

1 except that the capital cost element for newly constructed
2 facilities shall be based upon projected budgets. The
3 annually established payment rate shall take effect on July 1
4 in 1984 and subsequent years. No rate increase and no update
5 for inflation shall be provided on or after July 1, 1994 and
6 before July 1, 2004, unless specifically provided for in this
7 Section.

8 For facilities licensed by the Department of Public
9 Health under the Nursing Home Care Act as Intermediate Care
10 for the Developmentally Disabled facilities or Long Term Care
11 for Under Age 22 facilities, the rates taking effect on July
12 1, 1998 shall include an increase of 3%. For facilities
13 licensed by the Department of Public Health under the Nursing
14 Home Care Act as Skilled Nursing facilities or Intermediate
15 Care facilities, the rates taking effect on July 1, 1998
16 shall include an increase of 3% plus \$1.10 per resident-day,
17 as defined by the Department.

18 For facilities licensed by the Department of Public
19 Health under the Nursing Home Care Act as Intermediate Care
20 for the Developmentally Disabled facilities or Long Term Care
21 for Under Age 22 facilities, the rates taking effect on July
22 1, 1999 shall include an increase of 1.6% plus \$3.00 per
23 resident-day, as defined by the Department. For facilities
24 licensed by the Department of Public Health under the Nursing
25 Home Care Act as Skilled Nursing facilities or Intermediate
26 Care facilities, the rates taking effect on July 1, 1999
27 shall include an increase of 1.6% and, for services provided
28 on or after October 1, 1999, shall be increased by \$4.00 per
29 resident-day, as defined by the Department.

30 For facilities licensed by the Department of Public
31 Health under the Nursing Home Care Act as Intermediate Care
32 for the Developmentally Disabled facilities or Long Term Care
33 for Under Age 22 facilities, the rates taking effect on July
34 1, 2000 shall include an increase of 2.5% per resident-day,

1 as defined by the Department. For facilities licensed by the
2 Department of Public Health under the Nursing Home Care Act
3 as Skilled Nursing facilities or Intermediate Care
4 facilities, the rates taking effect on July 1, 2000 shall
5 include an increase of 2.5% per resident-day, as defined by
6 the Department.

7 For facilities licensed by the Department of Public
8 Health under the Nursing Home Care Act as skilled nursing
9 facilities or intermediate care facilities, a new payment
10 methodology must be implemented for the nursing component of
11 the rate effective July 1, 2003. The Department of Public Aid
12 shall develop the new payment methodology using the Minimum
13 Data Set (MDS) as the instrument to collect information
14 concerning nursing home resident condition necessary to
15 compute the rate. The Department of Public Aid shall develop
16 the new payment methodology to meet the unique needs of
17 Illinois nursing home residents while remaining subject to
18 the appropriations provided by the General Assembly. A
19 transition period from the payment methodology in effect on
20 June 30, 2003 to the payment methodology in effect on July 1,
21 2003 shall be provided for a period not exceeding 2 years
22 after implementation of the new payment methodology as
23 follows:

24 (A) For a facility that would receive a lower
25 nursing component rate per patient day under the new
26 system than the facility received effective on the date
27 immediately preceding the date that the Department
28 implements the new payment methodology, the nursing
29 component rate per patient day for the facility shall be
30 held at the level in effect on the date immediately
31 preceding the date that the Department implements the new
32 payment methodology until a higher nursing component rate
33 of reimbursement is achieved by that facility.

34 (B) For a facility that would receive a higher

1 nursing component rate per patient day under the payment
2 methodology in effect on July 1, 2003 than the facility
3 received effective on the date immediately preceding the
4 date that the Department implements the new payment
5 methodology, the nursing component rate per patient day
6 for the facility shall be adjusted.

7 (C) Notwithstanding paragraphs (A) and (B), the
8 nursing component rate per patient day for the facility
9 shall be adjusted subject to appropriations provided by
10 the General Assembly.

11 For facilities licensed by the Department of Public
12 Health under the Nursing Home Care Act as Intermediate Care
13 for the Developmentally Disabled facilities or Long Term Care
14 for Under Age 22 facilities, the rates taking effect on March
15 1, 2001 shall include a statewide increase of 7.85%, as
16 defined by the Department.

17 For facilities licensed by the Department of Public
18 Health under the Nursing Home Care Act as Intermediate Care
19 for the Developmentally Disabled facilities or Long Term Care
20 for Under Age 22 facilities, the rates taking effect on April
21 1, 2002 shall include a statewide increase of 2.0%, as
22 defined by the Department. This increase terminates on July
23 1, 2002; beginning July 1, 2002 these rates are reduced to
24 the level of the rates in effect on March 31, 2002, as
25 defined by the Department.

26 For facilities licensed by the Department of Public
27 Health under the Nursing Home Care Act as skilled nursing
28 facilities or intermediate care facilities, the rates taking
29 effect on July 1, 2001 shall be computed using the most
30 recent cost reports on file with the Department of Public Aid
31 no later than April 1, 2000, updated for inflation to January
32 1, 2001. For rates effective July 1, 2001 only, rates shall
33 be the greater of the rate computed for July 1, 2001 or the
34 rate effective on June 30, 2001.

1 Notwithstanding any other provision of this Section, for
2 facilities licensed by the Department of Public Health under
3 the Nursing Home Care Act as skilled nursing facilities or
4 intermediate care facilities, the Illinois Department shall
5 determine by rule the rates taking effect on July 1, 2002,
6 which shall be 5.9% less than the rates in effect on June 30,
7 2002.

8 For facilities licensed by the Department of Public
9 Health under the Nursing Home Care Act as Intermediate Care
10 for the Developmentally Disabled facilities or as long-term
11 care facilities for residents under 22 years of age, the
12 rates taking effect on July 1, 2003 shall include a statewide
13 increase of 4%, as defined by the Department.

14 Rates established effective each July 1 shall govern
15 payment for services rendered throughout that fiscal year,
16 except that rates established on July 1, 1996 shall be
17 increased by 6.8% for services provided on or after January
18 1, 1997. Such rates will be based upon the rates calculated
19 for the year beginning July 1, 1990, and for subsequent years
20 thereafter until June 30, 2001 shall be based on the facility
21 cost reports for the facility fiscal year ending at any point
22 in time during the previous calendar year, updated to the
23 midpoint of the rate year. The cost report shall be on file
24 with the Department no later than April 1 of the current rate
25 year. Should the cost report not be on file by April 1, the
26 Department shall base the rate on the latest cost report
27 filed by each skilled care facility and intermediate care
28 facility, updated to the midpoint of the current rate year.
29 In determining rates for services rendered on and after July
30 1, 1985, fixed time shall not be computed at less than zero.
31 The Department shall not make any alterations of regulations
32 which would reduce any component of the Medicaid rate to a
33 level below what that component would have been utilizing in
34 the rate effective on July 1, 1984.

1 (2) Shall take into account the actual costs incurred by
2 facilities in providing services for recipients of skilled
3 nursing and intermediate care services under the medical
4 assistance program.

5 (3) Shall take into account the medical and
6 psycho-social characteristics and needs of the patients.

7 (4) Shall take into account the actual costs incurred by
8 facilities in meeting licensing and certification standards
9 imposed and prescribed by the State of Illinois, any of its
10 political subdivisions or municipalities and by the U.S.
11 Department of Health and Human Services pursuant to Title XIX
12 of the Social Security Act.

13 The Department of Public Aid shall develop precise
14 standards for payments to reimburse nursing facilities for
15 any utilization of appropriate rehabilitative personnel for
16 the provision of rehabilitative services which is authorized
17 by federal regulations, including reimbursement for services
18 provided by qualified therapists or qualified assistants, and
19 which is in accordance with accepted professional practices.
20 Reimbursement also may be made for utilization of other
21 supportive personnel under appropriate supervision.

22 (Source: P.A. 92-10, eff. 6-11-01; 92-31, eff. 6-28-01;
23 92-597, eff. 6-28-02; 92-651, eff. 7-11-02; 92-848, eff.
24 1-1-03; 93-20, eff. 6-20-03.)

25 Section 99. Effective date. This Act takes effect upon
26 becoming law."