



Sen. Donne E. Trotter

**Filed: 5/30/2005**

09400HB1197sam001

LRB094 06321 WGH 47439 a

1 AMENDMENT TO HOUSE BILL 1197

2 AMENDMENT NO. \_\_\_\_\_. Amend House Bill 1197 by replacing  
3 everything after the enacting clause with the following:

4 "Section 1. Short title. This Act may be cited as the  
5 FY2006 Budget Implementation (Human Services) Act.

6 Section 5. Purpose. It is the purpose of this Act to  
7 implement the Governor's FY2006 budget recommendations  
8 concerning human services.

9 Section 10. The Illinois Administrative Procedure Act is  
10 amended by changing Section 5-45 as follows:

11 (5 ILCS 100/5-45) (from Ch. 127, par. 1005-45)

12 Sec. 5-45. Emergency rulemaking.

13 (a) "Emergency" means the existence of any situation that  
14 any agency finds reasonably constitutes a threat to the public  
15 interest, safety, or welfare.

16 (b) If any agency finds that an emergency exists that  
17 requires adoption of a rule upon fewer days than is required by  
18 Section 5-40 and states in writing its reasons for that  
19 finding, the agency may adopt an emergency rule without prior  
20 notice or hearing upon filing a notice of emergency rulemaking  
21 with the Secretary of State under Section 5-70. The notice  
22 shall include the text of the emergency rule and shall be

1 published in the Illinois Register. Consent orders or other  
2 court orders adopting settlements negotiated by an agency may  
3 be adopted under this Section. Subject to applicable  
4 constitutional or statutory provisions, an emergency rule  
5 becomes effective immediately upon filing under Section 5-65 or  
6 at a stated date less than 10 days thereafter. The agency's  
7 finding and a statement of the specific reasons for the finding  
8 shall be filed with the rule. The agency shall take reasonable  
9 and appropriate measures to make emergency rules known to the  
10 persons who may be affected by them.

11 (c) An emergency rule may be effective for a period of not  
12 longer than 150 days, but the agency's authority to adopt an  
13 identical rule under Section 5-40 is not precluded. No  
14 emergency rule may be adopted more than once in any 24 month  
15 period, except that this limitation on the number of emergency  
16 rules that may be adopted in a 24 month period does not apply  
17 to (i) emergency rules that make additions to and deletions  
18 from the Drug Manual under Section 5-5.16 of the Illinois  
19 Public Aid Code or the generic drug formulary under Section  
20 3.14 of the Illinois Food, Drug and Cosmetic Act, (ii)  
21 emergency rules adopted by the Pollution Control Board before  
22 July 1, 1997 to implement portions of the Livestock Management  
23 Facilities Act, ~~or~~ or (iii) emergency rules adopted by the  
24 Illinois Department of Public Health under subsections (a)  
25 through (i) of Section 2 of the Department of Public Health Act  
26 when necessary to protect the public's health. Two or more  
27 emergency rules having substantially the same purpose and  
28 effect shall be deemed to be a single rule for purposes of this  
29 Section.

30 (d) In order to provide for the expeditious and timely  
31 implementation of the State's fiscal year 1999 budget,  
32 emergency rules to implement any provision of Public Act 90-587  
33 or 90-588 or any other budget initiative for fiscal year 1999  
34 may be adopted in accordance with this Section by the agency

1 charged with administering that provision or initiative,  
2 except that the 24-month limitation on the adoption of  
3 emergency rules and the provisions of Sections 5-115 and 5-125  
4 do not apply to rules adopted under this subsection (d). The  
5 adoption of emergency rules authorized by this subsection (d)  
6 shall be deemed to be necessary for the public interest,  
7 safety, and welfare.

8 (e) In order to provide for the expeditious and timely  
9 implementation of the State's fiscal year 2000 budget,  
10 emergency rules to implement any provision of this amendatory  
11 Act of the 91st General Assembly or any other budget initiative  
12 for fiscal year 2000 may be adopted in accordance with this  
13 Section by the agency charged with administering that provision  
14 or initiative, except that the 24-month limitation on the  
15 adoption of emergency rules and the provisions of Sections  
16 5-115 and 5-125 do not apply to rules adopted under this  
17 subsection (e). The adoption of emergency rules authorized by  
18 this subsection (e) shall be deemed to be necessary for the  
19 public interest, safety, and welfare.

20 (f) In order to provide for the expeditious and timely  
21 implementation of the State's fiscal year 2001 budget,  
22 emergency rules to implement any provision of this amendatory  
23 Act of the 91st General Assembly or any other budget initiative  
24 for fiscal year 2001 may be adopted in accordance with this  
25 Section by the agency charged with administering that provision  
26 or initiative, except that the 24-month limitation on the  
27 adoption of emergency rules and the provisions of Sections  
28 5-115 and 5-125 do not apply to rules adopted under this  
29 subsection (f). The adoption of emergency rules authorized by  
30 this subsection (f) shall be deemed to be necessary for the  
31 public interest, safety, and welfare.

32 (g) In order to provide for the expeditious and timely  
33 implementation of the State's fiscal year 2002 budget,  
34 emergency rules to implement any provision of this amendatory

1 Act of the 92nd General Assembly or any other budget initiative  
2 for fiscal year 2002 may be adopted in accordance with this  
3 Section by the agency charged with administering that provision  
4 or initiative, except that the 24-month limitation on the  
5 adoption of emergency rules and the provisions of Sections  
6 5-115 and 5-125 do not apply to rules adopted under this  
7 subsection (g). The adoption of emergency rules authorized by  
8 this subsection (g) shall be deemed to be necessary for the  
9 public interest, safety, and welfare.

10 (h) In order to provide for the expeditious and timely  
11 implementation of the State's fiscal year 2003 budget,  
12 emergency rules to implement any provision of this amendatory  
13 Act of the 92nd General Assembly or any other budget initiative  
14 for fiscal year 2003 may be adopted in accordance with this  
15 Section by the agency charged with administering that provision  
16 or initiative, except that the 24-month limitation on the  
17 adoption of emergency rules and the provisions of Sections  
18 5-115 and 5-125 do not apply to rules adopted under this  
19 subsection (h). The adoption of emergency rules authorized by  
20 this subsection (h) shall be deemed to be necessary for the  
21 public interest, safety, and welfare.

22 (i) In order to provide for the expeditious and timely  
23 implementation of the State's fiscal year 2004 budget,  
24 emergency rules to implement any provision of this amendatory  
25 Act of the 93rd General Assembly or any other budget initiative  
26 for fiscal year 2004 may be adopted in accordance with this  
27 Section by the agency charged with administering that provision  
28 or initiative, except that the 24-month limitation on the  
29 adoption of emergency rules and the provisions of Sections  
30 5-115 and 5-125 do not apply to rules adopted under this  
31 subsection (i). The adoption of emergency rules authorized by  
32 this subsection (i) shall be deemed to be necessary for the  
33 public interest, safety, and welfare.

34 (j) In order to provide for the expeditious and timely

1 implementation of the provisions of the State's fiscal year  
2 2005 budget as provided under the Fiscal Year 2005 Budget  
3 Implementation (Human Services) Act, emergency rules to  
4 implement any provision of the Fiscal Year 2005 Budget  
5 Implementation (Human Services) Act may be adopted in  
6 accordance with this Section by the agency charged with  
7 administering that provision, except that the 24-month  
8 limitation on the adoption of emergency rules and the  
9 provisions of Sections 5-115 and 5-125 do not apply to rules  
10 adopted under this subsection (j). The Department of Public Aid  
11 may also adopt rules under this subsection (j) necessary to  
12 administer the Illinois Public Aid Code and the Children's  
13 Health Insurance Program Act. The adoption of emergency rules  
14 authorized by this subsection (j) shall be deemed to be  
15 necessary for the public interest, safety, and welfare.

16 (k) In order to provide for the expeditious and timely  
17 implementation of the provisions of the State's fiscal year  
18 2006 budget, emergency rules to implement any provision of this  
19 amendatory Act of the 94th General Assembly or any other budget  
20 initiative for fiscal year 2006 may be adopted in accordance  
21 with this Section by the agency charged with administering that  
22 provision or initiative, except that the 24-month limitation on  
23 the adoption of emergency rules and the provisions of Sections  
24 5-115 and 5-125 do not apply to rules adopted under this  
25 subsection (k). The Department of Public Aid may also adopt  
26 rules under this subsection (k) necessary to administer the  
27 Illinois Public Aid Code, the Senior Citizens and Disabled  
28 Persons Property Tax Relief and Pharmaceutical Assistance Act,  
29 the Senior Citizens and Disabled Persons Prescription Drug  
30 Discount Program Act, and the Children's Health Insurance  
31 Program Act. The adoption of emergency rules authorized by this  
32 subsection (k) shall be deemed to be necessary for the public  
33 interest, safety, and welfare.

34 (Source: P.A. 92-10, eff. 6-11-01; 92-597, eff. 6-28-02; 93-20,

1 eff. 6-20-03; 93-829, eff. 7-28-04; 93-841, eff. 7-30-04;  
2 revised 10-25-04.)

3 Section 12. The Illinois Act on the Aging is amended by  
4 changing Section 4.02 as follows:

5 (20 ILCS 105/4.02) (from Ch. 23, par. 6104.02)

6 Sec. 4.02. The Department shall establish a program of  
7 services to prevent unnecessary institutionalization of  
8 persons age 60 and older in need of long term care or who are  
9 established as persons who suffer from Alzheimer's disease or a  
10 related disorder under the Alzheimer's Disease Assistance Act,  
11 thereby enabling them to remain in their own homes or in other  
12 living arrangements. Such preventive services, which may be  
13 coordinated with other programs for the aged and monitored by  
14 area agencies on aging in cooperation with the Department, may  
15 include, but are not limited to, any or all of the following:

- 16 (a) home health services;
- 17 (b) home nursing services;
- 18 (c) homemaker services;
- 19 (d) chore and housekeeping services;
- 20 (e) day care services;
- 21 (f) home-delivered meals;
- 22 (g) education in self-care;
- 23 (h) personal care services;
- 24 (i) adult day health services;
- 25 (j) habilitation services;
- 26 (k) respite care;
- 27 (k-5) community reintegration services;
- 28 (l) other nonmedical social services that may enable  
29 the person to become self-supporting; or
- 30 (m) clearinghouse for information provided by senior  
31 citizen home owners who want to rent rooms to or share  
32 living space with other senior citizens.

1           The Department shall establish eligibility standards for  
2 such services taking into consideration the unique economic and  
3 social needs of the target population for whom they are to be  
4 provided. Such eligibility standards shall be based on the  
5 recipient's ability to pay for services; provided, however,  
6 that in determining the amount and nature of services for which  
7 a person may qualify, consideration shall not be given to the  
8 value of cash, property or other assets held in the name of the  
9 person's spouse pursuant to a written agreement dividing  
10 marital property into equal but separate shares or pursuant to  
11 a transfer of the person's interest in a home to his spouse,  
12 provided that the spouse's share of the marital property is not  
13 made available to the person seeking such services.

14           Beginning July 1, 2002, the Department shall require as a  
15 condition of eligibility that all financially eligible  
16 applicants and recipients apply for medical assistance under  
17 Article V of the Illinois Public Aid Code in accordance with  
18 rules promulgated by the Department.

19           The Department shall, in conjunction with the Department of  
20 Public Aid, seek appropriate amendments under Sections 1915 and  
21 1924 of the Social Security Act. The purpose of the amendments  
22 shall be to extend eligibility for home and community based  
23 services under Sections 1915 and 1924 of the Social Security  
24 Act to persons who transfer to or for the benefit of a spouse  
25 those amounts of income and resources allowed under Section  
26 1924 of the Social Security Act. Subject to the approval of  
27 such amendments, the Department shall extend the provisions of  
28 Section 5-4 of the Illinois Public Aid Code to persons who, but  
29 for the provision of home or community-based services, would  
30 require the level of care provided in an institution, as is  
31 provided for in federal law. Those persons no longer found to  
32 be eligible for receiving noninstitutional services due to  
33 changes in the eligibility criteria shall be given 60 days  
34 notice prior to actual termination. Those persons receiving

1 notice of termination may contact the Department and request  
2 the determination be appealed at any time during the 60 day  
3 notice period. With the exception of the lengthened notice and  
4 time frame for the appeal request, the appeal process shall  
5 follow the normal procedure. In addition, each person affected  
6 regardless of the circumstances for discontinued eligibility  
7 shall be given notice and the opportunity to purchase the  
8 necessary services through the Community Care Program. If the  
9 individual does not elect to purchase services, the Department  
10 shall advise the individual of alternative services. The target  
11 population identified for the purposes of this Section are  
12 persons age 60 and older with an identified service need.  
13 Priority shall be given to those who are at imminent risk of  
14 institutionalization. The services shall be provided to  
15 eligible persons age 60 and older to the extent that the cost  
16 of the services together with the other personal maintenance  
17 expenses of the persons are reasonably related to the standards  
18 established for care in a group facility appropriate to the  
19 person's condition. These non-institutional services, pilot  
20 projects or experimental facilities may be provided as part of  
21 or in addition to those authorized by federal law or those  
22 funded and administered by the Department of Human Services.  
23 The Departments of Human Services, Public Aid, Public Health,  
24 Veterans' Affairs, and Commerce and Economic Opportunity and  
25 other appropriate agencies of State, federal and local  
26 governments shall cooperate with the Department on Aging in the  
27 establishment and development of the non-institutional  
28 services. The Department shall require an annual audit from all  
29 chore/housekeeping and homemaker vendors contracting with the  
30 Department under this Section. The annual audit shall assure  
31 that each audited vendor's procedures are in compliance with  
32 Department's financial reporting guidelines requiring an  
33 administrative and employee wage and benefits cost split as  
34 defined in administrative rules ~~a 27% administrative cost split~~



1 ~~and a 73% employee wages and benefits cost split.~~ The audit is  
2 a public record under the Freedom of Information Act. The  
3 Department shall execute, relative to the nursing home  
4 prescreening project, written inter-agency agreements with the  
5 Department of Human Services and the Department of Public Aid,  
6 to effect the following: (1) intake procedures and common  
7 eligibility criteria for those persons who are receiving  
8 non-institutional services; and (2) the establishment and  
9 development of non-institutional services in areas of the State  
10 where they are not currently available or are undeveloped. On  
11 and after July 1, 1996, all nursing home prescreenings for  
12 individuals 60 years of age or older shall be conducted by the  
13 Department.

14 The Department is authorized to establish a system of  
15 recipient copayment for services provided under this Section,  
16 such copayment to be based upon the recipient's ability to pay  
17 but in no case to exceed the actual cost of the services  
18 provided. Additionally, any portion of a person's income which  
19 is equal to or less than the federal poverty standard shall not  
20 be considered by the Department in determining the copayment.  
21 The level of such copayment shall be adjusted whenever  
22 necessary to reflect any change in the officially designated  
23 federal poverty standard.

24 The Department, or the Department's authorized  
25 representative, shall recover the amount of moneys expended for  
26 services provided to or in behalf of a person under this  
27 Section by a claim against the person's estate or against the  
28 estate of the person's surviving spouse, but no recovery may be  
29 had until after the death of the surviving spouse, if any, and  
30 then only at such time when there is no surviving child who is  
31 under age 21, blind, or permanently and totally disabled. This  
32 paragraph, however, shall not bar recovery, at the death of the  
33 person, of moneys for services provided to the person or in  
34 behalf of the person under this Section to which the person was

1 not entitled; provided that such recovery shall not be enforced  
2 against any real estate while it is occupied as a homestead by  
3 the surviving spouse or other dependent, if no claims by other  
4 creditors have been filed against the estate, or, if such  
5 claims have been filed, they remain dormant for failure of  
6 prosecution or failure of the claimant to compel administration  
7 of the estate for the purpose of payment. This paragraph shall  
8 not bar recovery from the estate of a spouse, under Sections  
9 1915 and 1924 of the Social Security Act and Section 5-4 of the  
10 Illinois Public Aid Code, who precedes a person receiving  
11 services under this Section in death. All moneys for services  
12 paid to or in behalf of the person under this Section shall be  
13 claimed for recovery from the deceased spouse's estate.  
14 "Homestead", as used in this paragraph, means the dwelling  
15 house and contiguous real estate occupied by a surviving spouse  
16 or relative, as defined by the rules and regulations of the  
17 Illinois Department of Public Aid, regardless of the value of  
18 the property.

19 The Department shall develop procedures to enhance  
20 availability of services on evenings, weekends, and on an  
21 emergency basis to meet the respite needs of caregivers.  
22 Procedures shall be developed to permit the utilization of  
23 services in successive blocks of 24 hours up to the monthly  
24 maximum established by the Department. Workers providing these  
25 services shall be appropriately trained.

26 Beginning on the effective date of this Amendatory Act of  
27 1991, no person may perform chore/housekeeping and homemaker  
28 services under a program authorized by this Section unless that  
29 person has been issued a certificate of pre-service to do so by  
30 his or her employing agency. Information gathered to effect  
31 such certification shall include (i) the person's name, (ii)  
32 the date the person was hired by his or her current employer,  
33 and (iii) the training, including dates and levels. Persons  
34 engaged in the program authorized by this Section before the

1 effective date of this amendatory Act of 1991 shall be issued a  
2 certificate of all pre- and in-service training from his or her  
3 employer upon submitting the necessary information. The  
4 employing agency shall be required to retain records of all  
5 staff pre- and in-service training, and shall provide such  
6 records to the Department upon request and upon termination of  
7 the employer's contract with the Department. In addition, the  
8 employing agency is responsible for the issuance of  
9 certifications of in-service training completed to their  
10 employees.

11 The Department is required to develop a system to ensure  
12 that persons working as homemakers and chore housekeepers  
13 receive increases in their wages when the federal minimum wage  
14 is increased by requiring vendors to certify that they are  
15 meeting the federal minimum wage statute for homemakers and  
16 chore housekeepers. An employer that cannot ensure that the  
17 minimum wage increase is being given to homemakers and chore  
18 housekeepers shall be denied any increase in reimbursement  
19 costs.

20 The Department on Aging and the Department of Human  
21 Services shall cooperate in the development and submission of  
22 an annual report on programs and services provided under this  
23 Section. Such joint report shall be filed with the Governor and  
24 the General Assembly on or before September 30 each year.

25 The requirement for reporting to the General Assembly shall  
26 be satisfied by filing copies of the report with the Speaker,  
27 the Minority Leader and the Clerk of the House of  
28 Representatives and the President, the Minority Leader and the  
29 Secretary of the Senate and the Legislative Research Unit, as  
30 required by Section 3.1 of the General Assembly Organization  
31 Act and filing such additional copies with the State Government  
32 Report Distribution Center for the General Assembly as is  
33 required under paragraph (t) of Section 7 of the State Library  
34 Act.

1 Those persons previously found eligible for receiving  
2 non-institutional services whose services were discontinued  
3 under the Emergency Budget Act of Fiscal Year 1992, and who do  
4 not meet the eligibility standards in effect on or after July  
5 1, 1992, shall remain ineligible on and after July 1, 1992.  
6 Those persons previously not required to cost-share and who  
7 were required to cost-share effective March 1, 1992, shall  
8 continue to meet cost-share requirements on and after July 1,  
9 1992. Beginning July 1, 1992, all clients will be required to  
10 meet eligibility, cost-share, and other requirements and will  
11 have services discontinued or altered when they fail to meet  
12 these requirements.

13 (Source: P.A. 92-597, eff. 6-28-02; 93-85, eff. 1-1-04; 93-902,  
14 eff. 8-10-04.)

15 Section 15. The Children's Health Insurance Program Act is  
16 amended by changing Section 30 as follows:

17 (215 ILCS 106/30)

18 Sec. 30. Cost sharing.

19 (a) Children enrolled in a health benefits program pursuant  
20 to subdivision (a)(2) of Section 25 and persons enrolled in a  
21 health benefits waiver program pursuant to Section 40 shall be  
22 subject to the following cost sharing requirements:

23 (1) There shall be no co-payment required for well-baby  
24 or well-child care, including age-appropriate  
25 immunizations as required under federal law.

26 (2) Health insurance premiums for family members,  
27 either children or adults, in families whose household  
28 income is above 150% of the federal poverty level shall be  
29 payable monthly, subject to rules promulgated by the  
30 Department for grace periods and advance payments, and  
31 shall be as follows:

32 (A) \$15 per month for one family member ~~child~~.

1 (B) \$25 per month for 2 family members ~~children~~.

2 (C) \$30 per month for 3 family members ~~or more~~  
3 ~~children~~.

4 (D) \$35 per month for 4 family members.

5 (E) \$40 per month for 5 or more family members.

6 (3) Co-payments for children or adults in families  
7 whose income is at or below 150% of the federal poverty  
8 level, at a minimum and to the extent permitted under  
9 federal law, shall be \$2 for all medical visits and  
10 prescriptions provided under this Act.

11 (4) Co-payments for children or adults in families  
12 whose income is above 150% of the federal poverty level, at  
13 a minimum and to the extent permitted under federal law  
14 shall be as follows:

15 (A) \$5 for medical visits.

16 (B) \$3 for generic prescriptions and \$5 for brand  
17 name prescriptions.

18 (C) \$25 for emergency room use for a non-emergency  
19 situation as defined by the Department by rule.

20 (5) The maximum amount of out-of-pocket expenses for  
21 co-payments shall be \$100 per family per year.

22 (b) Individuals enrolled in a privately sponsored health  
23 insurance plan pursuant to subdivision (a)(1) of Section 25  
24 shall be subject to the cost sharing provisions as stated in  
25 the privately sponsored health insurance plan.

26 (Source: P.A. 90-736, eff. 8-12-98; 91-266, eff. 7-23-99.)

27 Section 20. The Illinois Public Aid Code is amended by  
28 changing Sections 5-5.4, 5-5.12, 5-11, and 12-4.35 as follows:

29 (305 ILCS 5/5-5.4) (from Ch. 23, par. 5-5.4)

30 Sec. 5-5.4. Standards of Payment - Department of Public  
31 Aid. The Department of Public Aid shall develop standards of  
32 payment of skilled nursing and intermediate care services in

1 facilities providing such services under this Article which:

2 (1) Provide for the determination of a facility's payment  
3 for skilled nursing and intermediate care services on a  
4 prospective basis. The amount of the payment rate for all  
5 nursing facilities certified by the Department of Public Health  
6 under the Nursing Home Care Act as Intermediate Care for the  
7 Developmentally Disabled facilities, Long Term Care for Under  
8 Age 22 facilities, Skilled Nursing facilities, or Intermediate  
9 Care facilities under the medical assistance program shall be  
10 prospectively established annually on the basis of historical,  
11 financial, and statistical data reflecting actual costs from  
12 prior years, which shall be applied to the current rate year  
13 and updated for inflation, except that the capital cost element  
14 for newly constructed facilities shall be based upon projected  
15 budgets. The annually established payment rate shall take  
16 effect on July 1 in 1984 and subsequent years. No rate increase  
17 and no update for inflation shall be provided on or after July  
18 1, 1994 and before July 1, 2006 ~~2005~~, unless specifically  
19 provided for in this Section. The changes made by this  
20 amendatory Act of the 93rd General Assembly extending the  
21 duration of the prohibition against a rate increase or update  
22 for inflation are effective retroactive to July 1, 2004.

23 For facilities licensed by the Department of Public Health  
24 under the Nursing Home Care Act as Intermediate Care for the  
25 Developmentally Disabled facilities or Long Term Care for Under  
26 Age 22 facilities, the rates taking effect on July 1, 1998  
27 shall include an increase of 3%. For facilities licensed by the  
28 Department of Public Health under the Nursing Home Care Act as  
29 Skilled Nursing facilities or Intermediate Care facilities,  
30 the rates taking effect on July 1, 1998 shall include an  
31 increase of 3% plus \$1.10 per resident-day, as defined by the  
32 Department.

33 For facilities licensed by the Department of Public Health  
34 under the Nursing Home Care Act as Intermediate Care for the

1 Developmentally Disabled facilities or Long Term Care for Under  
2 Age 22 facilities, the rates taking effect on July 1, 1999  
3 shall include an increase of 1.6% plus \$3.00 per resident-day,  
4 as defined by the Department. For facilities licensed by the  
5 Department of Public Health under the Nursing Home Care Act as  
6 Skilled Nursing facilities or Intermediate Care facilities,  
7 the rates taking effect on July 1, 1999 shall include an  
8 increase of 1.6% and, for services provided on or after October  
9 1, 1999, shall be increased by \$4.00 per resident-day, as  
10 defined by the Department.

11 For facilities licensed by the Department of Public Health  
12 under the Nursing Home Care Act as Intermediate Care for the  
13 Developmentally Disabled facilities or Long Term Care for Under  
14 Age 22 facilities, the rates taking effect on July 1, 2000  
15 shall include an increase of 2.5% per resident-day, as defined  
16 by the Department. For facilities licensed by the Department of  
17 Public Health under the Nursing Home Care Act as Skilled  
18 Nursing facilities or Intermediate Care facilities, the rates  
19 taking effect on July 1, 2000 shall include an increase of 2.5%  
20 per resident-day, as defined by the Department.

21 For facilities licensed by the Department of Public Health  
22 under the Nursing Home Care Act as skilled nursing facilities  
23 or intermediate care facilities, a new payment methodology must  
24 be implemented for the nursing component of the rate effective  
25 July 1, 2003. The Department of Public Aid shall develop the  
26 new payment methodology using the Minimum Data Set (MDS) as the  
27 instrument to collect information concerning nursing home  
28 resident condition necessary to compute the rate. The  
29 Department of Public Aid shall develop the new payment  
30 methodology to meet the unique needs of Illinois nursing home  
31 residents while remaining subject to the appropriations  
32 provided by the General Assembly. A transition period from the  
33 payment methodology in effect on June 30, 2003 to the payment  
34 methodology in effect on July 1, 2003 shall be provided for a

1 period not exceeding 2 years after implementation of the new  
2 payment methodology as follows:

3 (A) For a facility that would receive a lower nursing  
4 component rate per patient day under the new system than  
5 the facility received effective on the date immediately  
6 preceding the date that the Department implements the new  
7 payment methodology, the nursing component rate per  
8 patient day for the facility shall be held at the level in  
9 effect on the date immediately preceding the date that the  
10 Department implements the new payment methodology until a  
11 higher nursing component rate of reimbursement is achieved  
12 by that facility.

13 (B) For a facility that would receive a higher nursing  
14 component rate per patient day under the payment  
15 methodology in effect on July 1, 2003 than the facility  
16 received effective on the date immediately preceding the  
17 date that the Department implements the new payment  
18 methodology, the nursing component rate per patient day for  
19 the facility shall be adjusted.

20 (C) Notwithstanding paragraphs (A) and (B), the  
21 nursing component rate per patient day for the facility  
22 shall be adjusted subject to appropriations provided by the  
23 General Assembly.

24 For facilities licensed by the Department of Public Health  
25 under the Nursing Home Care Act as Intermediate Care for the  
26 Developmentally Disabled facilities or Long Term Care for Under  
27 Age 22 facilities, the rates taking effect on March 1, 2001  
28 shall include a statewide increase of 7.85%, as defined by the  
29 Department.

30 For facilities licensed by the Department of Public Health  
31 under the Nursing Home Care Act as Intermediate Care for the  
32 Developmentally Disabled facilities or Long Term Care for Under  
33 Age 22 facilities, the rates taking effect on April 1, 2002  
34 shall include a statewide increase of 2.0%, as defined by the



1 Department. This increase terminates on July 1, 2002; beginning  
2 July 1, 2002 these rates are reduced to the level of the rates  
3 in effect on March 31, 2002, as defined by the Department.

4 For facilities licensed by the Department of Public Health  
5 under the Nursing Home Care Act as skilled nursing facilities  
6 or intermediate care facilities, the rates taking effect on  
7 July 1, 2001 shall be computed using the most recent cost  
8 reports on file with the Department of Public Aid no later than  
9 April 1, 2000, updated for inflation to January 1, 2001. For  
10 rates effective July 1, 2001 only, rates shall be the greater  
11 of the rate computed for July 1, 2001 or the rate effective on  
12 June 30, 2001.

13 Notwithstanding any other provision of this Section, for  
14 facilities licensed by the Department of Public Health under  
15 the Nursing Home Care Act as skilled nursing facilities or  
16 intermediate care facilities, the Illinois Department shall  
17 determine by rule the rates taking effect on July 1, 2002,  
18 which shall be 5.9% less than the rates in effect on June 30,  
19 2002.

20 Notwithstanding any other provision of this Section, for  
21 facilities licensed by the Department of Public Health under  
22 the Nursing Home Care Act as skilled nursing facilities or  
23 intermediate care facilities, if the payment methodologies  
24 required under Section 5A-12 and the waiver granted under 42  
25 CFR 433.68 are approved by the United States Centers for  
26 Medicare and Medicaid Services, the rates taking effect on July  
27 1, 2004 shall be 3.0% greater than the rates in effect on June  
28 30, 2004. These rates shall take effect only upon approval and  
29 implementation of the payment methodologies required under  
30 Section 5A-12.

31 Notwithstanding any other provisions of this Section, for  
32 facilities licensed by the Department of Public Health under  
33 the Nursing Home Care Act as skilled nursing facilities or  
34 intermediate care facilities, the rates taking effect on

1 January 1, 2005 shall be 3% more than the rates in effect on  
2 December 31, 2004.

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

9 Notwithstanding any other provision of this Section, for  
10 facilities licensed by the Department of Public Health under  
11 the Nursing Home Care Act as skilled nursing facilities or  
12 intermediate care facilities, effective January 1, 2005,  
13 facility rates shall be increased by the difference between (i)  
14 a facility's per diem property, liability, and malpractice  
15 insurance costs as reported in the cost report filed with the  
16 Department of Public Aid and used to establish rates effective  
17 July 1, 2001 and (ii) those same costs as reported in the  
18 facility's 2002 cost report. These costs shall be passed  
19 through to the facility without caps or limitations, except for  
20 adjustments required under normal auditing procedures.

21 Rates established effective each July 1 shall govern  
22 payment for services rendered throughout that fiscal year,  
23 except that rates established on July 1, 1996 shall be  
24 increased by 6.8% for services provided on or after January 1,  
25 1997. Such rates will be based upon the rates calculated for  
26 the year beginning July 1, 1990, and for subsequent years  
27 thereafter until June 30, 2001 shall be based on the facility  
28 cost reports for the facility fiscal year ending at any point  
29 in time during the previous calendar year, updated to the  
30 midpoint of the rate year. The cost report shall be on file  
31 with the Department no later than April 1 of the current rate  
32 year. Should the cost report not be on file by April 1, the  
33 Department shall base the rate on the latest cost report filed  
34 by each skilled care facility and intermediate care facility,

1 updated to the midpoint of the current rate year. In  
2 determining rates for services rendered on and after July 1,  
3 1985, fixed time shall not be computed at less than zero. The  
4 Department shall not make any alterations of regulations which  
5 would reduce any component of the Medicaid rate to a level  
6 below what that component would have been utilizing in the rate  
7 effective on July 1, 1984.

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

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

14 (4) Shall take into account the actual costs incurred by  
15 facilities in meeting licensing and certification standards  
16 imposed and prescribed by the State of Illinois, any of its  
17 political subdivisions or municipalities and by the U.S.  
18 Department of Health and Human Services pursuant to Title XIX  
19 of the Social Security Act.

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

29 (Source: P.A. 92-10, eff. 6-11-01; 92-31, eff. 6-28-01; 92-597,  
30 eff. 6-28-02; 92-651, eff. 7-11-02; 92-848, eff. 1-1-03; 93-20,  
31 eff. 6-20-03; 93-649, eff. 1-8-04; 93-659, eff. 2-3-04; 93-841,  
32 eff. 7-30-04; 93-1087, eff. 2-28-05.)

33 (305 ILCS 5/5-5.12) (from Ch. 23, par. 5-5.12)

1           Sec. 5-5.12. Pharmacy payments.

2           (a) Every request submitted by a pharmacy for reimbursement  
3 under this Article for prescription drugs provided to a  
4 recipient of aid under this Article shall include the name of  
5 the prescriber or an acceptable identification number as  
6 established by the Department.

7           (b) Pharmacies providing prescription drugs under this  
8 Article shall be reimbursed at a rate which shall include a  
9 professional dispensing fee as determined by the Illinois  
10 Department, plus the current acquisition cost of the  
11 prescription drug dispensed. The Illinois Department shall  
12 update its information on the acquisition costs of all  
13 prescription drugs no less frequently than every 30 days.  
14 However, the Illinois Department may set the rate of  
15 reimbursement for the acquisition cost, by rule, at a  
16 percentage of the current average wholesale acquisition cost.

17           (c) (Blank). ~~Reimbursement under this Article for~~  
18 ~~prescription drugs shall be limited to reimbursement for 4~~  
19 ~~brand name prescription drugs per patient per month. This~~  
20 ~~subsection applies only if (i) the brand name drug was not~~  
21 ~~prescribed for an acute or urgent condition, (ii) the~~  
22 ~~brand name drug was not prescribed for Alzheimer's disease,~~  
23 ~~arthritis, diabetes, HIV/AIDS, a mental health condition, or~~  
24 ~~respiratory disease, and (iii) a therapeutically equivalent~~  
25 ~~generic medication has been approved by the federal Food and~~  
26 ~~Drug Administration.~~

27           (d) The Department shall not impose requirements for prior  
28 approval based on a preferred drug list for anti-retroviral,  
29 anti-hemophilic factor concentrates, or any atypical  
30 antipsychotics, conventional antipsychotics, or  
31 anticonvulsants used for the treatment of serious mental  
32 illnesses until 30 days after it has conducted a study of the  
33 impact of such requirements on patient care and submitted a  
34 report to the Speaker of the House of Representatives and the

1 President of the Senate.

2 (Source: P.A. 92-597, eff. 6-28-02; 92-825, eff. 8-21-02;  
3 93-106, eff. 7-8-03.)

4 (305 ILCS 5/5-11) (from Ch. 23, par. 5-11)

5 Sec. 5-11. Co-operative arrangements; contracts with other  
6 State agencies, health care and rehabilitation organizations,  
7 and fiscal intermediaries.

8 (a) The Illinois Department may enter into co-operative  
9 arrangements with State agencies responsible for administering  
10 or supervising the administration of health services and  
11 vocational rehabilitation services to the end that there may be  
12 maximum utilization of such services in the provision of  
13 medical assistance.

14 The Illinois Department shall, not later than June 30,  
15 1993, enter into one or more co-operative arrangements with the  
16 Department of Mental Health and Developmental Disabilities  
17 providing that the Department of Mental Health and  
18 Developmental Disabilities will be responsible for  
19 administering or supervising all programs for services to  
20 persons in community care facilities for persons with  
21 developmental disabilities, including but not limited to  
22 intermediate care facilities, that are supported by State funds  
23 or by funding under Title XIX of the federal Social Security  
24 Act. The responsibilities of the Department of Mental Health  
25 and Developmental Disabilities under these agreements are  
26 transferred to the Department of Human Services as provided in  
27 the Department of Human Services Act.

28 The Department may also contract with such State health and  
29 rehabilitation agencies and other public or private health care  
30 and rehabilitation organizations to act for it in supplying  
31 designated medical services to persons eligible therefor under  
32 this Article. Any contracts with health services or health  
33 maintenance organizations shall be restricted to organizations

1 which have been certified as being in compliance with standards  
2 promulgated pursuant to the laws of this State governing the  
3 establishment and operation of health services or health  
4 maintenance organizations. The Department shall renegotiate  
5 the contracts with health maintenance organizations and  
6 managed care community networks that took effect August 1,  
7 2003, so as to produce \$70,000,000 savings to the Department  
8 net of resulting increases to the fee-for-service program for  
9 State fiscal year 2006. The Department may also contract with  
10 insurance companies or other corporate entities serving as  
11 fiscal intermediaries in this State for the Federal Government  
12 in respect to Medicare payments under Title XVIII of the  
13 Federal Social Security Act to act for the Department in paying  
14 medical care suppliers. The provisions of Section 9 of "An Act  
15 in relation to State finance", approved June 10, 1919, as  
16 amended, notwithstanding, such contracts with State agencies,  
17 other health care and rehabilitation organizations, or fiscal  
18 intermediaries may provide for advance payments.

19 (b) For purposes of this subsection (b), "managed care  
20 community network" means an entity, other than a health  
21 maintenance organization, that is owned, operated, or governed  
22 by providers of health care services within this State and that  
23 provides or arranges primary, secondary, and tertiary managed  
24 health care services under contract with the Illinois  
25 Department exclusively to persons participating in programs  
26 administered by the Illinois Department.

27 The Illinois Department may certify managed care community  
28 networks, including managed care community networks owned,  
29 operated, managed, or governed by State-funded medical  
30 schools, as risk-bearing entities eligible to contract with the  
31 Illinois Department as Medicaid managed care organizations.  
32 The Illinois Department may contract with those managed care  
33 community networks to furnish health care services to or  
34 arrange those services for individuals participating in

1 programs administered by the Illinois Department. The rates for  
2 those provider-sponsored organizations may be determined on a  
3 prepaid, capitated basis. A managed care community network may  
4 choose to contract with the Illinois Department to provide only  
5 pediatric health care services. The Illinois Department shall  
6 by rule adopt the criteria, standards, and procedures by which  
7 a managed care community network may be permitted to contract  
8 with the Illinois Department and shall consult with the  
9 Department of Insurance in adopting these rules.

10 A county provider as defined in Section 15-1 of this Code  
11 may contract with the Illinois Department to provide primary,  
12 secondary, or tertiary managed health care services as a  
13 managed care community network without the need to establish a  
14 separate entity and shall be deemed a managed care community  
15 network for purposes of this Code only to the extent it  
16 provides services to participating individuals. A county  
17 provider is entitled to contract with the Illinois Department  
18 with respect to any contracting region located in whole or in  
19 part within the county. A county provider is not required to  
20 accept enrollees who do not reside within the county.

21 In order to (i) accelerate and facilitate the development  
22 of integrated health care in contracting areas outside counties  
23 with populations in excess of 3,000,000 and counties adjacent  
24 to those counties and (ii) maintain and sustain the high  
25 quality of education and residency programs coordinated and  
26 associated with local area hospitals, the Illinois Department  
27 may develop and implement a demonstration program from managed  
28 care community networks owned, operated, managed, or governed  
29 by State-funded medical schools. The Illinois Department shall  
30 prescribe by rule the criteria, standards, and procedures for  
31 effecting this demonstration program.

32 A managed care community network that contracts with the  
33 Illinois Department to furnish health care services to or  
34 arrange those services for enrollees participating in programs

1 administered by the Illinois Department shall do all of the  
2 following:

3 (1) Provide that any provider affiliated with the  
4 managed care community network may also provide services on  
5 a fee-for-service basis to Illinois Department clients not  
6 enrolled in such managed care entities.

7 (2) Provide client education services as determined  
8 and approved by the Illinois Department, including but not  
9 limited to (i) education regarding appropriate utilization  
10 of health care services in a managed care system, (ii)  
11 written disclosure of treatment policies and restrictions  
12 or limitations on health services, including, but not  
13 limited to, physical services, clinical laboratory tests,  
14 hospital and surgical procedures, prescription drugs and  
15 biologics, and radiological examinations, and (iii)  
16 written notice that the enrollee may receive from another  
17 provider those covered services that are not provided by  
18 the managed care community network.

19 (3) Provide that enrollees within the system may choose  
20 the site for provision of services and the panel of health  
21 care providers.

22 (4) Not discriminate in enrollment or disenrollment  
23 practices among recipients of medical services or  
24 enrollees based on health status.

25 (5) Provide a quality assurance and utilization review  
26 program that meets the requirements established by the  
27 Illinois Department in rules that incorporate those  
28 standards set forth in the Health Maintenance Organization  
29 Act.

30 (6) Issue a managed care community network  
31 identification card to each enrollee upon enrollment. The  
32 card must contain all of the following:

33 (A) The enrollee's health plan.

34 (B) The name and telephone number of the enrollee's



1 primary care physician or the site for receiving  
2 primary care services.

3 (C) A telephone number to be used to confirm  
4 eligibility for benefits and authorization for  
5 services that is available 24 hours per day, 7 days per  
6 week.

7 (7) Ensure that every primary care physician and  
8 pharmacy in the managed care community network meets the  
9 standards established by the Illinois Department for  
10 accessibility and quality of care. The Illinois Department  
11 shall arrange for and oversee an evaluation of the  
12 standards established under this paragraph (7) and may  
13 recommend any necessary changes to these standards.

14 (8) Provide a procedure for handling complaints that  
15 meets the requirements established by the Illinois  
16 Department in rules that incorporate those standards set  
17 forth in the Health Maintenance Organization Act.

18 (9) Maintain, retain, and make available to the  
19 Illinois Department records, data, and information, in a  
20 uniform manner determined by the Illinois Department,  
21 sufficient for the Illinois Department to monitor  
22 utilization, accessibility, and quality of care.

23 (10) Provide that the pharmacy formulary used by the  
24 managed care community network and its contract providers  
25 be no more restrictive than the Illinois Department's  
26 pharmaceutical program on the effective date of this  
27 amendatory Act of 1998 and as amended after that date.

28 The Illinois Department shall contract with an entity or  
29 entities to provide external peer-based quality assurance  
30 review for the managed health care programs administered by the  
31 Illinois Department. The entity shall be representative of  
32 Illinois physicians licensed to practice medicine in all its  
33 branches and have statewide geographic representation in all  
34 specialities of medical care that are provided in managed

1 health care programs administered by the Illinois Department.  
2 The entity may not be a third party payer and shall maintain  
3 offices in locations around the State in order to provide  
4 service and continuing medical education to physician  
5 participants within those managed health care programs  
6 administered by the Illinois Department. The review process  
7 shall be developed and conducted by Illinois physicians  
8 licensed to practice medicine in all its branches. In  
9 consultation with the entity, the Illinois Department may  
10 contract with other entities for professional peer-based  
11 quality assurance review of individual categories of services  
12 other than services provided, supervised, or coordinated by  
13 physicians licensed to practice medicine in all its branches.  
14 The Illinois Department shall establish, by rule, criteria to  
15 avoid conflicts of interest in the conduct of quality assurance  
16 activities consistent with professional peer-review standards.  
17 All quality assurance activities shall be coordinated by the  
18 Illinois Department.

19 Each managed care community network must demonstrate its  
20 ability to bear the financial risk of serving individuals under  
21 this program. The Illinois Department shall by rule adopt  
22 standards for assessing the solvency and financial soundness of  
23 each managed care community network. Any solvency and financial  
24 standards adopted for managed care community networks shall be  
25 no more restrictive than the solvency and financial standards  
26 adopted under Section 1856(a) of the Social Security Act for  
27 provider-sponsored organizations under Part C of Title XVIII of  
28 the Social Security Act.

29 The Illinois Department may implement the amendatory  
30 changes to this Code made by this amendatory Act of 1998  
31 through the use of emergency rules in accordance with Section  
32 5-45 of the Illinois Administrative Procedure Act. For purposes  
33 of that Act, the adoption of rules to implement these changes  
34 is deemed an emergency and necessary for the public interest,

1 safety, and welfare.

2 (c) Not later than June 30, 1996, the Illinois Department  
3 shall enter into one or more cooperative arrangements with the  
4 Department of Public Health for the purpose of developing a  
5 single survey for nursing facilities, including but not limited  
6 to facilities funded under Title XVIII or Title XIX of the  
7 federal Social Security Act or both, which shall be  
8 administered and conducted solely by the Department of Public  
9 Health. The Departments shall test the single survey process on  
10 a pilot basis, with both the Departments of Public Aid and  
11 Public Health represented on the consolidated survey team. The  
12 pilot will sunset June 30, 1997. After June 30, 1997, unless  
13 otherwise determined by the Governor, a single survey shall be  
14 implemented by the Department of Public Health which would not  
15 preclude staff from the Department of Public Aid from going  
16 on-site to nursing facilities to perform necessary audits and  
17 reviews which shall not replicate the single State agency  
18 survey required by this Act. This Section shall not apply to  
19 community or intermediate care facilities for persons with  
20 developmental disabilities.

21 (d) Nothing in this Code in any way limits or otherwise  
22 impairs the authority or power of the Illinois Department to  
23 enter into a negotiated contract pursuant to this Section with  
24 a managed care community network or a health maintenance  
25 organization, as defined in the Health Maintenance  
26 Organization Act, that provides for termination or nonrenewal  
27 of the contract without cause, upon notice as provided in the  
28 contract, and without a hearing.

29 (Source: P.A. 92-370, eff. 8-15-01.)

30 (305 ILCS 5/12-4.35)

31 Sec. 12-4.35. Medical services for certain noncitizens.

32 (a) ~~Notwithstanding~~ Subject to specific appropriation for  
33 ~~this purpose, and notwithstanding~~ Section 1-11 of this Code or

1 Section 20(a) of the Children's Health Insurance Program Act,  
2 the Department of Public Aid may provide medical services to  
3 noncitizens who have not yet attained 19 years of age and who  
4 are not eligible for medical assistance under Article V of this  
5 Code or under the Children's Health Insurance Program created  
6 by the Children's Health Insurance Program Act due to their not  
7 meeting the otherwise applicable provisions of Section 1-11 of  
8 this Code or Section 20(a) of the Children's Health Insurance  
9 Program Act. The medical services available, standards for  
10 eligibility, and other conditions of participation under this  
11 Section shall be established by rule by the Department;  
12 however, any such rule shall be at least as restrictive as the  
13 rules for medical assistance under Article V of this Code or  
14 the Children's Health Insurance Program created by the  
15 Children's Health Insurance Program Act.

16 (b) The Department is authorized to take any action,  
17 including without limitation cessation of enrollment,  
18 reduction of available medical services, and changing  
19 standards for eligibility, that is deemed necessary by the  
20 Department during a State fiscal year to assure that payments  
21 under this Section do not exceed available funds ~~the amounts~~  
22 ~~appropriated for this purpose.~~

23 (c) Continued ~~In the event that the appropriation in any~~  
24 ~~fiscal year for the Children's Health Insurance Program created~~  
25 ~~by the Children's Health Insurance Program Act is determined by~~  
26 ~~the Department to be insufficient to continue enrollment of~~  
27 ~~otherwise eligible children under that Program during that~~  
28 ~~fiscal year, the Department is authorized to use funds~~  
29 ~~appropriated for the purposes of this Section to fund that~~  
30 ~~Program and to take any other action necessary to continue the~~  
31 ~~operation of that Program. Furthermore, continued~~ enrollment  
32 of individuals into the program created under this Section in  
33 any fiscal year is contingent upon continued enrollment of  
34 individuals into the Children's Health Insurance Program

1 during that fiscal year.

2 (d) (Blank). ~~The General Assembly finds that the adoption~~  
3 ~~of rules to meet the purposes of subsections (a), (b), and (c)~~  
4 ~~is an emergency and necessary for the public interest, safety,~~  
5 ~~and welfare. The Department may adopt such rules through the~~  
6 ~~use of emergency rulemaking in accordance with Section 5-45 of~~  
7 ~~the Illinois Administrative Procedure Act, except that the~~  
8 ~~limitation on the number of emergency rules that may be adopted~~  
9 ~~in a 24 month period shall not apply.~~

10 (Source: P.A. 90-588, eff. 7-1-98.)

11 Section 25. The All-Inclusive Care for the Elderly Act is  
12 amended by changing Sections 10 and 15 as follows:

13 (320 ILCS 40/10) (from Ch. 23, par. 6910)

14 Sec. 10. Services for eligible persons. Within the context  
15 of the PACE program established under this Act, the Illinois  
16 Department of Public Aid may include any or all of the services  
17 in Article 5 of the Illinois Public Aid Code.

18 An eligible person may elect to receive services from the  
19 PACE program. If such an election is made, the eligible person  
20 shall not remain eligible for payment through the regular  
21 Medicare or Medicaid program. All services and programs  
22 provided through the PACE program shall be provided in  
23 accordance with this Act. An eligible person may elect to  
24 disenroll from the PACE program at any time.

25 For purposes of this Act, "eligible person" means a frail  
26 elderly individual who voluntarily enrolls in the PACE program,  
27 whose income and resources do not exceed limits established by  
28 the Illinois Department of Public Aid and for whom a licensed  
29 physician certifies that such a program provides an appropriate  
30 alternative to institutionalized care. The term "frail  
31 elderly" means an individual who meets the age and functional  
32 eligibility requirements, ~~as~~ established by the Illinois

1 Department of Public Aid ~~and the Department on Aging for~~  
2 ~~nursing home care, and who is 65 years of age or older.~~

3 (Source: P.A. 87-411.)

4 (320 ILCS 40/15) (from Ch. 23, par. 6915)

5 Sec. 15. Program implementation.

6 (a) Upon receipt of federal approval ~~waivers~~, the Illinois  
7 Department of Public Aid shall implement the PACE program  
8 pursuant to the provisions of the approved Title XIX State plan  
9 ~~as a demonstration program to provide the services set forth in~~  
10 ~~Section 10 to eligible persons, as defined in Section 10, for a~~  
11 ~~period of 3 years. After the 3 year demonstration, the General~~  
12 ~~Assembly shall reexamine the PACE program and determine if the~~  
13 ~~program should be implemented on a permanent basis.~~

14 (b) Using a risk-based financing model, the nonprofit  
15 organization providing the PACE program shall assume  
16 responsibility for all costs generated by the PACE program  
17 participants, and it shall create and maintain a risk reserve  
18 fund that will cover any cost overages for any participant. The  
19 PACE program is responsible for the entire range of services in  
20 the consolidated service model, including hospital and nursing  
21 home care, according to participant need as determined by a  
22 multidisciplinary team. The nonprofit organization providing  
23 the PACE program is responsible for the full financial risk ~~at~~  
24 ~~the conclusion of the demonstration period and when permanent~~  
25 ~~waivers from the federal Health Care Financing Administration~~  
26 ~~are granted.~~ Specific arrangements of the risk-based financing  
27 model shall be adopted and negotiated by the federal Centers  
28 for Medicare and Medicaid Services ~~Health Care Financing~~  
29 ~~Administration~~, the nonprofit organization providing the PACE  
30 program, and the Illinois Department of Public Aid.

31 (Source: P.A. 87-411.)

32 Section 99. Effective date. This Act takes effect July 1,

1 2005."