



93RD GENERAL ASSEMBLY
State of Illinois
2003 and 2004

Introduced 2/6/2004, by Dale A. Righter

SYNOPSIS AS INTRODUCED:

215 ILCS 106/20
215 ILCS 106/40
305 ILCS 5/8A-6 from Ch. 23, par. 8A-6

Amends the Children's Health Insurance Program Act and the Illinois Public Aid Code. In connection with eligibility for the KidCare program, sets an asset limit of \$10,000, excluding the value of the child's residence and the value of a vehicle (other than a recreational vehicle) used for transportation. Requires that changes in income or other circumstances be reported within 30 days (instead of promptly), and provides that a failure to report is a Class A misdemeanor with a maximum fine of \$10,000 under the public assistance fraud provisions of the Illinois Public Aid Code; also provides for repayment of an amount equal to benefits that were wrongly received. Requires the Department of Public Aid to adopt rules within 60 days. Makes the reporting, penalty, and rulemaking provisions also applicable to the FamilyCare program. Effective immediately.

LRB093 20648 DRJ 46775 b

CORRECTIONAL
BUDGET AND
IMPACT NOTE ACT
MAY APPLY

FISCAL NOTE ACT
MAY APPLY

1 AN ACT concerning health.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Children's Health Insurance Program Act is
5 amended by changing Sections 20 and 40 as follows:

6 (215 ILCS 106/20)

7 Sec. 20. Eligibility.

8 (a) To be eligible for this Program, a person must be a
9 person who has a child eligible under this Act and who is
10 eligible under a waiver of federal requirements pursuant to an
11 application made pursuant to subdivision (a)(1) of Section 40
12 of this Act or who is a child who:

13 (1) is a child who is not eligible for medical
14 assistance;

15 (2) is a child whose annual household income, as
16 determined by the Department, is above 133% of the federal
17 poverty level and at or below 200% of the federal poverty
18 level;

19 (2.5) is a child whose household assets do not exceed
20 \$10,000, excluding (i) the value of the residence in which
21 the child lives and (ii) the value of a vehicle used by the
22 household for transportation purposes; for purposes of
23 this paragraph (2.5), "vehicle" does not include a
24 recreational vehicle as defined in the Campground
25 Licensing and Recreational Area Act;

26 (3) is a resident of the State of Illinois; and

27 (4) is a child who is either a United States citizen or
28 included in one of the following categories of
29 non-citizens:

30 (A) unmarried dependent children of either a
31 United States Veteran honorably discharged or a person
32 on active military duty;

1 (B) refugees under Section 207 of the Immigration
2 and Nationality Act;

3 (C) asylees under Section 208 of the Immigration
4 and Nationality Act;

5 (D) persons for whom deportation has been withheld
6 under Section 243(h) of the Immigration and
7 Nationality Act;

8 (E) persons granted conditional entry under
9 Section 203(a)(7) of the Immigration and Nationality
10 Act as in effect prior to April 1, 1980;

11 (F) persons lawfully admitted for permanent
12 residence under the Immigration and Nationality Act;
13 and

14 (G) parolees, for at least one year, under Section
15 212(d)(5) of the Immigration and Nationality Act.

16 Those children who are in the categories set forth in
17 subdivisions (4)(F) and (4)(G) of this subsection, who enter
18 the United States on or after August 22, 1996, shall not be
19 eligible for 5 years beginning on the date the child entered
20 the United States.

21 (b) A child who is determined to be eligible for assistance
22 may remain eligible for 12 months, provided the child maintains
23 his or her residence in the State, has not yet attained 19
24 years of age, and is not excluded pursuant to subsection (c). A
25 child who has been determined to be eligible for assistance
26 must reapply or otherwise establish eligibility at least
27 annually. An eligible child shall be required, ~~as determined by~~
28 ~~the Department by rule,~~ to report ~~promptly~~ those changes in
29 income and other circumstances that affect eligibility within
30 30 days after the occurrence of the change. A failure to report
31 such a change to the Department within 30 days, without good
32 cause, is punishable as provided in Section 8A-6 of the
33 Illinois Public Aid Code. The eligibility of a child may be
34 redetermined based on the information reported or may be
35 terminated based on the failure to report or failure to report
36 accurately. A child's responsible relative or caretaker may

1 also be held liable to the Department for any payments made by
2 the Department on such child's behalf that were inappropriate.
3 An applicant shall be provided with notice of these
4 obligations.

5 (c) A child shall not be eligible for coverage under this
6 Program if:

7 (1) the premium required pursuant to Section 30 of this
8 Act has not been paid. If the required premiums are not
9 paid the liability of the Program shall be limited to
10 benefits incurred under the Program for the time period for
11 which premiums had been paid. If the required monthly
12 premium is not paid, the child shall be ineligible for
13 re-enrollment for a minimum period of 3 months.
14 Re-enrollment shall be completed prior to the next covered
15 medical visit and the first month's required premium shall
16 be paid in advance of the next covered medical visit. The
17 Department shall promulgate rules regarding grace periods,
18 notice requirements, and hearing procedures pursuant to
19 this subsection;

20 (2) the child is an inmate of a public institution or a
21 patient in an institution for mental diseases; or

22 (3) the child is a member of a family that is eligible
23 for health benefits covered under the State of Illinois
24 health benefits plan on the basis of a member's employment
25 with a public agency.

26 (d) Within 60 days after the effective date of this
27 amendatory Act of the 93rd General Assembly, the Department
28 shall adopt rules to implement the changes made by this
29 amendatory Act of the 93rd General Assembly. The Department may
30 adopt rules necessary to implement these changes through the
31 use of emergency rulemaking in accordance with Section 5-45 of
32 the Illinois Administrative Procedure Act. For purposes of that
33 Act, the General Assembly finds that the adoption of rules to
34 implement these changes is deemed an emergency and necessary
35 for the public interest, safety, and welfare.

36 (Source: P.A. 92-597, eff. 6-28-02; 93-63, eff. 6-30-03.)

1 (215 ILCS 106/40)

2 Sec. 40. Waivers.

3 (a) The Department shall request any necessary waivers of
4 federal requirements in order to allow receipt of federal
5 funding for:

6 (1) the coverage of families with eligible children
7 under this Act; and

8 (2) for the coverage of children who would otherwise be
9 eligible under this Act, but who have health insurance.

10 (b) The failure of the responsible federal agency to
11 approve a waiver for children who would otherwise be eligible
12 under this Act but who have health insurance shall not prevent
13 the implementation of any Section of this Act provided that
14 there are sufficient appropriated funds.

15 (c) Eligibility of a person under an approved waiver due to
16 the relationship with a child pursuant to Article V of the
17 Illinois Public Aid Code or this Act shall be limited to such a
18 person whose countable income is determined by the Department
19 to be at or below such income eligibility standard as the
20 Department by rule shall establish. The income level
21 established by the Department shall not be below 90% of the
22 federal poverty level. Such persons who are determined to be
23 eligible must reapply, or otherwise establish eligibility, at
24 least annually. An eligible person shall be required, ~~as~~
25 ~~determined by the Department by rule,~~ to report ~~promptly~~ those
26 changes in income and other circumstances that affect
27 eligibility to the Department within 30 days after the
28 occurrence of the change. A failure to report such a change to
29 the Department within 30 days, without good cause, is
30 punishable as provided in Section 8A-6 of the Illinois Public
31 Aid Code. The eligibility of a person may be redetermined based
32 on the information reported or may be terminated based on the
33 failure to report or failure to report accurately. A person may
34 also be held liable to the Department for any payments made by
35 the Department on such person's behalf that were inappropriate.

1 An applicant shall be provided with notice of these
2 obligations.

3 (d) Within 60 days after the effective date of this
4 amendatory Act of the 93rd General Assembly, the Department
5 shall adopt rules to implement the changes made by this
6 amendatory Act of the 93rd General Assembly. The Department may
7 adopt rules necessary to implement these changes through the
8 use of emergency rulemaking in accordance with Section 5-45 of
9 the Illinois Administrative Procedure Act. For purposes of that
10 Act, the General Assembly finds that the adoption of rules to
11 implement these changes is deemed an emergency and necessary
12 for the public interest, safety, and welfare.

13 (Source: P.A. 92-597, eff. 6-28-02; 93-63, eff. 6-30-03.)

14 Section 10. The Illinois Public Aid Code is amended by
15 changing Section 8A-6 as follows:

16 (305 ILCS 5/8A-6) (from Ch. 23, par. 8A-6)

17 Sec. 8A-6. Classification of violations.

18 (a) Any person, firm, corporation, association, agency,
19 institution or other legal entity that has been found by a
20 court to have engaged in an act, practice or course of conduct
21 declared unlawful under Sections 8A-2 through 8A-5 or Section
22 8A-13 or 8A-14 where:

23 (1) the total amount of money involved in the
24 violation, including the monetary value of federal food
25 stamps and the value of commodities, is less than \$150,
26 shall be guilty of a Class A misdemeanor;

27 (2) the total amount of money involved in the
28 violation, including the monetary value of federal food
29 stamps and the value of commodities, is \$150 or more but
30 less than \$1,000, shall be guilty of a Class 4 felony;

31 (3) the total amount of money involved in the
32 violation, including the monetary value of federal food
33 stamps and the value of commodities, is \$1,000 or more but
34 less than \$5,000, shall be guilty of a Class 3 felony;

1 (4) the total amount of money involved in the
2 violation, including the monetary value of federal food
3 stamps and the value of commodities, is \$5,000 or more but
4 less than \$10,000, shall be guilty of a Class 2 felony; or

5 (5) the total amount of money involved in the
6 violation, including the monetary value of federal food
7 stamps and the value of commodities, is \$10,000 or more,
8 shall be guilty of a Class 1 felony and, notwithstanding
9 the provisions of Section 8A-8 except for Subsection (c) of
10 Section 8A-8, shall be ineligible for financial aid under
11 this Article for a period of two years following conviction
12 or until the total amount of money, including the value of
13 federal food stamps, is repaid, whichever first occurs.

14 (b) Any person, firm, corporation, association, agency,
15 institution or other legal entity that commits a subsequent
16 violation of any of the provisions of Sections 8A-2 through
17 8A-5 and:

18 (1) the total amount of money involved in the
19 subsequent violation, including the monetary value of
20 federal food stamps and the value of commodities, is less
21 than \$150, shall be guilty of a Class 4 felony;

22 (2) the total amount of money involved in the
23 subsequent violation, including the monetary value of
24 federal food stamps and the value of commodities, is \$150
25 or more but less than \$1,000, shall be guilty of a Class 3
26 felony;

27 (3) the total amount of money involved in the
28 subsequent violation, including the monetary value of
29 federal food stamps and the value of commodities, is \$1,000
30 or more but less than \$5,000, shall be guilty of a Class 2
31 felony;

32 (4) the total amount of money involved in the
33 subsequent violation, including the monetary value of
34 federal food stamps and the value of commodities, is \$5,000
35 or more but less than \$10,000, shall be guilty of a Class 1
36 felony.

1 (c) For purposes of determining the classification of
2 offense under this Section, all of the money received as a
3 result of the unlawful act, practice or course of conduct can
4 be accumulated.

5 (d) A failure to report a change in income or other
6 circumstances to the Department of Public Aid within 30 days as
7 required under subsection (b) of Section 20 or subsection (c)
8 of Section 40 of the Children's Health Insurance Program Act,
9 without good cause, is a Class A misdemeanor for which a fine
10 not to \$10,000 may be imposed. In addition, if a person
11 receives benefits under Section 20 or 40 of that Act to which
12 he or she was not entitled because of the person's failure,
13 without good cause, to report a change in income or other
14 circumstances that would have rendered the person ineligible
15 for those benefits, the person must repay to the Department of
16 Public Aid the amount of benefits wrongly received.

17 (Source: P.A. 90-538, eff. 12-1-97.)

18 Section 99. Effective date. This Act takes effect upon
19 becoming law.