



103RD GENERAL ASSEMBLY

State of Illinois

2023 and 2024

SB1665

Introduced 2/8/2023, by Sen. Robert Peters

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 27577 KTG 53953 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.