



## 103RD GENERAL ASSEMBLY

### State of Illinois

### 2023 and 2024

### HB2886

Introduced 2/16/2023, by Rep. Justin Slaughter

#### SYNOPSIS AS INTRODUCED:

210 ILCS 89/5  
210 ILCS 89/10  
210 ILCS 89/15  
305 ILCS 5/1-7

from Ch. 23, par. 1-7

Amends the Hospital Uninsured Patient Discount Act. Provides that a hospital subject to the Act shall disregard household income received through participation in a guaranteed income program reported by an uninsured patient who applies for financial assistance. Defines "guaranteed income program" to mean a publicly or privately funded program that provides one-time or recurring unconditional cash transfers or payments, or gifts to individuals or households, for a defined number of months or years for the purposes of reducing poverty, promoting economic mobility, or increasing the financial stability of Illinois residents. Amends the Illinois Public Aid Code. Provides that for purposes of determining eligibility and the amount of assistance under the Code, the Department of Human Services and local governmental units shall exclude from consideration any financial assistance, including cash transfers or gifts, that is provided to a person through a guaranteed income program (rather than the Department of Human Services and local governmental units shall exclude from consideration, for a period of no more than 60 months, any financial assistance, including wages, cash transfers, or gifts, that is provided to a person who is enrolled in a program or research project that is not funded with general revenue funds and that is intended to investigate the impacts of policies or programs designed to reduce poverty, promote social mobility, or increase financial stability for Illinois residents if there is an explicit plan to collect data and evaluate the program or initiative that is developed prior to participants in the study being enrolled in the program and if a research team has been identified to oversee the evaluation). Effective immediately.

LRB103 27578 KTG 53954 b

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 Hospital Uninsured Patient Discount Act is  
5 amended by changing Sections 5, 10, and 15 as follows:

6 (210 ILCS 89/5)

7 Sec. 5. Definitions. As used in this Act:

8 "Community health center" means a federally qualified  
9 health center as defined in Section 1905(1)(2)(B) of the  
10 federal Social Security Act or a federally qualified health  
11 center look-alike.

12 "Cost to charge ratio" means the ratio of a hospital's  
13 costs to its charges taken from its most recently filed  
14 Medicare cost report (CMS 2552-96 Worksheet C, Part I, PPS  
15 Inpatient Ratios).

16 "Critical Access Hospital" means a hospital that is  
17 designated as such under the federal Medicare Rural Hospital  
18 Flexibility Program.

19 "Family income" means the sum of a family's annual  
20 earnings and cash benefits from all sources before taxes, less  
21 payments made for child support.

22 "Federal poverty income guidelines" means the poverty  
23 guidelines updated periodically in the Federal Register by the

1 United States Department of Health and Human Services under  
2 authority of 42 U.S.C. 9902(2).

3 "Financial assistance" means a discount provided to a  
4 patient under the terms and conditions a hospital offers to  
5 qualified patients or as required by law.

6 "Free and charitable clinic" means a 501(c)(3) tax-exempt  
7 health care organization providing health services to  
8 low-income uninsured or underinsured individuals that is  
9 recognized by either the Illinois Association of Free and  
10 Charitable Clinics or the National Association of Free and  
11 Charitable Clinics.

12 "Guaranteed income program" means a publicly or privately  
13 funded program that provides one-time or recurring  
14 unconditional cash transfers or payments, or gifts to  
15 individuals or households, for a defined number of months or  
16 years for the purposes of reducing poverty, promoting economic  
17 mobility, or increasing the financial stability of Illinois  
18 residents.

19 "Health care services" means any medically necessary  
20 inpatient or outpatient hospital service, including  
21 pharmaceuticals or supplies provided by a hospital to a  
22 patient.

23 "Hospital" means any facility or institution required to  
24 be licensed pursuant to the Hospital Licensing Act or operated  
25 under the University of Illinois Hospital Act.

26 "Illinois resident" means any person who lives in Illinois

1 and who intends to remain living in Illinois indefinitely.  
2 Relocation to Illinois for the sole purpose of receiving  
3 health care benefits does not satisfy the residency  
4 requirement under this Act.

5 "Medically necessary" means any inpatient or outpatient  
6 hospital service, including pharmaceuticals or supplies  
7 provided by a hospital to a patient, covered under Title XVIII  
8 of the federal Social Security Act for beneficiaries with the  
9 same clinical presentation as the uninsured patient. A  
10 "medically necessary" service does not include any of the  
11 following:

12 (1) Non-medical services such as social and vocational  
13 services.

14 (2) Elective cosmetic surgery, but not plastic surgery  
15 designed to correct disfigurement caused by injury,  
16 illness, or congenital defect or deformity.

17 "Rural hospital" means a hospital that is located outside  
18 a metropolitan statistical area.

19 "Uninsured discount" means a hospital's charges multiplied  
20 by the uninsured discount factor.

21 "Uninsured discount factor" means 1.0 less the product of  
22 a hospital's cost to charge ratio multiplied by 1.35.

23 "Uninsured patient" means an Illinois resident who is a  
24 patient of a hospital and is not covered under a policy of  
25 health insurance and is not a beneficiary under a public or  
26 private health insurance, health benefit, or other health

1 coverage program, including high deductible health insurance  
2 plans, workers' compensation, accident liability insurance, or  
3 other third party liability.

4 (Source: P.A. 102-581, eff. 1-1-22.)

5 (210 ILCS 89/10)

6 Sec. 10. Uninsured patient discounts.

7 (a) Eligibility.

8 (1) A hospital, other than a rural hospital or  
9 Critical Access Hospital, shall provide a discount from  
10 its charges to any uninsured patient who applies for a  
11 discount and has family income of not more than 600% of the  
12 federal poverty income guidelines for all medically  
13 necessary health care services exceeding \$150 in any one  
14 inpatient admission or outpatient encounter.

15 (2) A hospital, other than a rural hospital or  
16 Critical Access Hospital, shall provide a charitable  
17 discount of 100% of its charges for all medically  
18 necessary health care services exceeding \$150 in any one  
19 inpatient admission or outpatient encounter to any  
20 uninsured patient who applies for a discount and has  
21 family income of not more than 200% of the federal poverty  
22 income guidelines.

23 (3) A rural hospital or Critical Access Hospital shall  
24 provide a discount from its charges to any uninsured  
25 patient who applies for a discount and has annual family

1 income of not more than 300% of the federal poverty income  
2 guidelines for all medically necessary health care  
3 services exceeding \$300 in any one inpatient admission or  
4 outpatient encounter.

5 (4) A rural hospital or Critical Access Hospital shall  
6 provide a charitable discount of 100% of its charges for  
7 all medically necessary health care services exceeding  
8 \$300 in any one inpatient admission or outpatient  
9 encounter to any uninsured patient who applies for a  
10 discount and has family income of not more than 125% of the  
11 federal poverty income guidelines.

12 (5) A hospital subject to this Act shall disregard  
13 household income received through participation in a  
14 guaranteed income program reported by an uninsured patient  
15 who applies for financial assistance.

16 (b) Discount. For all health care services exceeding \$300  
17 in any one inpatient admission or outpatient encounter, a  
18 hospital shall not collect from an uninsured patient, deemed  
19 eligible under subsection (a), more than its charges less the  
20 amount of the uninsured discount.

21 (c) Maximum Collectible Amount.

22 (1) The maximum amount that may be collected in a  
23 12-month period for health care services provided by the  
24 hospital from a patient determined by that hospital to be  
25 eligible under subsection (a) is 20% of the patient's  
26 family income, and is subject to the patient's continued

1 eligibility under this Act.

2 (2) The 12-month period to which the maximum amount  
3 applies shall begin on the first date, after the effective  
4 date of this Act, an uninsured patient receives health  
5 care services that are determined to be eligible for the  
6 uninsured discount at that hospital.

7 (3) To be eligible to have this maximum amount applied  
8 to subsequent charges, the uninsured patient shall inform  
9 the hospital in subsequent inpatient admissions or  
10 outpatient encounters that the patient has previously  
11 received health care services from that hospital and was  
12 determined to be entitled to the uninsured discount. The  
13 availability of the maximum collectible amount shall be  
14 included in the hospital's financial assistance  
15 information provided to uninsured patients.

16 (4) Hospitals may adopt policies to exclude an  
17 uninsured patient from the application of subdivision  
18 (c)(1) when the patient owns assets having a value in  
19 excess of 600% of the federal poverty level for hospitals  
20 in a metropolitan statistical area or owns assets having a  
21 value in excess of 300% of the federal poverty level for  
22 Critical Access Hospitals or hospitals outside a  
23 metropolitan statistical area, not counting the following  
24 assets: the uninsured patient's primary residence;  
25 personal property exempt from judgment under Section  
26 12-1001 of the Code of Civil Procedure; or any amounts

1 held in a pension or retirement plan, provided, however,  
2 that distributions and payments from pension or retirement  
3 plans may be included as income for the purposes of this  
4 Act.

5 (d) Each hospital bill, invoice, or other summary of  
6 charges to an uninsured patient shall include with it, or on  
7 it, a prominent statement that an uninsured patient who meets  
8 certain income requirements may qualify for an uninsured  
9 discount and information regarding how an uninsured patient  
10 may apply for consideration under the hospital's financial  
11 assistance policy. The hospital's financial assistance  
12 application shall include language that directs the uninsured  
13 patient to contact the hospital's financial counseling  
14 department with questions or concerns, along with contact  
15 information for the financial counseling department, and shall  
16 state: "Complaints or concerns with the uninsured patient  
17 discount application process or hospital financial assistance  
18 process may be reported to the Health Care Bureau of the  
19 Illinois Attorney General.". A website, phone number, or both  
20 provided by the Attorney General shall be included with this  
21 statement.

22 (Source: P.A. 102-581, eff. 1-1-22.)

23 (210 ILCS 89/15)

24 Sec. 15. Patient responsibility.

25 (a) Hospitals may make the availability of a discount and



1 the maximum collectible amount under this Act contingent upon  
2 the uninsured patient first applying for coverage under public  
3 health insurance programs, such as Medicare, Medicaid,  
4 AllKids, the State Children's Health Insurance Program, or any  
5 other program, if there is a reasonable basis to believe that  
6 the uninsured patient may be eligible for such program.

7 (b) Hospitals shall permit an uninsured patient to apply  
8 for a discount within 90 days of the date of discharge or date  
9 of service.

10 Hospitals shall offer uninsured patients who receive  
11 community-based primary care provided by a community health  
12 center or a free and charitable clinic, are referred by such an  
13 entity to the hospital, and seek access to nonemergency  
14 hospital-based health care services with an opportunity to be  
15 screened for and assistance with applying for public health  
16 insurance programs if there is a reasonable basis to believe  
17 that the uninsured patient may be eligible for a public health  
18 insurance program. An uninsured patient who receives  
19 community-based primary care provided by a community health  
20 center or free and charitable clinic and is referred by such an  
21 entity to the hospital for whom there is not a reasonable basis  
22 to believe that the uninsured patient may be eligible for a  
23 public health insurance program shall be given the opportunity  
24 to apply for hospital financial assistance when hospital  
25 services are scheduled.

26 (1) Income verification. Hospitals may require an

1 uninsured patient who is requesting an uninsured discount  
2 to provide documentation of family income. Household  
3 income received through participation in a guaranteed  
4 income program shall not be considered income for the  
5 purposes of reviewing eligibility for financial  
6 assistance. Acceptable family income documentation shall  
7 include any one of the following:

8 (A) a copy of the most recent tax return;

9 (B) a copy of the most recent W-2 form and 1099  
10 forms;

11 (C) copies of the 2 most recent pay stubs;

12 (D) written income verification from an employer  
13 if paid in cash; or

14 (E) one other reasonable form of third party  
15 income verification deemed acceptable to the hospital.

16 (2) Asset verification. Hospitals may require an  
17 uninsured patient who is requesting an uninsured discount  
18 to certify the existence or absence of assets owned by the  
19 patient and to provide documentation of the value of such  
20 assets, except for those assets referenced in paragraph  
21 (4) of subsection (c) of Section 10. Acceptable  
22 documentation may include statements from financial  
23 institutions or some other third party verification of an  
24 asset's value. If no third party verification exists, then  
25 the patient shall certify as to the estimated value of the  
26 asset.

1           (3) Illinois resident verification. Hospitals may  
2           require an uninsured patient who is requesting an  
3           uninsured discount to verify Illinois residency.  
4           Acceptable verification of Illinois residency shall  
5           include any one of the following:

6                   (A) any of the documents listed in paragraph (1);

7                   (B) a valid state-issued identification card;

8                   (C) a recent residential utility bill;

9                   (D) a lease agreement;

10                  (E) a vehicle registration card;

11                  (F) a voter registration card;

12                  (G) mail addressed to the uninsured patient at an  
13                  Illinois address from a government or other credible  
14                  source;

15                  (H) a statement from a family member of the  
16                  uninsured patient who resides at the same address and  
17                  presents verification of residency;

18                  (I) a letter from a homeless shelter, transitional  
19                  house or other similar facility verifying that the  
20                  uninsured patient resides at the facility; or

21                  (J) a temporary visitor's drivers license.

22           (c) Hospital obligations toward an individual uninsured  
23           patient under this Act shall cease if that patient  
24           unreasonably fails or refuses to provide the hospital with  
25           information or documentation requested under subsection (b) or  
26           to apply for coverage under public programs when requested

1 under subsection (a) within 30 days of the hospital's request.

2 (d) In order for a hospital to determine the 12 month  
3 maximum amount that can be collected from a patient deemed  
4 eligible under Section 10, an uninsured patient shall inform  
5 the hospital in subsequent inpatient admissions or outpatient  
6 encounters that the patient has previously received health  
7 care services from that hospital and was determined to be  
8 entitled to the uninsured discount.

9 (e) Hospitals may require patients to certify that all of  
10 the information provided in the application is true. The  
11 application may state that if any of the information is  
12 untrue, any discount granted to the patient is forfeited and  
13 the patient is responsible for payment of the hospital's full  
14 charges.

15 (f) Hospitals shall ask for an applicant's race,  
16 ethnicity, sex, and preferred language on the financial  
17 assistance application. However, the questions shall be  
18 clearly marked as optional responses for the patient and shall  
19 note that responses or nonresponses by the patient will not  
20 have any impact on the outcome of the application.

21 (Source: P.A. 102-581, eff. 1-1-22.)

22 Section 10. The Illinois Public Aid Code is amended by  
23 changing Section 1-7 as follows:

24 (305 ILCS 5/1-7) (from Ch. 23, par. 1-7)

1           Sec. 1-7. (a) For purposes of determining eligibility for  
2 assistance under this Code, the Illinois Department, County  
3 Departments, and local governmental units shall exclude from  
4 consideration restitution payments, including all income and  
5 resources derived therefrom, made to persons of Japanese or  
6 Aleutian ancestry pursuant to the federal Civil Liberties Act  
7 of 1988 and the Aleutian and Pribilof Island Restitution Act,  
8 P.L. 100-383.

9           (b) For purposes of any program or form of assistance  
10 where a person's income or assets are considered in  
11 determining eligibility or level of assistance, whether under  
12 this Code or another authority, neither the State of Illinois  
13 nor any entity or person administering a program wholly or  
14 partially financed by the State of Illinois or any of its  
15 political subdivisions shall include restitution payments,  
16 including all income and resources derived therefrom, made  
17 pursuant to the federal Civil Liberties Act of 1988 and the  
18 Aleutian and Pribilof Island Restitution Act, P.L. 100-383, in  
19 the calculation of income or assets for determining  
20 eligibility or level of assistance.

21           (c) For purposes of determining eligibility for or the  
22 amount of assistance under this Code, except for the  
23 determination of eligibility for payments or programs under  
24 the TANF employment, education, and training programs and the  
25 Food Stamp Employment and Training Program, the Illinois  
26 Department, County Departments, and local governmental units

1 shall exclude from consideration any financial assistance  
2 received under any student aid program administered by an  
3 agency of this State or the federal government, by a person who  
4 is enrolled as a full-time or part-time student of any public  
5 or private university, college, or community college in this  
6 State.

7 (d) For purposes of determining eligibility for or the  
8 amount of assistance under this Code, except for the  
9 determination of eligibility for payments or programs under  
10 the TANF employment, education, and training programs and the  
11 SNAP Employment and Training Program, the Illinois Department,  
12 County Departments, and local governmental units shall exclude  
13 from consideration, for a period of 36 months, any financial  
14 assistance, including wages, that is provided to a person who  
15 is enrolled in a demonstration project that is not funded with  
16 general revenue funds and that is intended as a bridge to  
17 self-sufficiency by offering (i) intensive workforce support  
18 and training and (ii) support services for new and expectant  
19 parents that are intended to foster multi-generational healthy  
20 families as described in Section 12-4.51.

21 (e) (1) Notwithstanding any other provision of this Code,  
22 and to the maximum extent permitted by federal law, for  
23 purposes of determining eligibility and the amount of  
24 assistance under this Code, the Illinois Department and local  
25 governmental units shall exclude from consideration, ~~for a~~  
26 ~~period of no more than 60 months,~~ any financial assistance,

1 including ~~wages,~~ cash transfers, or gifts, that is provided to  
2 a person through a guaranteed income program. As used in this  
3 subsection, "guaranteed income program" means a publicly or  
4 privately funded program that provides one-time or recurring  
5 unconditional cash transfers or payments, or gifts to  
6 individuals or households, for a defined number of months or  
7 years for the purposes of reducing poverty, promoting economic  
8 mobility, or increasing the financial stability of Illinois  
9 residents. ~~who is enrolled in a program or research project~~  
10 ~~that is not funded with general revenue funds and that is~~  
11 ~~intended to investigate the impacts of policies or programs~~  
12 ~~designed to reduce poverty, promote social mobility, or~~  
13 ~~increase financial stability for Illinois residents if there~~  
14 ~~is an explicit plan to collect data and evaluate the program or~~  
15 ~~initiative that is developed prior to participants in the~~  
16 ~~study being enrolled in the program and if a research team has~~  
17 ~~been identified to oversee the evaluation.~~

18 (2) The Department shall choose State options and seek all  
19 necessary federal approvals or waivers to implement this  
20 subsection.

21 (Source: P.A. 100-806, eff. 1-1-19; 101-415, eff. 8-16-19.)

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