



94TH GENERAL ASSEMBLY

State of Illinois

2005 and 2006

HB5846

Introduced 10/17/06, by Rep. Carolyn H. Krause

SYNOPSIS AS INTRODUCED:

20 ILCS 1705/18.4
305 ILCS 5/5A-8

from Ch. 23, par. 5A-8

Amends the Mental Health and Developmental Disabilities Administrative Act and the Illinois Public Aid Code. Provides that \$20,000,000 of the federal matching funds paid to the State and attributable to hospital provider assessments collected by the Department of Healthcare and Family Services under the Illinois Public Aid Code during State fiscal year 2007 shall be deposited into the Community Mental Health Medicaid Trust Fund and shall be distributed by the Department of Human Services to community mental health services providers to provide a supplement to those providers in addition to any amounts to be paid to those providers under their FY07 contracts with the Department. Effective immediately.

LRB094 21732 DRJ 60138 b

FISCAL NOTE ACT
MAY APPLY

1 AN ACT concerning State government.

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

4 Section 5. The Mental Health and Developmental
5 Disabilities Administrative Act is amended by changing Section
6 18.4 as follows:

7 (20 ILCS 1705/18.4)

8 Sec. 18.4. Community Mental Health Medicaid Trust Fund;
9 reimbursement.

10 (a) The Community Mental Health Medicaid Trust Fund is
11 hereby created in the State Treasury.

12 (b) Except as otherwise provided in this Section, following
13 repayment of interfund transfers under subsection (b-1),
14 amounts paid to the State by the federal government under Title
15 XIX or Title XXI of the Social Security Act for services
16 delivered by community mental health providers, and any
17 interest earned thereon, shall be deposited as follows:

18 (1) The first \$75,000,000 shall be deposited directly
19 into the Community Mental Health Medicaid Trust Fund to be
20 used for the purchase of community mental health services;

21 (2) The next \$4,500,000 shall be deposited directly
22 into the Community Mental Health Medicaid Trust Fund to be
23 used by the Department of Human Services' Division of
24 Mental Health for the oversight and administration of
25 community mental health services and up to \$1,000,000 of
26 this amount may be used for support of community mental
27 health service initiatives; and

28 (3) Any additional amounts shall be deposited 50% into
29 the Community Mental Health Medicaid Trust Fund to be used
30 for the purchase of community mental health services and
31 50% into the General Revenue Fund.

32 (b-1) For State fiscal year 2005, the first \$73,000,000 in

1 any funds paid to the State by the federal government under
2 Title XIX or Title XXI of the Social Security Act for services
3 delivered by community mental health services providers, and
4 any interest earned thereon, shall be deposited directly into
5 the Community Mental Health Medicaid Trust Fund before any
6 deposits are made into the General Revenue Fund. The next
7 \$25,000,000, less any deposits made prior to the effective date
8 of this amendatory Act of the 94th General Assembly, shall be
9 deposited into the General Revenue Fund. Amounts received in
10 excess of \$98,000,000 shall be deposited 50% into the General
11 Revenue Fund and 50% into the Community Mental Health Medicaid
12 Trust Fund. At the direction of the Director of Healthcare and
13 Family Services, on April 1, 2005, or as soon thereafter as
14 practical, the Comptroller shall direct and the State Treasurer
15 shall transfer amounts not to exceed \$14,000,000 into the
16 Community Mental Health Medicaid Trust Fund from the Public Aid
17 Recoveries Trust Fund.

18 (b-2) For State fiscal year 2006, and in subsequent fiscal
19 years until any transfers under subsection (b-1) are repaid,
20 the first \$73,000,000 in any funds paid to the State by the
21 federal government under Title XIX or Title XXI of the Social
22 Security Act for services delivered by community mental health
23 providers, and any interest earned thereon, shall be deposited
24 directly into the Community Mental Health Medicaid Trust Fund.
25 Then the next \$14,000,000, or such amount as was transferred
26 under subsection (b-1) at the direction of the Director of
27 Healthcare and Family Services, shall be deposited into the
28 Public Aid Recoveries Trust Fund. Any additional amounts
29 received shall be deposited in accordance with subsection (b).

30 (b-3) Notwithstanding any other provision of this Section,
31 for State fiscal year 2007, \$20,000,000 of the federal matching
32 funds paid to the State and attributable to hospital provider
33 assessments collected by the Department of Healthcare and
34 Family Services under Article VA of the Illinois Public Aid
35 Code during State fiscal year 2007 shall be deposited into the
36 Community Mental Health Medicaid Trust Fund and shall be

1 distributed by the Department of Human Services to community
2 mental health services providers to provide a supplement to
3 those providers in addition to any amounts to be paid to those
4 providers under their State fiscal year 2007 contracts with the
5 Department.

6 (c) The Department shall reimburse community mental health
7 providers for services provided to eligible individuals.
8 Moneys in the Community Mental Health Medicaid Trust Fund may
9 be used for that purpose.

10 (d) As used in this Section:

11 "Community mental health provider" means a community
12 agency that is funded by the Department to provide a service.

13 "Service" means a mental health service provided pursuant
14 to the provisions of administrative rules adopted by the
15 Department and funded by the Department of Human Services'
16 Division of Mental Health.

17 (Source: P.A. 93-841, eff. 7-30-04; 94-58, eff. 6-17-05;
18 94-839, eff. 6-6-06.)

19 Section 10. The Illinois Public Aid Code is amended by
20 changing Section 5A-8 as follows:

21 (305 ILCS 5/5A-8) (from Ch. 23, par. 5A-8)

22 Sec. 5A-8. Hospital Provider Fund.

23 (a) There is created in the State Treasury the Hospital
24 Provider Fund. Interest earned by the Fund shall be credited to
25 the Fund. The Fund shall not be used to replace any moneys
26 appropriated to the Medicaid program by the General Assembly.

27 (b) The Fund is created for the purpose of receiving moneys
28 in accordance with Section 5A-6 and disbursing moneys only for
29 the following purposes, notwithstanding any other provision of
30 law:

31 (1) For making payments to hospitals as required under
32 Articles V, VI, and XIV of this Code and under the
33 Children's Health Insurance Program Act.

34 (2) For the reimbursement of moneys collected by the

1 Illinois Department from hospitals or hospital providers
2 through error or mistake in performing the activities
3 authorized under this Article and Article V of this Code.

4 (3) For payment of administrative expenses incurred by
5 the Illinois Department or its agent in performing the
6 activities authorized by this Article.

7 (4) For payments of any amounts which are reimbursable
8 to the federal government for payments from this Fund which
9 are required to be paid by State warrant.

10 (5) For making transfers, as those transfers are
11 authorized in the proceedings authorizing debt under the
12 Short Term Borrowing Act, but transfers made under this
13 paragraph (5) shall not exceed the principal amount of debt
14 issued in anticipation of the receipt by the State of
15 moneys to be deposited into the Fund.

16 (6) For making transfers to any other fund in the State
17 treasury, but transfers made under this paragraph (6) shall
18 not exceed the amount transferred previously from that
19 other fund into the Hospital Provider Fund.

20 (7) For State fiscal years 2004 and 2005 for making
21 transfers to the Health and Human Services Medicaid Trust
22 Fund, including 20% of the moneys received from hospital
23 providers under Section 5A-4 and transferred into the
24 Hospital Provider Fund under Section 5A-6. For State fiscal
25 year 2006 for making transfers to the Health and Human
26 Services Medicaid Trust Fund of up to \$130,000,000 per year
27 of the moneys received from hospital providers under
28 Section 5A-4 and transferred into the Hospital Provider
29 Fund under Section 5A-6. Transfers under this paragraph
30 shall be made within 7 days after the payments have been
31 received pursuant to the schedule of payments provided in
32 subsection (a) of Section 5A-4.

33 (7.5) For State fiscal years 2007 and 2008 for making
34 transfers of the moneys received from hospital providers
35 under Section 5A-4 and transferred into the Hospital
36 Provider Fund under Section 5A-6 to the designated funds

1 not exceeding the following amounts in any State fiscal
2 year:

3 Health and Human Services

4	Medicaid Trust Fund	\$20,000,000
5	Long-Term Care Provider Fund	\$30,000,000
6	General Revenue Fund	\$80,000,000.

7 Transfers under this paragraph shall be made within 7
8 days after the payments have been received pursuant to the
9 schedule of payments provided in subsection (a) of Section
10 5A-4.

11 (8) For making refunds to hospital providers pursuant
12 to Section 5A-10.

13 Disbursements from the Fund, other than transfers
14 authorized under paragraphs (5) and (6) of this subsection,
15 shall be by warrants drawn by the State Comptroller upon
16 receipt of vouchers duly executed and certified by the Illinois
17 Department.

18 (c) The Fund shall consist of the following:

19 (1) All moneys collected or received by the Illinois
20 Department from the hospital provider assessment imposed
21 by this Article.

22 (2) All federal matching funds received by the Illinois
23 Department as a result of expenditures made by the Illinois
24 Department that are attributable to moneys deposited in the
25 Fund.

26 (3) Any interest or penalty levied in conjunction with
27 the administration of this Article.

28 (4) Moneys transferred from another fund in the State
29 treasury.

30 (5) All other moneys received for the Fund from any
31 other source, including interest earned thereon.

32 (c-5) Notwithstanding any other provision of this Section,
33 for State fiscal year 2007, \$20,000,000 of the federal matching
34 funds paid to the State and attributable to hospital provider
35 assessments collected under this Article during State fiscal
36 year 2007 shall be deposited into the Community Mental Health

1 Medicaid Trust Fund as provided in Section 18.4 of the Mental
2 Health and Developmental Disabilities Administrative Act.

3 (d) (Blank).

4 (Source: P.A. 93-659, eff. 2-3-04; 94-242, eff. 7-18-05;
5 94-839, eff. 6-6-06.)

6 Section 99. Effective date. This Act takes effect upon
7 becoming law.