



100TH GENERAL ASSEMBLY

State of Illinois

2017 and 2018

SB2913

Introduced 2/14/2018, by Sen. John G. Mulroe

SYNOPSIS AS INTRODUCED:

305 ILCS 5/5-5g new
305 ILCS 5/11-5.4

Amends the Illinois Public Aid Code. Requires long-term care providers to submit all changes in resident status, including, but not limited to, death, discharge, changes in patient credit, third party liability, and Medicare coverage to the Department of Healthcare and Family Services through the Medical Electronic Data Interchange System, the Recipient Eligibility Verification System, or the Electronic Data Interchange System under a specified schedule. Requires the Department and other agencies to establish an expedited long-term care eligibility determination and enrollment system. Requires the Director of Healthcare and Family Services, in coordination with the Secretary of Human Services and the Director of Aging, to hold meetings for provider associations representing facilities licensed under the Nursing Home Care Act and certified as supportive living programs. Provides that the meetings shall be held every 6 weeks until all backlogged cases have been adjudicated and the application process has been reduced to the federal timeframe. Contains provisions concerning a 45-day extension of the federal eligibility application processing deadline in suspected cases of fraud; the identification of applicants who had full Medicaid benefits in the community for 6 months or more immediately before entering the long-term care facility; reporting requirements; public-private partnerships aimed at redeploying caseworkers to targeted high-Medicaid facilities for the purpose of expediting initial Medicaid and long-term care benefits applications; the establishment of a Health Insurance Portability and Accountability Act compliant database; and other matters. Effective immediately.

LRB100 18099 KTG 34358 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 11-5.4 and by adding Section 5-5g as follows:

6 (305 ILCS 5/5-5g new)

7 Sec. 5-5g. Long-term care patient; resident status.
8 Long-term care providers shall submit all changes in resident
9 status, including, but not limited to, death, discharge,
10 changes in patient credit, third party liability, and Medicare
11 coverage to the Department through the Medical Electronic Data
12 Interchange System, the Recipient Eligibility Verification
13 System, or the Electronic Data Interchange System established
14 under 89 Ill. Adm. Code 140.55(b) in compliance with the
15 schedule below:

16 (1) 15 calendar days after a resident's death;

17 (2) 15 calendar days after a resident's discharge;

18 (3) 45 calendar days after being informed of a change
19 in the resident's income;

20 (4) 45 calendar days after being informed of a change
21 in a resident's third party liability;

22 (5) 45 calendar days after a resident's need for
23 services requiring reimbursement under the ventilator or

1 traumatic brain injury enhanced rate.

2 (305 ILCS 5/11-5.4)

3 Sec. 11-5.4. Expedited long-term care eligibility
4 determination and enrollment.

5 (a) The General Assembly finds that it is in the best
6 interest of the State to process on an expedited basis
7 applications for Medicaid and Medicaid long-term care benefits
8 that are submitted by or on behalf of elderly persons in need
9 of long-term care services. It is the intent of the General
10 Assembly that the provisions of this Section be liberally
11 construed to permit the maximum number of applicants to
12 benefit, regardless of the age of the application, and for the
13 State to meet the federal eligibility processing deadlines. ~~An~~
14 ~~expedited long-term care eligibility determination and~~
15 ~~enrollment system shall be established to reduce long term care~~
16 ~~determinations to 90 days or fewer by July 1, 2014 and~~
17 ~~streamline the long term care enrollment process.~~
18 Establishment of the system shall be a joint venture of the

19 (1) The Department of Human Services and Healthcare and
20 Family Services and the Department on Aging shall establish
21 an expedited long-term care eligibility determination and
22 enrollment system. The Department of Healthcare and Family
23 Services shall serve as the lead agency assuming primary
24 responsibility for the full implementation of this
25 Section, including the establishment and maintenance of

1 ~~the system. The Governor shall name a lead agency no later~~
2 ~~than 30 days after the effective date of this amendatory~~
3 ~~Act of the 98th General Assembly to assume responsibility~~
4 ~~for the full implementation of the establishment and~~
5 ~~maintenance of the system. Project outcomes shall include~~
6 ~~an enhanced eligibility determination tracking system~~
7 ~~accessible to providers and a centralized application~~
8 ~~review and eligibility determination with all applicants~~
9 ~~reviewed within 90 days of receipt by the State of a~~
10 ~~complete application.~~

11 (2) The Director of Healthcare and Family Services, in
12 coordination with the Secretary of Human Services and the
13 Director of Aging, shall hold meetings for provider
14 associations representing facilities licensed under the
15 Nursing Home Care Act and certified as supportive living
16 programs. The first meeting shall be held no later than 30
17 days after the effective date of this amendatory Act of the
18 100th General Assembly. The meetings shall be held every 6
19 weeks until all backlogged cases have been adjudicated and
20 the application process has been reduced to the federal
21 timeframe. After all backlogged cases have been
22 adjudicated and the application process has been reduced to
23 the federal timeframe, the meetings shall be held
24 quarterly. Each agency shall be represented by senior staff
25 with hands-on knowledge of the processing of applications
26 for Medicaid, long-term care benefits, and

1 redeterminations and such ancillary issues as income and
2 address adjustments, release forms, and screening reports.
3 Agenda items shall be solicited from the associations.

4 (3) If the Department of Healthcare and Family
5 Services' Office of the Inspector General obtains credible
6 evidence that an applicant has transferred assets with the
7 intent of defrauding the State, the federal eligibility
8 application processing deadline shall be extended by 45
9 days. If at the end of the extended deadline proof of the
10 allegations does not exist, the application shall be
11 assigned for an expedited resolve. ~~determines that there is~~
12 ~~a likelihood that a non-allowable transfer of assets has~~
13 ~~occurred, and the facility in which the applicant resides~~
14 ~~is notified, an extension of up to 90 days shall be~~
15 ~~permissible.~~ On or before December 31, 2015, a streamlined
16 application and enrollment process shall be put in place
17 based on the following principles:

18 (A) ~~(1)~~ Minimize the burden on applicants by
19 collecting only the data necessary to determine
20 eligibility for medical services, long-term care
21 services, and spousal impoverishment offset.

22 (B) ~~(2)~~ Integrate online data sources to simplify
23 the application process by reducing the amount of
24 information needed to be entered and to expedite
25 eligibility verification.

26 (C) ~~(3)~~ Provide online prompts to alert the

1 applicant that information is missing or not complete.

2 (D) On or before January 1, 2019, triage new
3 applications and backlogged applications to identify
4 applicants who had full Medicaid benefits in the
5 community for a period of 6 months or more immediately
6 before entering the long-term care facility.

7 (b) The Department shall, on or before July 1, 2014, assess
8 the feasibility of incorporating all information needed to
9 determine eligibility for long-term care services, including
10 asset transfer and spousal impoverishment financials, into the
11 State's integrated eligibility system identifying all
12 resources needed and reasonable timeframes for achieving the
13 specified integration.

14 (c) The Department of Healthcare and Family Services ~~lead~~
15 ~~agency~~ shall file a report with the 4 legislative leaders no
16 later than January 1, 2019, and every January 1 thereafter,
17 describing what each agency had accomplished in the preceding
18 year to: reduce the backlog of Medicaid and long-term care
19 benefits applications and redeterminations, reduce initial
20 application processing to the federal timeframe, and eliminate
21 the occurrence of hospital patients being discharged prior to
22 the completion of preadmission screens. ~~interim reports with~~
23 ~~the Chairs and Minority Spokespersons of the House and Senate~~
24 ~~Human Services Committees no later than September 1, 2013 and~~
25 ~~on February 1, 2014.~~ The Department of Healthcare and Family
26 Services shall include in the annual Medicaid report for State

1 Fiscal Year 2014 and every fiscal year thereafter information
2 concerning implementation of the provisions of this Section.

3 (d) (Blank). ~~No later than August 1, 2014, the Auditor~~
4 ~~General shall report to the General Assembly concerning the~~
5 ~~extent to which the timeframes specified in this Section have~~
6 ~~been met and the extent to which State staffing levels are~~
7 ~~adequate to meet the requirements of this Section.~~

8 (e) The Department of Healthcare and Family Services, the
9 Department of Human Services, and the Department on Aging shall
10 take all necessary ~~the following~~ steps to achieve federally
11 established timeframes for eligibility determinations for
12 Medicaid and long-term care benefits, including, but not
13 limited to, implementing policies and adopting rules to
14 simplify financial eligibility verification, including, but
15 not limited to, the following instances: ~~and shall work toward~~
16 ~~the federal goal of real time determinations:~~

17 (1) (Blank). ~~The Departments shall review, in~~
18 ~~collaboration with representatives of affected providers,~~
19 ~~all forms and procedures currently in use, federal~~
20 ~~guidelines either suggested or mandated, and staff~~
21 ~~deployment by September 30, 2014 to identify additional~~
22 ~~measures that can improve long term care eligibility~~
23 ~~processing and make adjustments where possible.~~

24 (2) (Blank). ~~No later than June 30, 2014, the~~
25 ~~Department of Healthcare and Family Services shall issue~~
26 ~~vouchers for advance payments not to exceed \$50,000,000 to~~

1 ~~nursing facilities with significant outstanding Medicaid~~
2 ~~liability associated with services provided to residents~~
3 ~~with Medicaid applications pending and residents facing~~
4 ~~the greatest delays. Each facility with an advance payment~~
5 ~~shall state in writing whether its own recoupment schedule~~
6 ~~will be in 3 or 6 equal monthly installments, as long as~~
7 ~~all advances are recouped by June 30, 2015.~~

8 (3) (Blank). ~~The Department of Healthcare and Family~~
9 ~~Services' Office of Inspector General and the Department of~~
10 ~~Human Services shall immediately forgo resource review and~~
11 ~~review of transfers during the relevant look back period~~
12 ~~for applications that were submitted prior to September 1,~~
13 ~~2013. An applicant who applied prior to September 1, 2013,~~
14 ~~who was denied for failure to cooperate in providing~~
15 ~~required information, and whose application was~~
16 ~~incorrectly reviewed under the wrong look back period~~
17 ~~rules may request review and correction of the denial based~~
18 ~~on this subsection. If found eligible upon review, such~~
19 ~~applicants shall be retroactively enrolled.~~

20 (4) ~~As soon as practicable, the Department of~~
21 ~~Healthcare and Family Services shall implement policies~~
22 ~~and promulgate rules to simplify financial eligibility~~
23 ~~verification in the following instances: (A) for~~
24 ~~applicants or recipients who are receiving Supplemental~~
25 ~~Security Income payments or who had been receiving such~~
26 ~~payments at the time they were admitted to a nursing~~

1 facility, ~~and~~ (B) for applicants or recipients with
2 verified income at or below 100% of the federal poverty
3 level when the declared value of their countable resources
4 is no greater than the allowable amounts pursuant to
5 Section 5-2 of this Code for classes of eligible persons
6 for whom a resource limit applies, (C) for applicants who
7 have had a full Medicaid case active in the community for 6
8 or more months prior to entering the long-term care
9 facility and who have not transferred assets during the
10 preceding 60 months, regardless of the age of the
11 application.

12 The provisions of this subsection (e). ~~Such simplified~~
13 ~~verification policies~~ shall apply to community cases as
14 well as long-term care cases. Rules, policies, and
15 procedures adopted to implement this subsection shall be
16 liberally construed to effectuate the stated purpose of
17 this subsection.

18 (5) As soon as practicable, ~~but not later than July 1,~~
19 ~~2014,~~ the Department of Healthcare and Family Services and
20 the Department of Human Services shall jointly investigate
21 the public-private partnerships in use in Ohio, Michigan,
22 and Minnesota that are aimed at redeploying caseworkers to
23 targeted high-Medicaid facilities for the purpose of
24 expediting initial Medicaid and long-term care benefits
25 applications, redeterminations, asset discovery, and all
26 other things related to enrollment, reimbursement, and

1 application processing. No later than January 1, 2019, the
2 Department of Healthcare and Family Services shall post the
3 agencies' joint recommendations on the web pages of the
4 Department's website that contain information on long-term
5 care benefits and shall assist provider groups in educating
6 their members on the public-private partnerships. ~~begin a~~
7 ~~special enrollment project by using simplified eligibility~~
8 ~~verification policies and by redeploying caseworkers~~
9 ~~trained to handle long term care cases to prioritize those~~
10 ~~cases, until the backlog is eliminated and processing time~~
11 ~~is within 90 days. This project shall apply to applications~~
12 ~~for long term care received by the State on or before May~~
13 ~~15, 2014.~~

14 (6) As soon as practicable, but not later than March 1,
15 2019, ~~September 1, 2014,~~ the Department on Aging shall
16 establish an online Health Insurance Portability and
17 Accountability Act compliant database that allows ~~make~~
18 ~~available to~~ long-term care facilities and community
19 providers to access ~~upon request, through an electronic~~
20 ~~method,~~ the information contained within the Interagency
21 Certification of Screening Results completed by the
22 pre-screener, in a form and manner acceptable to the
23 Department of Human Services.

24 (6.5) No later than March 1, 2019, the Department on
25 Aging shall initiate a public-private partnership with
26 hospitals enrolled in the State's Medicaid program to train

1 discharge planners to perform preadmission screenings on
2 patients in need of long-term care placements or home and
3 community based services. Upon successfully completing the
4 Department's training course, the discharge planner shall
5 be certified to perform preadmission screens and the
6 hospital shall be offered a contract to administer the
7 screens before the patient is discharged. The Department on
8 Ageing shall report to the Governor and the 4 legislative
9 leaders on the number of hospitals participating in the
10 public-private partnership, the number of trained
11 discharge planners, and the number of patients transferred
12 to nursing homes prior to a screening being completed
13 within 90 days of the project being initiated and every 90
14 days thereafter until such time as the number of patients
15 transferred without screens is reduced to zero and then
16 annually thereafter.

17 (7) Effective 30 days after the completion of 3
18 regionally based trainings, nursing facilities shall
19 submit all applications for medical assistance online via
20 the Application for Benefits Eligibility (ABE) website.
21 This requirement shall extend to scanning and uploading
22 with the online application any required additional forms
23 such as the Long Term Care Facility Notification and the
24 Additional Financial Information for Long Term Care
25 Applicants as well as scanned copies of any supporting
26 documentation. Long-term care facility admission documents

1 must be submitted as required in Section 5-5 of this Code.
2 No local Department of Human Services office shall refuse
3 to accept an electronically filed application.

4 (7.5) As part of a public-private partnership with
5 long-term care provider associations, the Department shall
6 offer regionally based training as upgrades to the
7 Application for Benefits Eligibility website are
8 operationalized. The training shall be recorded and posted
9 on the Department's website to allow new employees to be
10 trained and older employers to complete refresher courses.

11 (8) Notwithstanding any other provision of this Code,
12 the Department of Human Services and the Department of
13 Healthcare and Family Services' Office of the Inspector
14 General shall, upon request, allow an applicant additional
15 time to submit information and documents needed as part of
16 a review of available resources or resources transferred
17 during the look-back period. The initial extension shall
18 not exceed 30 days. A second extension of 30 days may be
19 granted upon request. Any request for information issued by
20 the State to an applicant shall include the following: an
21 explanation of the information required and the date by
22 which the information must be submitted; a statement that
23 failure to respond in a timely manner can result in denial
24 of the application; a statement that the applicant or the
25 facility in the name of the applicant may seek an
26 extension; and the name and contact information of a

1 caseworker in case of questions. Any such request for
2 information shall also be sent to the facility. In deciding
3 whether to grant an extension, the Department of Human
4 Services or the Department of Healthcare and Family
5 Services' Office of the Inspector General shall take into
6 account what is in the best interest of the applicant. The
7 time limits for processing an application shall be tolled
8 during the period of any extension granted under this
9 subsection.

10 (9) The Department of Human Services and the Department
11 of Healthcare and Family Services must jointly compile data
12 on pending applications, denials, appeals, and
13 redeterminations into a monthly report, which shall be
14 posted on each Department's website for the purposes of
15 monitoring long-term care eligibility processing. The
16 report must specify the number of applications and
17 redeterminations pending long-term care eligibility
18 determination and admission and the number of appeals of
19 denials in the following categories:

20 (A) Length of time applications, redeterminations,
21 and appeals are pending - 0 to 45 days, 46 days to 90
22 days, 91 days to 180 days, 181 days to 12 months, over
23 12 months to 18 months, over 18 months to 24 months,
24 and over 24 months.

25 (B) Percentage of applications and
26 redeterminations pending in the Department of Human

1 Services' Family Community Resource Centers, in the
2 Department of Human Services' long-term care hubs,
3 with the Department of Healthcare and Family Services'
4 Office of Inspector General, and those applications
5 which are being tolled due to requests for extension of
6 time for additional information.

7 (C) Status of pending applications, denials,
8 appeals, and redeterminations.

9 (f) Beginning on July 1, 2017, the Auditor General shall
10 report every 3 years to the General Assembly on the performance
11 and compliance of the Department of Healthcare and Family
12 Services, the Department of Human Services, and the Department
13 on Aging in meeting the requirements of this Section and the
14 federal requirements concerning eligibility determinations for
15 Medicaid long-term care services and supports, and shall report
16 any issues or deficiencies and make recommendations. The
17 Auditor General shall, at a minimum, review, consider, and
18 evaluate the following:

19 (1) compliance with federal regulations on furnishing
20 services as related to Medicaid long-term care services and
21 supports as provided under 42 CFR 435.930;

22 (2) compliance with federal regulations on the timely
23 determination of eligibility as provided under 42 CFR
24 435.912;

25 (3) the accuracy and completeness of the report
26 required under paragraph (9) of subsection (e);

1 (4) the efficacy and efficiency of the task-based
2 process used for making eligibility determinations in the
3 centralized offices of the Department of Human Services for
4 long-term care services, including the role of the State's
5 integrated eligibility system, as opposed to the
6 traditional caseworker-specific process from which these
7 central offices have converted; and

8 (5) any issues affecting eligibility determinations
9 related to the Department of Human Services' staff
10 completing Medicaid eligibility determinations instead of
11 the designated single-state Medicaid agency in Illinois,
12 the Department of Healthcare and Family Services.

13 The Auditor General's report shall include any and all
14 other areas or issues which are identified through an annual
15 review. Paragraphs (1) through (5) of this subsection shall not
16 be construed to limit the scope of the annual review and the
17 Auditor General's authority to thoroughly and completely
18 evaluate any and all processes, policies, and procedures
19 concerning compliance with federal and State law requirements
20 on eligibility determinations for Medicaid long-term care
21 services and supports.

22 (Source: P.A. 99-153, eff. 7-28-15; 100-380, eff. 8-25-17.)

23 Section 99. Effective date. This Act takes effect upon
24 becoming law.