

SB2190



100TH GENERAL ASSEMBLY

State of Illinois

2017 and 2018

SB2190

Introduced 4/26/2017, by Sen. Michael Connelly

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 12236 KTG 24744 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.