective date. This Act takes effect upon  
8 becoming law.