



Sen. David Koehler

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10300SB2830sam001

LRB103 36606 KTG 70652 a

1 AMENDMENT TO SENATE BILL 2830

2 AMENDMENT NO. \_\_\_\_\_. Amend Senate Bill 2830 by replacing  
3 everything after the enacting clause with the following:

4 "Section 5. The Illinois Public Aid Code is amended by  
5 changing Section 5F-35 and by adding Section 5-16.14 as  
6 follows:

7 (305 ILCS 5/5-16.14 new)

8 Sec. 5-16.14. Managed care prompt payment to providers.

9 (a) The Department shall adopt rules and policies within  
10 90 days after the effective date of this amendatory Act of the  
11 103rd General Assembly for interest penalties to be imposed on  
12 managed care organizations for all delayed payments to medical  
13 providers. As used in this Section, "delayed payment" means a  
14 payment owed by a managed care organization to a medical  
15 provider when the State has provided the managed care  
16 organization with the funds for the payment, but the payment

1 to the medical provider has taken over 30 days from submission  
2 of a claim by a medical provider or a posting of quarterly  
3 incentive payments by the Department.

4 (b) If payment is not issued from the managed care  
5 organization to the medical provider within 30 days of  
6 receiving the funds from the State, it shall be considered a  
7 delayed payment and an interest penalty of 1.0% of any amount  
8 unpaid shall be added for each month or fraction thereof after  
9 the end of this 30-day period, until final payment is made. If  
10 payment is not issued from the managed care organization to  
11 the medical provider within 60 days of receiving the funds  
12 from the State, the interest penalty shall increase to 2.5% of  
13 any amount unpaid, until final payment is made. If payment is  
14 not issued from the managed care organization to the medical  
15 provider within 90 days of receiving the funds from the State,  
16 the interest penalty shall increase to 5% of any amount  
17 unpaid, until final payment is made.

18 (c) Managed care organizations shall review in a timely  
19 manner each claim made to it and provide the Department with a  
20 quarterly report indicating:

21 (1) the number of claims and dollar amount received by  
22 the managed care organization from providers for that  
23 quarter;

24 (2) the number of claims and dollar amount paid by the  
25 managed care organization to providers for that quarter;

26 (3) the total number of claims and dollar amount of

1 outstanding payments owed from the managed care  
2 organization to providers, broken down by provider;

3 (4) the average length of time for that quarter it  
4 took the managed care organization to pay a provider claim  
5 from when it was first submitted;

6 (5) the average length of time for that quarter it  
7 took the managed care organization to pay a provider claim  
8 from when the funds were transferred from the State to  
9 cover that claim; and

10 (6) the total number and dollar amount of interest  
11 penalty payments incurred for that quarter.

12 (d) The Department shall annually review managed care  
13 payment times and provide details of delays in the  
14 Department's annual report.

15 (305 ILCS 5/5F-35)

16 Sec. 5F-35. Reimbursement. The Department shall provide  
17 each managed care organization with the quarterly  
18 fee-for-service facility-specific ~~RUG-IV~~ nursing component per  
19 diem along with any add-ons for enhanced care services,  
20 support component per diem, and capital component per diem  
21 effective for each nursing home under contract with the  
22 managed care organization. No managed care contract shall  
23 provide for a level of reimbursement lower than the  
24 fee-for-service rate in effect for the facility at the time  
25 service is rendered.

1 (Source: P.A. 98-651, eff. 6-16-14.)".