

1 HOUSE RESOLUTION

2 WHEREAS, The Illinois Medicaid Program is a federal-state
3 entitlement program which provides preventive and primary
4 health care, hospital, pharmacy, long term care, and other
5 medical services; and

6 WHEREAS, The Illinois Medicaid program covers a monthly
7 average of 1.6 million people, and considering turnover, over
8 2 million unique individuals per year; and

9 WHEREAS, Medicaid providers rely on timely payment for
10 services rendered to remain economically viable and able to
11 provide needed services to the most needy of Illinois'
12 population; and

13 WHEREAS, The Illinois Medicaid program currently owes
14 providers in excess of \$1.2 billion for services rendered
15 including \$406.1 million owed to hospitals, \$364.1 million
16 owed to long term care facilities, \$333.0 million owed to
17 pharmacies for prescription drugs, and \$189.1 million owed to
18 noninstitutional providers; and

19 WHEREAS, Many providers are currently waiting up to six
20 months from the time services are rendered for payments, and
21 the payment cycle identified by the Illinois Department of
22 Public Aid once payment vouchers have been received is
23 running in excess of 99 days for long term care facilities,
24 99 days for pharmacists, and 100 days for physicians; and

25 WHEREAS, Due to the extended payment cycle, Medicaid
26 vendors have been forced to exhaust personal lines of credit
27 and layoff employees to continue to provide services; and

28 WHEREAS, Twenty-seven long term care facilities closed in
29 Illinois in 2002 due to financial difficulties and an
30 additional six facilities in 2003 have notified the
31 Department of Public Aid that they will be filing for

1 bankruptcy; and

2 WHEREAS, Without an expedited payment schedule,
3 additional facilities will be forced to either end operations
4 or refuse to provide services to Medicaid enrollees, leaving
5 Medicaid enrollees with limited or no coverage options; and

6 WHEREAS, A lack of action will permanently damage the
7 health care delivery system for Illinois' aged, disabled, and
8 financially needy populations; therefore be it

9 RESOLVED BY THE HOUSE OF REPRESENTATIVES OF THE
10 NINETY-THIRD GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, that
11 we support and urge efforts by Governor Rod Blagojevich,
12 Treasurer Judy Baar Topinka, and Comptroller Dan Hynes to
13 provide relief to Medicaid providers by borrowing up to \$700
14 million under the Short Term Borrowing Act due to failure in
15 revenues; and be it further

16 RESOLVED, That the Illinois Development Finance Authority
17 and the Illinois Health Facilities Authority are urged to
18 sell short-term notes and use the proceeds from the sale to
19 buy the accounts receivables of providers; and be it further

20 RESOLVED, That a suitable copy of this resolution be
21 delivered to the Governor, the Treasurer, and the Comptroller
22 of the State of Illinois and also to the members of the
23 Illinois Health Facilities Authority and the members of the
24 Illinois Development Finance Authority.