



100TH GENERAL ASSEMBLY

State of Illinois

2017 and 2018

SB0660

Introduced 1/25/2017, by Sen. Michael E. Hastings

SYNOPSIS AS INTRODUCED:

30 ILCS 105/6z-52	
305 ILCS 5/11-22	from Ch. 23, par. 11-22
305 ILCS 5/11-22a	from Ch. 23, par. 11-22a
305 ILCS 5/11-22b	from Ch. 23, par. 11-22b
305 ILCS 5/11-22c	from Ch. 23, par. 11-22c
330 ILCS 126/1	
330 ILCS 126/3	
330 ILCS 126/5	
330 ILCS 126/10	
330 ILCS 126/15	

Amends the Veterans' Health Insurance Program Act of 2008. Changes the short title of the Act to the Veterans' Supplemental Health Insurance Program Act of 2008. Makes conforming changes in the Illinois Public Aid Code and State Finance Act. Changes references in the Act from "Veterans' Health Insurance Program" to "Veterans' Supplemental Health Insurance Program". Provides that enrollment in the Program is limited to individuals at or below 200% of the federal poverty level (currently, enrollment is based on the availability of funds and may be capped based on the availability of funds appropriated for the Program). Makes conforming changes in eligibility provisions concerning household income requirements. Provides that the Department of Healthcare and Family Services shall adopt rules concerning covered services that must include dental preventative and restorative services. Removes a provision providing that the spouse of a veteran is ineligible for coverage under the Program for a minimum period of 3 months if the required monthly premium is not paid. Removes a provision stating that the Program is not an entitlement. Makes changes to provisions concerning legislative intent.

LRB100 05667 MJP 15684 b

1 AN ACT concerning military service.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The State Finance Act is amended by changing
5 Section 6z-52 as follows:

6 (30 ILCS 105/6z-52)

7 Sec. 6z-52. Drug Rebate Fund.

8 (a) There is created in the State Treasury a special fund
9 to be known as the Drug Rebate Fund.

10 (b) The Fund is created for the purpose of receiving and
11 disbursing moneys in accordance with this Section.
12 Disbursements from the Fund shall be made, subject to
13 appropriation, only as follows:

14 (1) For payments for reimbursement or coverage for
15 prescription drugs and other pharmacy products provided to
16 a recipient of medical assistance under the Illinois Public
17 Aid Code, the Children's Health Insurance Program Act, the
18 Covering ALL KIDS Health Insurance Act, and the Veterans'
19 Supplemental Health Insurance Program Act of 2008.

20 (2) For reimbursement of moneys collected by the
21 Department of Healthcare and Family Services (formerly
22 Illinois Department of Public Aid) through error or
23 mistake.

1 (3) For payments of any amounts that are reimbursable
2 to the federal government resulting from a payment into
3 this Fund.

4 (4) For payments of operational and administrative
5 expenses related to providing and managing coverage for
6 prescription drugs and other pharmacy products provided to
7 a recipient of medical assistance under the Illinois Public
8 Aid Code, the Children's Health Insurance Program Act, the
9 Covering ALL KIDS Health Insurance Act, the Veterans'
10 Supplemental Health Insurance Program Act of 2008, and the
11 Senior Citizens and Disabled Persons Property Tax Relief
12 and Pharmaceutical Assistance Act.

13 (c) The Fund shall consist of the following:

14 (1) Upon notification from the Director of Healthcare
15 and Family Services, the Comptroller shall direct and the
16 Treasurer shall transfer the net State share (disregarding
17 the reduction in net State share attributable to the
18 American Recovery and Reinvestment Act of 2009 or any other
19 federal economic stimulus program) of all moneys received
20 by the Department of Healthcare and Family Services
21 (formerly Illinois Department of Public Aid) from drug
22 rebate agreements with pharmaceutical manufacturers
23 pursuant to Title XIX of the federal Social Security Act,
24 including any portion of the balance in the Public Aid
25 Recoveries Trust Fund on July 1, 2001 that is attributable
26 to such receipts.

1 (2) All federal matching funds received by the Illinois
2 Department as a result of expenditures made by the
3 Department that are attributable to moneys deposited in the
4 Fund.

5 (3) Any premium collected by the Illinois Department
6 from participants under a waiver approved by the federal
7 government relating to provision of pharmaceutical
8 services.

9 (4) All other moneys received for the Fund from any
10 other source, including interest earned thereon.

11 (Source: P.A. 96-8, eff. 4-28-09; 96-1100, eff. 1-1-11; 97-689,
12 eff. 7-1-12.)

13 Section 10. The Illinois Public Aid Code is amended by
14 changing Sections 11-22, 11-22a, 11-22b, and 11-22c as follows:

15 (305 ILCS 5/11-22) (from Ch. 23, par. 11-22)

16 Sec. 11-22. Charge upon claims and causes of action for
17 injuries. The Illinois Department shall have a charge upon all
18 claims, demands and causes of action for injuries to an
19 applicant for or recipient of (i) financial aid under Articles
20 III, IV, and V, (ii) health care benefits provided under the
21 Covering ALL KIDS Health Insurance Act, or (iii) health care
22 benefits provided under the Veterans' Health Insurance Program
23 Act or the Veterans' Supplemental Health Insurance Program Act
24 of 2008 for the total amount of medical assistance provided the

1 recipient from the time of injury to the date of recovery upon
2 such claim, demand or cause of action. In addition, if the
3 applicant or recipient was employable, as defined by the
4 Department, at the time of the injury, the Department shall
5 also have a charge upon any such claims, demands and causes of
6 action for the total amount of aid provided to the recipient
7 and his dependents, including all cash assistance and medical
8 assistance only to the extent includable in the claimant's
9 action, from the time of injury to the date of recovery upon
10 such claim, demand or cause of action. Any definition of
11 "employable" adopted by the Department shall apply only to
12 persons above the age of compulsory school attendance.

13 If the injured person was employable at the time of the
14 injury and is provided aid under Articles III, IV, or V and any
15 dependent or member of his family is provided aid under Article
16 VI, or vice versa, both the Illinois Department and the local
17 governmental unit shall have a charge upon such claims, demands
18 and causes of action for the aid provided to the injured person
19 and any dependent member of his family, including all cash
20 assistance, medical assistance and food stamps, from the time
21 of the injury to the date of recovery.

22 "Recipient", as used herein, means (i) in the case of
23 financial aid provided under this Code, the grantee of record
24 and any persons whose needs are included in the financial aid
25 provided to the grantee of record or otherwise met by grants
26 under the appropriate Article of this Code for which such

1 person is eligible, (ii) in the case of health care benefits
2 provided under the Covering ALL KIDS Health Insurance Act, the
3 child to whom those benefits are provided, and (iii) in the
4 case of health care benefits provided under the Veterans'
5 Health Insurance Program Act or the Veterans' Supplemental
6 Health Insurance Program Act of 2008, the veteran to whom
7 benefits are provided.

8 In each case, the notice shall be served by certified mail
9 or registered mail, or by facsimile or electronic messaging
10 when requested by the party or parties against whom the
11 applicant or recipient has a claim, demand, or cause of action,
12 upon the party or parties against whom the applicant or
13 recipient has a claim, demand or cause of action. The notice
14 shall claim the charge and describe the interest the Illinois
15 Department, the local governmental unit, or the county, has in
16 the claim, demand, or cause of action. The charge shall attach
17 to any verdict or judgment entered and to any money or property
18 which may be recovered on account of such claim, demand, cause
19 of action or suit from and after the time of the service of the
20 notice.

21 On petition filed by the Illinois Department, or by the
22 local governmental unit or county if either is claiming a
23 charge, or by the recipient, or by the defendant, the court, on
24 written notice to all interested parties, may adjudicate the
25 rights of the parties and enforce the charge. The court may
26 approve the settlement of any claim, demand or cause of action

1 either before or after a verdict, and nothing in this Section
2 shall be construed as requiring the actual trial or final
3 adjudication of any claim, demand or cause of action upon which
4 the Illinois Department, the local governmental unit or county
5 has charge. The court may determine what portion of the
6 recovery shall be paid to the injured person and what portion
7 shall be paid to the Illinois Department, the local
8 governmental unit or county having a charge against the
9 recovery. In making this determination, the court shall conduct
10 an evidentiary hearing and shall consider competent evidence
11 pertaining to the following matters:

12 (1) the amount of the charge sought to be enforced
13 against the recovery when expressed as a percentage of the
14 gross amount of the recovery; the amount of the charge
15 sought to be enforced against the recovery when expressed
16 as a percentage of the amount obtained by subtracting from
17 the gross amount of the recovery the total attorney's fees
18 and other costs incurred by the recipient incident to the
19 recovery; and whether the Department, unit of local
20 government or county seeking to enforce the charge against
21 the recovery should as a matter of fairness and equity bear
22 its proportionate share of the fees and costs incurred to
23 generate the recovery from which the charge is sought to be
24 satisfied;

25 (2) the amount, if any, of the attorney's fees and
26 other costs incurred by the recipient incident to the

1 recovery and paid by the recipient up to the time of
2 recovery, and the amount of such fees and costs remaining
3 unpaid at the time of recovery;

4 (3) the total hospital, doctor and other medical
5 expenses incurred for care and treatment of the injury to
6 the date of recovery therefor, the portion of such expenses
7 theretofore paid by the recipient, by insurance provided by
8 the recipient, and by the Department, unit of local
9 government and county seeking to enforce a charge against
10 the recovery, and the amount of such previously incurred
11 expenses which remain unpaid at the time of recovery and by
12 whom such incurred, unpaid expenses are to be paid;

13 (4) whether the recovery represents less than
14 substantially full recompense for the injury and the
15 hospital, doctor and other medical expenses incurred to the
16 date of recovery for the care and treatment of the injury,
17 so that reduction of the charge sought to be enforced
18 against the recovery would not likely result in a double
19 recovery or unjust enrichment to the recipient;

20 (5) the age of the recipient and of persons dependent
21 for support upon the recipient, the nature and permanency
22 of the recipient's injuries as they affect not only the
23 future employability and education of the recipient but
24 also the reasonably necessary and foreseeable future
25 material, maintenance, medical, rehabilitative and
26 training needs of the recipient, the cost of such

1 reasonably necessary and foreseeable future needs, and the
2 resources available to meet such needs and pay such costs;

3 (6) the realistic ability of the recipient to repay in
4 whole or in part the charge sought to be enforced against
5 the recovery when judged in light of the factors enumerated
6 above.

7 The burden of producing evidence sufficient to support the
8 exercise by the court of its discretion to reduce the amount of
9 a proven charge sought to be enforced against the recovery
10 shall rest with the party seeking such reduction.

11 The court may reduce and apportion the Illinois
12 Department's lien proportionate to the recovery of the
13 claimant. The court may consider the nature and extent of the
14 injury, economic and noneconomic loss, settlement offers,
15 comparative negligence as it applies to the case at hand,
16 hospital costs, physician costs, and all other appropriate
17 costs. The Illinois Department shall pay its pro rata share of
18 the attorney fees based on the Illinois Department's lien as it
19 compares to the total settlement agreed upon. This Section
20 shall not affect the priority of an attorney's lien under the
21 Attorneys Lien Act. The charges of the Illinois Department
22 described in this Section, however, shall take priority over
23 all other liens and charges existing under the laws of the
24 State of Illinois with the exception of the attorney's lien
25 under said statute.

26 Whenever the Department or any unit of local government has

1 a statutory charge under this Section against a recovery for
2 damages incurred by a recipient because of its advancement of
3 any assistance, such charge shall not be satisfied out of any
4 recovery until the attorney's claim for fees is satisfied,
5 irrespective of whether or not an action based on recipient's
6 claim has been filed in court.

7 This Section shall be inapplicable to any claim, demand or
8 cause of action arising under (a) the Workers' Compensation Act
9 or the predecessor Workers' Compensation Act of June 28, 1913,
10 (b) the Workers' Occupational Diseases Act or the predecessor
11 Workers' Occupational Diseases Act of March 16, 1936; and (c)
12 the Wrongful Death Act.

13 (Source: P.A. 98-73, eff. 7-15-13.)

14 (305 ILCS 5/11-22a) (from Ch. 23, par. 11-22a)

15 Sec. 11-22a. Right of Subrogation. To the extent of the
16 amount of (i) medical assistance provided by the Department to
17 or on behalf of a recipient under Article V or VI, (ii) health
18 care benefits provided for a child under the Covering ALL KIDS
19 Health Insurance Act, or (iii) health care benefits provided to
20 a veteran under the Veterans' Health Insurance Program Act or
21 the Veterans' Supplemental Health Insurance Program Act of
22 2008, the Department shall be subrogated to any right of
23 recovery such recipient may have under the terms of any private
24 or public health care coverage or casualty coverage, including
25 coverage under the "Workers' Compensation Act", approved July

1 9, 1951, as amended, or the "Workers' Occupational Diseases
2 Act", approved July 9, 1951, as amended, without the necessity
3 of assignment of claim or other authorization to secure the
4 right of recovery to the Department. To enforce its subrogation
5 right, the Department may (i) intervene or join in an action or
6 proceeding brought by the recipient, his or her guardian,
7 personal representative, estate, dependents, or survivors
8 against any person or public or private entity that may be
9 liable; (ii) institute and prosecute legal proceedings against
10 any person or public or private entity that may be liable for
11 the cost of such services; or (iii) institute and prosecute
12 legal proceedings, to the extent necessary to reimburse the
13 Illinois Department for its costs, against any noncustodial
14 parent who (A) is required by court or administrative order to
15 provide insurance or other coverage of the cost of health care
16 services for a child eligible for medical assistance under this
17 Code and (B) has received payment from a third party for the
18 costs of those services but has not used the payments to
19 reimburse either the other parent or the guardian of the child
20 or the provider of the services.

21 (Source: P.A. 94-693, eff. 7-1-06; 94-816, eff. 5-30-06;
22 95-755, eff. 7-25-08.)

23 (305 ILCS 5/11-22b) (from Ch. 23, par. 11-22b)

24 Sec. 11-22b. Recoveries.

25 (a) As used in this Section:

1 (1) "Carrier" means any insurer, including any private
2 company, corporation, mutual association, trust fund,
3 reciprocal or interinsurance exchange authorized under the
4 laws of this State to insure persons against liability or
5 injuries caused to another and any insurer providing
6 benefits under a policy of bodily injury liability
7 insurance covering liability arising out of the ownership,
8 maintenance or use of a motor vehicle which provides
9 uninsured motorist endorsement or coverage.

10 (2) "Beneficiary" means any person or their dependents
11 who has received benefits or will be provided benefits
12 under this Code, under the Covering ALL KIDS Health
13 Insurance Act, or under the Veterans' Health Insurance
14 Program Act or the Veterans' Supplemental Health Insurance
15 Program Act of 2008 because of an injury for which another
16 person may be liable. It includes such beneficiary's
17 guardian, conservator or other personal representative,
18 his estate or survivors.

19 (b) (1) When benefits are provided or will be provided to a
20 beneficiary under this Code, under the Covering ALL KIDS Health
21 Insurance Act, or under the Veterans' Health Insurance Program
22 Act or the Veterans' Supplemental Health Insurance Program Act
23 of 2008 because of an injury for which another person is
24 liable, or for which a carrier is liable in accordance with the
25 provisions of any policy of insurance issued pursuant to the
26 Illinois Insurance Code, the Illinois Department shall have a

1 right to recover from such person or carrier the reasonable
2 value of benefits so provided. The Attorney General may, to
3 enforce such right, institute and prosecute legal proceedings
4 against the third person or carrier who may be liable for the
5 injury in an appropriate court, either in the name of the
6 Illinois Department or in the name of the injured person, his
7 guardian, personal representative, estate, or survivors.

8 (2) The Department may:

9 (A) compromise or settle and release any such claim for
10 benefits provided under this Code, or

11 (B) waive any such claims for benefits provided under
12 this Code, in whole or in part, for the convenience of the
13 Department or if the Department determines that collection
14 would result in undue hardship upon the person who suffered
15 the injury or, in a wrongful death action, upon the heirs
16 of the deceased.

17 (3) No action taken on behalf of the Department pursuant to
18 this Section or any judgment rendered in such action shall be a
19 bar to any action upon the claim or cause of action of the
20 beneficiary, his guardian, conservator, personal
21 representative, estate, dependents or survivors against the
22 third person who may be liable for the injury, or shall operate
23 to deny to the beneficiary the recovery for that portion of any
24 damages not covered hereunder.

25 (c) (1) When an action is brought by the Department pursuant
26 to subsection (b), it shall be commenced within the period

1 prescribed by Article XIII of the Code of Civil Procedure.

2 However, the Department may not commence the action prior
3 to 5 months before the end of the applicable period prescribed
4 by Article XIII of the Code of Civil Procedure. Thirty days
5 prior to commencing an action, the Department shall notify the
6 beneficiary of the Department's intent to commence such an
7 action.

8 (2) The death of the beneficiary does not abate any right
9 of action established by subsection (b).

10 (3) When an action or claim is brought by persons entitled
11 to bring such actions or assert such claims against a third
12 person who may be liable for causing the death of a
13 beneficiary, any settlement, judgment or award obtained is
14 subject to the Department's claim for reimbursement of the
15 benefits provided to the beneficiary under this Code, under the
16 Covering ALL KIDS Health Insurance Act, or under the Veterans'
17 Health Insurance Program Act or the Veterans' Supplemental
18 Health Insurance Program Act of 2008.

19 (4) When the action or claim is brought by the beneficiary
20 alone and the beneficiary incurs a personal liability to pay
21 attorney's fees and costs of litigation, the Department's claim
22 for reimbursement of the benefits provided to the beneficiary
23 shall be the full amount of benefits paid on behalf of the
24 beneficiary under this Code, under the Covering ALL KIDS Health
25 Insurance Act, or under the Veterans' Health Insurance Program
26 Act or the Veterans' Supplemental Health Insurance Program Act

1 of 2008 less a pro rata share which represents the Department's
2 reasonable share of attorney's fees paid by the beneficiary and
3 that portion of the cost of litigation expenses determined by
4 multiplying by the ratio of the full amount of the expenditures
5 of the full amount of the judgment, award or settlement.

6 (d) (1) If either the beneficiary or the Department brings
7 an action or claim against such third party or carrier, the
8 beneficiary or the Department shall within 30 days of filing
9 the action give to the other written notice by personal service
10 or registered mail of the action or claim and of the name of
11 the court in which the action or claim is brought. Proof of
12 such notice shall be filed in such action or claim. If an
13 action or claim is brought by either the Department or the
14 beneficiary, the other may, at any time before trial on the
15 facts, become a party to such action or claim or shall
16 consolidate his action or claim with the other if brought
17 independently.

18 (2) If an action or claim is brought by the Department
19 pursuant to subsection (b)(1), written notice to the
20 beneficiary, guardian, personal representative, estate or
21 survivor given pursuant to this Section shall advise him of his
22 right to intervene in the proceeding, his right to obtain a
23 private attorney of his choice and the Department's right to
24 recover the reasonable value of the benefits provided.

25 (e) In the event of judgment or award in a suit or claim
26 against such third person or carrier:

1 (1) If the action or claim is prosecuted by the
2 beneficiary alone, the court shall first order paid from
3 any judgment or award the reasonable litigation expenses
4 incurred in preparation and prosecution of such action or
5 claim, together with reasonable attorney's fees, when an
6 attorney has been retained. After payment of such expenses
7 and attorney's fees the court shall, on the application of
8 the Department, allow as a first lien against the amount of
9 such judgment or award the amount of the Department's
10 expenditures for the benefit of the beneficiary under this
11 Code, under the Covering ALL KIDS Health Insurance Act, or
12 under the Veterans' Health Insurance Program Act or the
13 Veterans' Supplemental Health Insurance Program Act of
14 2008, as provided in subsection (c) (4).

15 (2) If the action or claim is prosecuted both by the
16 beneficiary and the Department, the court shall first order
17 paid from any judgment or award the reasonable litigation
18 expenses incurred in preparation and prosecution of such
19 action or claim, together with reasonable attorney's fees
20 for plaintiffs attorneys based solely on the services
21 rendered for the benefit of the beneficiary. After payment
22 of such expenses and attorney's fees, the court shall apply
23 out of the balance of such judgment or award an amount
24 sufficient to reimburse the Department the full amount of
25 benefits paid on behalf of the beneficiary under this Code,
26 under the Covering ALL KIDS Health Insurance Act, or under

1 the Veterans' Health Insurance Program Act or the Veterans'
2 Supplemental Health Insurance Program Act of 2008.

3 (f) The court shall, upon further application at any time
4 before the judgment or award is satisfied, allow as a further
5 lien the amount of any expenditures of the Department in
6 payment of additional benefits arising out of the same cause of
7 action or claim provided on behalf of the beneficiary under
8 this Code, under the Covering ALL KIDS Health Insurance Act, or
9 under the Veterans' Health Insurance Program Act or the
10 Veterans' Supplemental Health Insurance Program Act of 2008,
11 when such benefits were provided or became payable subsequent
12 to the original order.

13 (g) No judgment, award, or settlement in any action or
14 claim by a beneficiary to recover damages for injuries, when
15 the Department has an interest, shall be satisfied without
16 first giving the Department notice and a reasonable opportunity
17 to perfect and satisfy its lien.

18 (h) When the Department has perfected a lien upon a
19 judgment or award in favor of a beneficiary against any third
20 party for an injury for which the beneficiary has received
21 benefits under this Code, under the Covering ALL KIDS Health
22 Insurance Act, or under the Veterans' Health Insurance Program
23 Act or the Veterans' Supplemental Health Insurance Program Act
24 of 2008, the Department shall be entitled to a writ of
25 execution as lien claimant to enforce payment of said lien
26 against such third party with interest and other accruing costs

1 as in the case of other executions. In the event the amount of
2 such judgment or award so recovered has been paid to the
3 beneficiary, the Department shall be entitled to a writ of
4 execution against such beneficiary to the extent of the
5 Department's lien, with interest and other accruing costs as in
6 the case of other executions.

7 (i) Except as otherwise provided in this Section,
8 notwithstanding any other provision of law, the entire amount
9 of any settlement of the injured beneficiary's action or claim,
10 with or without suit, is subject to the Department's claim for
11 reimbursement of the benefits provided and any lien filed
12 pursuant thereto to the same extent and subject to the same
13 limitations as in Section 11-22 of this Code.

14 (Source: P.A. 94-693, eff. 7-1-06; 94-816, eff. 5-30-06;
15 95-755, eff. 7-25-08.)

16 (305 ILCS 5/11-22c) (from Ch. 23, par. 11-22c)

17 Sec. 11-22c. Recovery of back wages.

18 (a) As used in this Section, "recipient" means any person
19 receiving financial assistance under Article IV or Article VI
20 of this Code, receiving health care benefits under the Covering
21 ALL KIDS Health Insurance Act, or receiving health care
22 benefits under the Veterans' Health Insurance Program Act or
23 the Veterans' Supplemental Health Insurance Program Act of
24 2008.

25 (b) If a recipient maintains any suit, charge or other

1 court or administrative action against an employer seeking back
2 pay for a period during which the recipient received financial
3 assistance under Article IV or Article VI of this Code, health
4 care benefits under the Covering ALL KIDS Health Insurance Act,
5 or health care benefits under the Veterans' Health Insurance
6 Program Act or the Veterans' Supplemental Health Insurance
7 Program Act of 2008, the recipient shall report such fact to
8 the Department. To the extent of the amount of assistance
9 provided to or on behalf of the recipient under Article IV or
10 Article VI, health care benefits provided under the Covering
11 ALL KIDS Health Insurance Act, or health care benefits provided
12 under the Veterans' Health Insurance Program Act or the
13 Veterans' Supplemental Health Insurance Program Act of 2008,
14 the Department may by intervention or otherwise without the
15 necessity of assignment of claim, attach a lien on the recovery
16 of back wages equal to the amount of assistance provided by the
17 Department to the recipient under Article IV or Article VI,
18 under the Covering ALL KIDS Health Insurance Act, or under the
19 Veterans' Health Insurance Program Act or the Veterans'
20 Supplemental Health Insurance Program Act of 2008.

21 (Source: P.A. 94-693, eff. 7-1-06; 94-816, eff. 5-30-06;
22 95-755, eff. 7-25-08.)

23 Section 15. The Veterans' Health Insurance Program Act of
24 2008 is amended by changing Sections 1, 3, 5, 10, and 15 as
25 follows:

1 (330 ILCS 126/1)

2 Sec. 1. Short title. This Act may be cited as the Veterans'
3 Supplemental Health Insurance Program Act of 2008.

4 (Source: P.A. 95-755, eff. 7-25-08.)

5 (330 ILCS 126/3)

6 Sec. 3. Legislative intent. The General Assembly finds that
7 those who have served their country honorably in military
8 service and who are residing in this State deserve access to
9 affordable, comprehensive health insurance. Many veterans are
10 uninsured and unable to afford healthcare. This lack of
11 healthcare, including medical and dental preventative care,
12 often exacerbates health conditions. ~~The effects of lack of~~
13 ~~insurance negatively impact those residents of the State who~~
14 ~~are insured because the cost of paying for care to the~~
15 ~~uninsured is often shifted to those who have insurance in the~~
16 ~~form of higher health insurance premiums.~~ It is, therefore, the
17 intent of this legislation to provide access to affordable
18 health and dental insurance for veterans and their spouses
19 residing in Illinois who are unable to afford such coverage.
20 ~~However, the State has only a limited amount of resources, and~~
21 ~~the General Assembly therefore declares that while it intends~~
22 ~~to cover as many such veterans and spouses as possible, the~~
23 ~~State may not be able to cover every eligible person who~~
24 ~~qualifies for this Program as a matter of entitlement due to~~

1 ~~limited funding.~~

2 (Source: P.A. 95-755, eff. 7-25-08; 96-45, eff. 7-15-09.)

3 (330 ILCS 126/5)

4 Sec. 5. Definitions. The following words have the following
5 meanings:

6 "Department" means the Department of Healthcare and Family
7 Services, or any successor agency.

8 "Director" means the Director of Healthcare and Family
9 Services, or any successor agency.

10 "Medical assistance" means health care benefits provided
11 under Article V of the Illinois Public Aid Code.

12 "Program" means the Veterans' Supplemental Health
13 Insurance Program.

14 "Resident" means an individual who has an Illinois
15 residence, as provided in Section 5-3 of the Illinois Public
16 Aid Code.

17 "Spouse" means the person who is the person who, under the
18 laws of the State of Illinois, is married to an eligible
19 veteran at the time of application and subsequent
20 re-determinations for the Program and includes enrolled
21 spouses surviving the death of veteran spouses.

22 "Veteran" means any person who has served in a branch of
23 the United States military for greater than 180 days after
24 initial training.

25 "Veterans Affairs" or "VA" means the United States

1 Department of Veterans Affairs.

2 (Source: P.A. 95-755, eff. 7-25-08; 96-45, eff. 7-15-09;
3 96-1000, eff. 7-2-10.)

4 (330 ILCS 126/10)

5 Sec. 10. Operation of the Program.

6 (a) The Veterans' Supplemental Health Insurance Program is
7 created. ~~This Program is not an entitlement.~~ Enrollment is
8 limited to individuals at or below 200% of the federal poverty
9 level ~~based on the availability of funds, and enrollment may be~~
10 ~~capped based on funds appropriated for the Program.~~ As soon as
11 practical after the effective date of this Act, coverage for
12 this Program shall begin. The Program shall be administered by
13 the Department of Healthcare and Family Services in
14 collaboration with the Department of Veterans' Affairs. The
15 Department shall have the same powers and authority to
16 administer the Program as are provided to the Department in
17 connection with the Department's administration of the
18 Illinois Public Aid Code. The Department shall coordinate the
19 Program with other health programs operated by the Department
20 and other State and federal agencies.

21 (b) The Department shall operate the Program in a manner so
22 that the estimated cost of the Program during the fiscal year
23 will not exceed the total appropriation for the Program. The
24 Department may take any appropriate action to limit spending or
25 enrollment into the Program, including, but not limited to,

1 ceasing to accept or process applications, reviewing
2 eligibility more frequently than annually, adjusting
3 cost-sharing, or reducing the income threshold for eligibility
4 as necessary to control expenditures for the Program.

5 (c) Notwithstanding subsections (a) and (b) and with the
6 mutual agreement of the Department of Veterans' Affairs and the
7 Department of Healthcare and Family Services, the operation of
8 the Program may be changed to simplify its administration and
9 to take advantage of health insurance coverage that may be
10 available to veterans under the Patient Protection and
11 Affordable Care Act.

12 (Source: P.A. 98-104, eff. 7-22-13.)

13 (330 ILCS 126/15)

14 Sec. 15. Eligibility.

15 (a) To be eligible for the Program, a person must:

16 (1) be a veteran who is not on active duty and who has
17 not been dishonorably discharged from service or the spouse
18 of such a veteran;

19 (2) be a resident of the State of Illinois;

20 (3) be at least 19 years of age and no older than 64
21 years of age;

22 (4) be uninsured, as defined by the Department by rule,
23 for a period of time established by the Department by rule,
24 which shall be no less than 3 months;

25 (5) not be eligible for medical assistance under the

1 Illinois Public Aid Code or healthcare benefits under the
2 Children's Health Insurance Program Act or the Covering ALL
3 KIDS Health Insurance Act;

4 (6) not be eligible for medical benefits through the
5 Veterans Health Administration; and

6 (7) have a household income no greater than 200% ~~the~~
7 ~~sum of (i) an amount equal to 25% of the federal poverty~~
8 ~~level plus (ii) an amount equal to the Veterans~~
9 ~~Administration means test income threshold at the~~
10 ~~initiation of the Program; depending on the availability of~~
11 ~~funds, this level may be increased to an amount equal to~~
12 ~~the sum of (iii) an amount equal to 50% of the federal~~
13 ~~poverty level plus (iv) an amount equal to the Veterans~~
14 ~~Administration means test income threshold. This means~~
15 ~~test income threshold is subject to alteration by the~~
16 ~~Department as set forth in subsection (b) of Section 10.~~

17 (b) A veteran or spouse who is determined eligible for the
18 Program shall remain eligible for 12 months, provided the
19 veteran or spouse remains a resident of the State and is not
20 excluded under subsection (c) of this Section and provided the
21 Department has not limited the enrollment period as set forth
22 in subsection (b) of Section 10.

23 (c) A veteran or spouse is not eligible for coverage under
24 the Program if:

25 (1) the premium required under Section 35 of this Act
26 has not been timely paid; if the required premiums are not

1 paid, the liability of the Program shall be limited to
2 benefits incurred under the Program for the time period for
3 which premiums have been paid and for grace periods as
4 established under subsection (d); if the required monthly
5 premium is not paid, the veteran ~~or spouse~~ is ineligible
6 for re-enrollment for a minimum period of 3 months; or

7 (2) the veteran or spouse is a resident of a nursing
8 facility or an inmate of a public institution, as defined
9 by 42 CFR 435.1009.

10 (d) The Department shall adopt rules for the Program,
11 including, but not limited to, rules relating to eligibility,
12 re-enrollment, grace periods, notice requirements, hearing
13 procedures, cost-sharing, covered services, and provider
14 requirements. For purposes of this Section, "covered services"
15 must include dental preventative and restorative services.

16 (Source: P.A. 95-755, eff. 7-25-08; 96-45, eff. 7-15-09.)