

HB0217



94TH GENERAL ASSEMBLY

State of Illinois

2005 and 2006

HB0217

Introduced 1/13/2005, by Rep. Rosemary Mulligan

SYNOPSIS AS INTRODUCED:

305 ILCS 5/5A-12

Amends the Illinois Public Aid Code. Makes a technical change in a Section concerning hospital access improvement payments.

LRB094 05457 DRJ 35502 b

A BILL FOR

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 Illinois Public Aid Code is amended by
5 changing Section 5A-12 as follows:

6 (305 ILCS 5/5A-12)

7 (Section scheduled to be repealed on July 1, 2005)

8 Sec. 5A-12. Hospital access improvement payments.

9 (a) To improve access to hospital services, for hospital
10 services rendered on or after June 1, 2004, the ~~the~~ Department
11 of Public Aid shall make payments to hospitals as set forth in
12 this Section, except for hospitals described in subsection (b)
13 of Section 5A-3. These payments shall be paid on a quarterly
14 basis. For State fiscal year 2004, if the effective date of the
15 approval of the payment methodology required under this Section
16 and the waiver granted under 42 CFR 433.68 by the Centers for
17 Medicare and Medicaid Services of the U.S. Department of Health
18 and Human Services is prior to July 1, 2004, the Department
19 shall pay the total amounts required for fiscal year 2004 under
20 this Section within 25 days of the latest notification. No
21 payment shall be made for State fiscal year 2004 if the
22 effective date of the approval is on or after July 1, 2004. In
23 State fiscal year 2005, the total amounts required under this
24 Section shall be paid in 4 equal installments on or before July
25 15, October 15, January 14, and April 15 of the year, except
26 that if the date of notification of the approval of the payment
27 methodologies required under this Section and the waiver
28 granted under 42 CFR 433.68 is on or after July 1, 2004, the
29 sum of amounts required under this Section prior to the date of
30 notification shall be paid within 25 days of the date of the
31 last notification. Payments under this Section are not due and
32 payable, however, until (i) the methodologies described in this

1 Section are approved by the federal government in an
2 appropriate State Plan amendment, (ii) the assessment imposed
3 under this Article is determined to be a permissible tax under
4 Title XIX of the Social Security Act, and (iii) the assessment
5 is in effect.

6 (b) High volume payment. In addition to rates paid for
7 inpatient hospital services, the Department of Public Aid shall
8 pay, to each Illinois hospital that provided more than 20,000
9 Medicaid inpatient days of care during State fiscal year 2001
10 (except for hospitals that qualify for adjustment payments
11 under Section 5-5.02 for the 12-month period beginning on
12 October 1, 2002), \$190 for each Medicaid inpatient day of care
13 provided during that fiscal year. A hospital that provided less
14 than 30,000 Medicaid inpatient days of care during that period,
15 however, is not entitled to receive more than \$3,500,000 per
16 year in such payments.

17 (c) Medicaid inpatient utilization rate adjustment. In
18 addition to rates paid for inpatient hospital services, the
19 Department of Public Aid shall pay each Illinois hospital
20 (except for hospitals described in Section 5A-3), for each
21 Medicaid inpatient day of care provided during State fiscal
22 year 2001, an amount equal to the product of \$57.25 multiplied
23 by the quotient of 1 divided by the greater of 1.6% or the
24 hospital's Medicaid inpatient utilization rate (as used to
25 determine eligibility for adjustment payments under Section
26 5-5.02 for the 12-month period beginning on October 1, 2002).
27 The total payments under this subsection to a hospital may not
28 exceed \$10,500,000 annually.

29 (d) Psychiatric base rate adjustment.

30 (1) In addition to rates paid for inpatient psychiatric
31 services, the Department of Public Aid shall pay each
32 Illinois general acute care hospital with a distinct
33 part-psychiatric unit, for each Medicaid inpatient
34 psychiatric day of care provided in State fiscal year 2001,
35 an amount equal to \$400 less the hospital's per-diem rate
36 for Medicaid inpatient psychiatric services as in effect on

1 October 1, 2003. In no event, however, shall that amount be
2 less than zero.

3 (2) For distinct part-psychiatric units of Illinois
4 general acute care hospitals, except for all hospitals
5 excluded in Section 5A-3, whose inpatient per-diem rate as
6 in effect on October 1, 2003 is greater than \$400, the
7 Department shall pay, in addition to any other amounts
8 authorized under this Code, \$25 for each Medicaid inpatient
9 psychiatric day of care provided in State fiscal year 2001.

10 (e) Supplemental tertiary care adjustment. In addition to
11 rates paid for inpatient services, the Department of Public Aid
12 shall pay to each Illinois hospital eligible for tertiary care
13 adjustment payments under 89 Ill. Adm. Code 148.296, as in
14 effect for State fiscal year 2003, a supplemental tertiary care
15 adjustment payment equal to the tertiary care adjustment
16 payment required under 89 Ill. Adm. Code 148.296, as in effect
17 for State fiscal year 2003.

18 (f) Medicaid outpatient utilization rate adjustment. In
19 addition to rates paid for outpatient hospital services, the
20 Department of Public Aid shall pay each Illinois hospital
21 (except for hospitals described in Section 5A-3), an amount
22 equal to the product of 2.45% multiplied by the hospital's
23 Medicaid outpatient charges multiplied by the quotient of 1
24 divided by the greater of 1.6% or the hospital's Medicaid
25 outpatient utilization rate. The total payments under this
26 subsection to a hospital may not exceed \$6,750,000 annually.

27 For purposes of this subsection:

28 "Medicaid outpatient charges" means the charges for
29 outpatient services provided to Medicaid patients for State
30 fiscal year 2001 as submitted by the hospital on the UB-92
31 billing form or under the ambulatory procedure listing and
32 adjudicated by the Department of Public Aid on or before
33 September 12, 2003.

34 "Medicaid outpatient utilization rate" means a fraction,
35 the numerator of which is the hospital's Medicaid outpatient
36 charges and the denominator of which is the total number of the

1 hospital's charges for outpatient services for the hospital's
2 fiscal year ending in 2001.

3 (g) State outpatient service adjustment. In addition to
4 rates paid for outpatient hospital services, the Department of
5 Public Aid shall pay each Illinois hospital an amount equal to
6 the product of 75.5% multiplied by the hospital's Medicaid
7 outpatient services submitted to the Department on the UB-92
8 billing form for State fiscal year 2001 multiplied by the
9 hospital's outpatient access fraction.

10 For purposes of this subsection, "outpatient access
11 fraction" means a fraction, the numerator of which is the
12 hospital's Medicaid payments for outpatient services for
13 ambulatory procedure listing services submitted to the
14 Department on the UB-92 billing form for State fiscal year
15 2001, and the denominator of which is the hospital's Medicaid
16 outpatient services submitted to the Department on the UB-92
17 billing form for State fiscal year 2001.

18 The total payments under this subsection to a hospital may
19 not exceed \$3,000,000 annually.

20 (h) Rural hospital outpatient adjustment. In addition to
21 rates paid for outpatient hospital services, the Department of
22 Public Aid shall pay each Illinois rural hospital an amount
23 equal to the product of \$14,500,000 multiplied by the rural
24 hospital outpatient adjustment fraction.

25 For purposes of this subsection, "rural hospital
26 outpatient adjustment fraction" means a fraction, the
27 numerator of which is the hospital's Medicaid visits for
28 outpatient services for ambulatory procedure listing services
29 submitted to the Department on the UB-92 billing form for State
30 fiscal year 2001, and the denominator of which is the total
31 Medicaid visits for outpatient services for ambulatory
32 procedure listing services for all Illinois rural hospitals
33 submitted to the Department on the UB-92 billing form for State
34 fiscal year 2001.

35 For purposes of this subsection, "rural hospital" has the
36 same meaning as in 89 Ill. Adm. Code 148.25, as in effect on

1 September 30, 2003.

2 (i) Merged/closed hospital adjustment. If any hospital
3 files a combined Medicaid cost report with another hospital
4 after January 1, 2001, and if that hospital subsequently
5 closes, then except for the payments described in subsection
6 (e), all payments described in the various subsections of this
7 Section shall, before the application of the annual limitation
8 amount specified in each such subsection, be multiplied by a
9 fraction, the numerator of which is the number of occupied bed
10 days attributable to the open hospital and the denominator of
11 which is the sum of the number of occupied bed days of each
12 open hospital and each closed hospital. For purposes of this
13 subsection, "occupied bed days" has the same meaning as the
14 term is defined in subsection (a) of Section 5A-2.

15 (j) For purposes of this Section, the terms "Medicaid
16 days", "Medicaid charges", and "Medicaid services" do not
17 include any days, charges, or services for which Medicare was
18 liable for payment.

19 (k) As provided in Section 5A-14, this Section is repealed
20 on July 1, 2005.

21 (Source: P.A. 93-659, eff. 2-3-04; 93-841, eff. 7-30-04.)