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1 AMENDMENT TO SENATE BILL 627

2 AMENDMENT NO. \_\_\_\_\_. Amend Senate Bill 627 by replacing  
3 everything after the enacting clause with the following:

4 "Section 1. Short title. This Act may be cited as the  
5 Veterans' Health Insurance Program Act.

6 Section 3. Legislative intent. The General Assembly finds  
7 that those who have served their country honorably in military  
8 service and who are residing in this State deserve access to  
9 affordable, comprehensive health insurance. Many veterans are  
10 uninsured and unable to afford healthcare. This lack of  
11 healthcare, including preventative care, often exacerbates  
12 health conditions. The effects of lack of insurance negatively  
13 impact those residents of the State who are insured because the  
14 cost of paying for care to the uninsured is often shifted to  
15 those who have insurance in the form of higher health insurance  
16 premiums. It is, therefore, the intent of this legislation to  
17 provide access to affordable health insurance for veterans  
18 residing in Illinois who are unable to afford such coverage.  
19 However, the State has only a limited amount of resources, and  
20 the General Assembly therefore declares that while it intends  
21 to cover as many such veterans as possible, the State may not  
22 be able to cover every eligible person who qualifies for this  
23 Program as a matter of entitlement due to limited funding.

1 Section 5. Definitions. The following words have the  
2 following meanings:

3 "Department" means the Department of Healthcare and Family  
4 Services, or any successor agency.

5 "Director" means the Director of Healthcare and Family  
6 Services, or any successor agency.

7 "Medical assistance" means health care benefits provided  
8 under Article V of the Illinois Public Aid Code.

9 "Program" means the Veterans' Health Insurance Program.

10 "Resident" means an individual who has an Illinois  
11 residence, as provided in Section 5-3 of the Illinois Public  
12 Aid Code.

13 "Veteran" means any person who has served in a branch of  
14 the United States military for greater than 180 consecutive  
15 days after initial training.

16 "Veterans' Affairs" or "VA" means the United States  
17 Department of Veterans' Affairs.

18 Section 10. Operation of the Program.

19 (a) The Veterans' Health Insurance Program is created. This  
20 Program is not an entitlement. Enrollment is based on the  
21 availability of funds, and enrollment may be capped based on  
22 funds appropriated for the Program. As soon as practical after  
23 the effective date of this Act, coverage for this Program shall  
24 begin. The Program shall be administered by the Department of  
25 Healthcare and Family Services in collaboration with the  
26 Department of Veterans' Affairs. The Department shall have the  
27 same powers and authority to administer the Program as are  
28 provided to the Department in connection with the Department's  
29 administration of the Illinois Public Aid Code. The Department  
30 shall coordinate the Program with other health programs  
31 operated by the Department and other State and federal  
32 agencies.

33 (b) The Department shall operate the Program in a manner so

1 that the estimated cost of the Program during the fiscal year  
2 will not exceed the total appropriation for the Program. The  
3 Department may take any appropriate action to limit spending or  
4 enrollment into the Program, including, but not limited to,  
5 ceasing to accept or process applications, reviewing  
6 eligibility more frequently than annually, adjusting  
7 cost-sharing, or reducing the income threshold for eligibility  
8 as necessary to control expenditures for the Program.

9 Section 15. Eligibility.

10 (a) To be eligible for the Program, a person must:

11 (1) be a veteran who is not on active duty and who has  
12 not been dishonorably discharged from service;

13 (2) be a resident of the State of Illinois;

14 (3) be at least 19 years of age and no older than 64  
15 years of age;

16 (4) be uninsured, as defined by the Department by rule,  
17 for a period of time established by the Department by rule,  
18 which shall be no less than 6 months;

19 (5) not be eligible for medical assistance under the  
20 Illinois Public Aid Code;

21 (6) not be eligible for medical benefits through the  
22 Veterans Health Administration; and

23 (7) have a household income no greater than 225% of the  
24 federal poverty level at the initiation of the Program;  
25 depending on the availability of funds, this level may be  
26 increased to 250% of the federal poverty level after 6  
27 months of operation. This income threshold is subject to  
28 alteration by the Department as set forth in subsection (b)  
29 of Section 10.

30 (b) A veteran who is determined eligible for the Program  
31 shall remain eligible for 12 months, provided the veteran  
32 remains a resident of the State and is not excluded under  
33 subsection (c) of this Section and provided the Department has

1 not limited the enrollment period as set forth in subsection  
2 (b) of Section 10.

3 (c) A veteran is not eligible for coverage under the  
4 Program if:

5 (1) the premium required under Section 35 of this Act  
6 has not been timely paid; if the required premiums are not  
7 paid, the liability of the Program shall be limited to  
8 benefits incurred under the Program for the time period for  
9 which premiums have been paid and for grace periods as  
10 established under subsection (d); if the required monthly  
11 premium is not paid, the veteran is ineligible for  
12 re-enrollment for a minimum period of 3 months; or

13 (2) the veteran is a resident of a nursing facility or  
14 an inmate of a public institution, as defined by 42 CFR  
15 435.1009.

16 (d) The Department shall adopt rules for the Program,  
17 including, but not limited to, rules relating to eligibility,  
18 re-enrollment, grace periods, notice requirements, hearing  
19 procedures, cost-sharing, covered services, and provider  
20 requirements.

21 Section 20. Notice of decisions to terminate eligibility.  
22 Whenever the Department decides to either deny or terminate  
23 eligibility under this Act, the veteran shall have a right to  
24 notice and a hearing, as provided by the Department by rule.

25 Section 25. Illinois Department of Veterans' Affairs. The  
26 Department shall coordinate with the Illinois Department of  
27 Veterans' Affairs and the Veterans Assistance Commissions to  
28 allow State Veterans' Affairs service officers and the Veterans  
29 Assistance Commissions to assist veterans to apply for the  
30 Program. All applicants must be reviewed for Veterans Health  
31 Administration eligibility or other existing health benefits  
32 prior to consideration for the Program.

1 Section 30. Health care benefits.

2 (a) For veterans eligible and enrolled, the Department  
3 shall purchase or provide health care benefits for eligible  
4 veterans that are identical to the benefits provided to adults  
5 under the State's approved plan under Title XIX of the Social  
6 Security Act, except for nursing facility services and  
7 non-emergency transportation.

8 (b) Providers shall be subject to approval by the  
9 Department to provide health care under the Illinois Public Aid  
10 Code and shall be reimbursed at the same rates as providers  
11 reimbursed under the State's approved plan under Title XIX of  
12 the Social Security Act.

13 (c) As an alternative to the benefits set forth in  
14 subsection (a) of this Section, and when cost-effective, the  
15 Department may offer veterans subsidies toward the cost of  
16 privately sponsored health insurance, including  
17 employer-sponsored health insurance.

18 Section 35. Cost-sharing. The Department, by rule, shall  
19 set forth requirements concerning co-payments and monthly  
20 premiums for health care services. This cost-sharing shall be  
21 based on household income, as defined by the Department by  
22 rule, and is subject to alteration by the Department as set  
23 forth in subsection (b) of Section 10.

24 Section 40. Charge upon claims and causes of action; right  
25 of subrogation; recoveries. Sections 11-22, 11-22a, 11-22b,  
26 and 11-22c of the Illinois Public Aid Code apply to health  
27 benefits provided to veterans under this Act, as provided in  
28 those Sections.

29 Section 45. Reporting. The Department shall prepare a  
30 report for submission to the General Assembly on the first 6

1 months of operation of the Program. The report shall be due to  
2 the General Assembly by April 30, 2007. This report shall  
3 include information regarding implementation of the Program,  
4 including the number of veterans enrolled and any available  
5 information regarding other benefits derived from the Program,  
6 including screening for and acquisition of other veterans'  
7 benefits through the Veterans' Service Officers and the  
8 Veterans' Assistance Commissions. This report may also include  
9 recommendations regarding improvements that may be made to the  
10 Program and regarding the extension of the repeal date set  
11 forth in Section 85 of this Act.

12 Section 50. Emergency rulemaking. The Department may adopt  
13 rules necessary to establish and implement this Act through the  
14 use of emergency rulemaking in accordance with Section 5-45 of  
15 the Illinois Administrative Procedure Act. For the purposes of  
16 that Act, the General Assembly finds that the adoption of rules  
17 to implement this Act is deemed an emergency and necessary for  
18 the public interest, safety, and welfare.

19 Section 85. Repeal. This Act is repealed on January 1,  
20 2008.

21 Section 90. The State Finance Act is amended by changing  
22 Section 8g as follows:

23 (30 ILCS 105/8g)

24 Sec. 8g. Fund transfers.

25 (a) In addition to any other transfers that may be provided  
26 for by law, as soon as may be practical after the effective  
27 date of this amendatory Act of the 91st General Assembly, the  
28 State Comptroller shall direct and the State Treasurer shall  
29 transfer the sum of \$10,000,000 from the General Revenue Fund  
30 to the Motor Vehicle License Plate Fund created by Senate Bill

1 1028 of the 91st General Assembly.

2 (b) In addition to any other transfers that may be provided  
3 for by law, as soon as may be practical after the effective  
4 date of this amendatory Act of the 91st General Assembly, the  
5 State Comptroller shall direct and the State Treasurer shall  
6 transfer the sum of \$25,000,000 from the General Revenue Fund  
7 to the Fund for Illinois' Future created by Senate Bill 1066 of  
8 the 91st General Assembly.

9 (c) In addition to any other transfers that may be provided  
10 for by law, on August 30 of each fiscal year's license period,  
11 the Illinois Liquor Control Commission shall direct and the  
12 State Comptroller and State Treasurer shall transfer from the  
13 General Revenue Fund to the Youth Alcoholism and Substance  
14 Abuse Prevention Fund an amount equal to the number of retail  
15 liquor licenses issued for that fiscal year multiplied by \$50.

16 (d) The payments to programs required under subsection (d)  
17 of Section 28.1 of the Horse Racing Act of 1975 shall be made,  
18 pursuant to appropriation, from the special funds referred to  
19 in the statutes cited in that subsection, rather than directly  
20 from the General Revenue Fund.

21 Beginning January 1, 2000, on the first day of each month,  
22 or as soon as may be practical thereafter, the State  
23 Comptroller shall direct and the State Treasurer shall transfer  
24 from the General Revenue Fund to each of the special funds from  
25 which payments are to be made under Section 28.1(d) of the  
26 Horse Racing Act of 1975 an amount equal to 1/12 of the annual  
27 amount required for those payments from that special fund,  
28 which annual amount shall not exceed the annual amount for  
29 those payments from that special fund for the calendar year  
30 1998. The special funds to which transfers shall be made under  
31 this subsection (d) include, but are not necessarily limited  
32 to, the Agricultural Premium Fund; the Metropolitan Exposition  
33 Auditorium and Office Building Fund; the Fair and Exposition  
34 Fund; the Standardbred Breeders Fund; the Thoroughbred

1 Breeders Fund; and the Illinois Veterans' Rehabilitation Fund.

2 (e) In addition to any other transfers that may be provided  
3 for by law, as soon as may be practical after the effective  
4 date of this amendatory Act of the 91st General Assembly, but  
5 in no event later than June 30, 2000, the State Comptroller  
6 shall direct and the State Treasurer shall transfer the sum of  
7 \$15,000,000 from the General Revenue Fund to the Fund for  
8 Illinois' Future.

9 (f) In addition to any other transfers that may be provided  
10 for by law, as soon as may be practical after the effective  
11 date of this amendatory Act of the 91st General Assembly, but  
12 in no event later than June 30, 2000, the State Comptroller  
13 shall direct and the State Treasurer shall transfer the sum of  
14 \$70,000,000 from the General Revenue Fund to the Long-Term Care  
15 Provider Fund.

16 (f-1) In fiscal year 2002, in addition to any other  
17 transfers that may be provided for by law, at the direction of  
18 and upon notification from the Governor, the State Comptroller  
19 shall direct and the State Treasurer shall transfer amounts not  
20 exceeding a total of \$160,000,000 from the General Revenue Fund  
21 to the Long-Term Care Provider Fund.

22 (g) In addition to any other transfers that may be provided  
23 for by law, on July 1, 2001, or as soon thereafter as may be  
24 practical, the State Comptroller shall direct and the State  
25 Treasurer shall transfer the sum of \$1,200,000 from the General  
26 Revenue Fund to the Violence Prevention Fund.

27 (h) In each of fiscal years 2002 through 2004, but not  
28 thereafter, in addition to any other transfers that may be  
29 provided for by law, the State Comptroller shall direct and the  
30 State Treasurer shall transfer \$5,000,000 from the General  
31 Revenue Fund to the Tourism Promotion Fund.

32 (i) On or after July 1, 2001 and until May 1, 2002, in  
33 addition to any other transfers that may be provided for by  
34 law, at the direction of and upon notification from the



1 Governor, the State Comptroller shall direct and the State  
 2 Treasurer shall transfer amounts not exceeding a total of  
 3 \$80,000,000 from the General Revenue Fund to the Tobacco  
 4 Settlement Recovery Fund. Any amounts so transferred shall be  
 5 re-transferred by the State Comptroller and the State Treasurer  
 6 from the Tobacco Settlement Recovery Fund to the General  
 7 Revenue Fund at the direction of and upon notification from the  
 8 Governor, but in any event on or before June 30, 2002.

9 (i-1) On or after July 1, 2002 and until May 1, 2003, in  
 10 addition to any other transfers that may be provided for by  
 11 law, at the direction of and upon notification from the  
 12 Governor, the State Comptroller shall direct and the State  
 13 Treasurer shall transfer amounts not exceeding a total of  
 14 \$80,000,000 from the General Revenue Fund to the Tobacco  
 15 Settlement Recovery Fund. Any amounts so transferred shall be  
 16 re-transferred by the State Comptroller and the State Treasurer  
 17 from the Tobacco Settlement Recovery Fund to the General  
 18 Revenue Fund at the direction of and upon notification from the  
 19 Governor, but in any event on or before June 30, 2003.

20 (j) On or after July 1, 2001 and no later than June 30,  
 21 2002, in addition to any other transfers that may be provided  
 22 for by law, at the direction of and upon notification from the  
 23 Governor, the State Comptroller shall direct and the State  
 24 Treasurer shall transfer amounts not to exceed the following  
 25 sums into the Statistical Services Revolving Fund:

26	From the General Revenue Fund .....	\$8,450,000
27	From the Public Utility Fund .....	1,700,000
28	From the Transportation Regulatory Fund .....	2,650,000
29	From the Title III Social Security and	
30	Employment Fund .....	3,700,000
31	From the Professions Indirect Cost Fund .....	4,050,000
32	From the Underground Storage Tank Fund .....	550,000
33	From the Agricultural Premium Fund .....	750,000
34	From the State Pensions Fund .....	200,000

1	From the Road Fund .....	2,000,000
2	From the Health Facilities	
3	Planning Fund .....	1,000,000
4	From the Savings and Residential Finance	
5	Regulatory Fund .....	130,800
6	From the Appraisal Administration Fund .....	28,600
7	From the Pawnbroker Regulation Fund .....	3,600
8	From the Auction Regulation	
9	Administration Fund .....	35,800
10	From the Bank and Trust Company Fund.....	634,800
11	From the Real Estate License	
12	Administration Fund .....	313,600

13       (k) In addition to any other transfers that may be provided  
14 for by law, as soon as may be practical after the effective  
15 date of this amendatory Act of the 92nd General Assembly, the  
16 State Comptroller shall direct and the State Treasurer shall  
17 transfer the sum of \$2,000,000 from the General Revenue Fund to  
18 the Teachers Health Insurance Security Fund.

19       (k-1) In addition to any other transfers that may be  
20 provided for by law, on July 1, 2002, or as soon as may be  
21 practical thereafter, the State Comptroller shall direct and  
22 the State Treasurer shall transfer the sum of \$2,000,000 from  
23 the General Revenue Fund to the Teachers Health Insurance  
24 Security Fund.

25       (k-2) In addition to any other transfers that may be  
26 provided for by law, on July 1, 2003, or as soon as may be  
27 practical thereafter, the State Comptroller shall direct and  
28 the State Treasurer shall transfer the sum of \$2,000,000 from  
29 the General Revenue Fund to the Teachers Health Insurance  
30 Security Fund.

31       (k-3) On or after July 1, 2002 and no later than June 30,  
32 2003, in addition to any other transfers that may be provided  
33 for by law, at the direction of and upon notification from the  
34 Governor, the State Comptroller shall direct and the State

1 Treasurer shall transfer amounts not to exceed the following  
2 sums into the Statistical Services Revolving Fund:

3	Appraisal Administration Fund .....	\$150,000
4	General Revenue Fund .....	10,440,000
5	Savings and Residential Finance	
6	Regulatory Fund .....	200,000
7	State Pensions Fund .....	100,000
8	Bank and Trust Company Fund .....	100,000
9	Professions Indirect Cost Fund .....	3,400,000
10	Public Utility Fund .....	2,081,200
11	Real Estate License Administration Fund .....	150,000
12	Title III Social Security and	
13	Employment Fund .....	1,000,000
14	Transportation Regulatory Fund .....	3,052,100
15	Underground Storage Tank Fund .....	50,000

16 (l) In addition to any other transfers that may be provided  
17 for by law, on July 1, 2002, or as soon as may be practical  
18 thereafter, the State Comptroller shall direct and the State  
19 Treasurer shall transfer the sum of \$3,000,000 from the General  
20 Revenue Fund to the Presidential Library and Museum Operating  
21 Fund.

22 (m) In addition to any other transfers that may be provided  
23 for by law, on July 1, 2002 and on the effective date of this  
24 amendatory Act of the 93rd General Assembly, or as soon  
25 thereafter as may be practical, the State Comptroller shall  
26 direct and the State Treasurer shall transfer the sum of  
27 \$1,200,000 from the General Revenue Fund to the Violence  
28 Prevention Fund.

29 (n) In addition to any other transfers that may be provided  
30 for by law, on July 1, 2003, or as soon thereafter as may be  
31 practical, the State Comptroller shall direct and the State  
32 Treasurer shall transfer the sum of \$6,800,000 from the General  
33 Revenue Fund to the DHS Recoveries Trust Fund.

34 (o) On or after July 1, 2003, and no later than June 30,

1 2004, in addition to any other transfers that may be provided  
2 for by law, at the direction of and upon notification from the  
3 Governor, the State Comptroller shall direct and the State  
4 Treasurer shall transfer amounts not to exceed the following  
5 sums into the Vehicle Inspection Fund:

6 From the Underground Storage Tank Fund ..... \$35,000,000.

7 (p) On or after July 1, 2003 and until May 1, 2004, in  
8 addition to any other transfers that may be provided for by  
9 law, at the direction of and upon notification from the  
10 Governor, the State Comptroller shall direct and the State  
11 Treasurer shall transfer amounts not exceeding a total of  
12 \$80,000,000 from the General Revenue Fund to the Tobacco  
13 Settlement Recovery Fund. Any amounts so transferred shall be  
14 re-transferred from the Tobacco Settlement Recovery Fund to the  
15 General Revenue Fund at the direction of and upon notification  
16 from the Governor, but in any event on or before June 30, 2004.

17 (q) In addition to any other transfers that may be provided  
18 for by law, on July 1, 2003, or as soon as may be practical  
19 thereafter, the State Comptroller shall direct and the State  
20 Treasurer shall transfer the sum of \$5,000,000 from the General  
21 Revenue Fund to the Illinois Military Family Relief Fund.

22 (r) In addition to any other transfers that may be provided  
23 for by law, on July 1, 2003, or as soon as may be practical  
24 thereafter, the State Comptroller shall direct and the State  
25 Treasurer shall transfer the sum of \$1,922,000 from the General  
26 Revenue Fund to the Presidential Library and Museum Operating  
27 Fund.

28 (s) In addition to any other transfers that may be provided  
29 for by law, on or after July 1, 2003, the State Comptroller  
30 shall direct and the State Treasurer shall transfer the sum of  
31 \$4,800,000 from the Statewide Economic Development Fund to the  
32 General Revenue Fund.

33 (t) In addition to any other transfers that may be provided  
34 for by law, on or after July 1, 2003, the State Comptroller

1 shall direct and the State Treasurer shall transfer the sum of  
2 \$50,000,000 from the General Revenue Fund to the Budget  
3 Stabilization Fund.

4 (u) On or after July 1, 2004 and until May 1, 2005, in  
5 addition to any other transfers that may be provided for by  
6 law, at the direction of and upon notification from the  
7 Governor, the State Comptroller shall direct and the State  
8 Treasurer shall transfer amounts not exceeding a total of  
9 \$80,000,000 from the General Revenue Fund to the Tobacco  
10 Settlement Recovery Fund. Any amounts so transferred shall be  
11 retransferred by the State Comptroller and the State Treasurer  
12 from the Tobacco Settlement Recovery Fund to the General  
13 Revenue Fund at the direction of and upon notification from the  
14 Governor, but in any event on or before June 30, 2005.

15 (v) In addition to any other transfers that may be provided  
16 for by law, on July 1, 2004, or as soon thereafter as may be  
17 practical, the State Comptroller shall direct and the State  
18 Treasurer shall transfer the sum of \$1,200,000 from the General  
19 Revenue Fund to the Violence Prevention Fund.

20 (w) In addition to any other transfers that may be provided  
21 for by law, on July 1, 2004, or as soon thereafter as may be  
22 practical, the State Comptroller shall direct and the State  
23 Treasurer shall transfer the sum of \$6,445,000 from the General  
24 Revenue Fund to the Presidential Library and Museum Operating  
25 Fund.

26 (x) In addition to any other transfers that may be provided  
27 for by law, on January 15, 2005, or as soon thereafter as may  
28 be practical, the State Comptroller shall direct and the State  
29 Treasurer shall transfer to the General Revenue Fund the  
30 following sums:

31 From the State Crime Laboratory Fund, \$200,000;

32 From the State Police Wireless Service Emergency Fund,  
33 \$200,000;

34 From the State Offender DNA Identification System

1 Fund, \$800,000; and

2 From the State Police Whistleblower Reward and  
3 Protection Fund, \$500,000.

4 (y) Notwithstanding any other provision of law to the  
5 contrary, in addition to any other transfers that may be  
6 provided for by law on June 30, 2005, or as soon as may be  
7 practical thereafter, the State Comptroller shall direct and  
8 the State Treasurer shall transfer the remaining balance from  
9 the designated funds into the General Revenue Fund and any  
10 future deposits that would otherwise be made into these funds  
11 must instead be made into the General Revenue Fund:

12 (1) the Keep Illinois Beautiful Fund;

13 (2) the Metropolitan Fair and Exposition Authority  
14 Reconstruction Fund;

15 (3) the New Technology Recovery Fund;

16 (4) the Illinois Rural Bond Bank Trust Fund;

17 (5) the ISBE School Bus Driver Permit Fund;

18 (6) the Solid Waste Management Revolving Loan Fund;

19 (7) the State Postsecondary Review Program Fund;

20 (8) the Tourism Attraction Development Matching Grant  
21 Fund;

22 (9) the Patent and Copyright Fund;

23 (10) the Credit Enhancement Development Fund;

24 (11) the Community Mental Health and Developmental  
25 Disabilities Services Provider Participation Fee Trust  
26 Fund;

27 (12) the Nursing Home Grant Assistance Fund;

28 (13) the By-product Material Safety Fund;

29 (14) the Illinois Student Assistance Commission Higher  
30 EdNet Fund;

31 (15) the DORS State Project Fund;

32 (16) the School Technology Revolving Fund;

33 (17) the Energy Assistance Contribution Fund;

34 (18) the Illinois Building Commission Revolving Fund;

- 1           (19) the Illinois Aquaculture Development Fund;  
2           (20) the Homelessness Prevention Fund;  
3           (21) the DCFS Refugee Assistance Fund;  
4           (22) the Illinois Century Network Special Purposes  
5           Fund; and  
6           (23) the Build Illinois Purposes Fund.

7           (z) In addition to any other transfers that may be provided  
8           for by law, on July 1, 2005, or as soon as may be practical  
9           thereafter, the State Comptroller shall direct and the State  
10          Treasurer shall transfer the sum of \$1,200,000 from the General  
11          Revenue Fund to the Violence Prevention Fund.

12          (aa) In addition to any other transfers that may be  
13          provided for by law, on July 1, 2005, or as soon as may be  
14          practical thereafter, the State Comptroller shall direct and  
15          the State Treasurer shall transfer the sum of \$9,000,000 from  
16          the General Revenue Fund to the Presidential Library and Museum  
17          Operating Fund.

18          (bb) In addition to any other transfers that may be  
19          provided for by law, on July 1, 2005, or as soon as may be  
20          practical thereafter, the State Comptroller shall direct and  
21          the State Treasurer shall transfer the sum of \$6,803,600 from  
22          the General Revenue Fund to the Securities Audit and  
23          Enforcement Fund.

24          (cc) In addition to any other transfers that may be  
25          provided for by law, on or after July 1, 2005 and until May 1,  
26          2006, at the direction of and upon notification from the  
27          Governor, the State Comptroller shall direct and the State  
28          Treasurer shall transfer amounts not exceeding a total of  
29          \$80,000,000 from the General Revenue Fund to the Tobacco  
30          Settlement Recovery Fund. Any amounts so transferred shall be  
31          re-transferred by the State Comptroller and the State Treasurer  
32          from the Tobacco Settlement Recovery Fund to the General  
33          Revenue Fund at the direction of and upon notification from the  
34          Governor, but in any event on or before June 30, 2006.

1        (dd) ~~(y)~~ In addition to any other transfers that may be  
2 provided for by law, on April 1, 2005, or as soon thereafter as  
3 may be practical, at the direction of the Director of Public  
4 Aid (now Director of Healthcare and Family Services), the State  
5 Comptroller shall direct and the State Treasurer shall transfer  
6 from the Public Aid Recoveries Trust Fund amounts not to exceed  
7 \$14,000,000 to the Community Mental Health Medicaid Trust Fund.

8        (ee) In addition to any other transfers that may be  
9 provided for by law, on July 1, 2006, or as soon thereafter as  
10 practical, the State Comptroller shall direct and the State  
11 Treasurer shall transfer the sum of \$2,000,000 from the General  
12 Revenue Fund to the Illinois Veterans Assistance Fund.

13 (Source: P.A. 93-32, eff. 6-20-03; 93-648, eff. 1-8-04; 93-839,  
14 eff. 7-30-04; 93-1067, eff. 1-15-05; 94-58, eff. 6-17-05;  
15 94-91, eff. 7-1-05; revised 12-15-05.)

16        Section 95. The Illinois Public Aid Code is amended by  
17 changing Sections 11-22, 11-22a, 11-22b, and 11-22c as follows:

18        (305 ILCS 5/11-22) (from Ch. 23, par. 11-22)

19        (Text of Section after amendment by P.A. 94-693)

20        Sec. 11-22. Charge upon claims and causes of action for  
21 injuries. The Illinois Department shall have a charge upon all  
22 claims, demands and causes of action for injuries to an  
23 applicant for or recipient of (i) financial aid under Articles  
24 III, IV, and V, ~~or~~ (ii) health care benefits provided under the  
25 Covering ALL KIDS Health Insurance Act, or (iii) health care  
26 benefits provided under the Veterans' Health Insurance Program  
27 Act for the total amount of medical assistance provided the  
28 recipient from the time of injury to the date of recovery upon  
29 such claim, demand or cause of action. In addition, if the  
30 applicant or recipient was employable, as defined by the  
31 Department, at the time of the injury, the Department shall  
32 also have a charge upon any such claims, demands and causes of



1 action for the total amount of aid provided to the recipient  
2 and his dependents, including all cash assistance and medical  
3 assistance only to the extent includable in the claimant's  
4 action, from the time of injury to the date of recovery upon  
5 such claim, demand or cause of action. Any definition of  
6 "employable" adopted by the Department shall apply only to  
7 persons above the age of compulsory school attendance.

8 If the injured person was employable at the time of the  
9 injury and is provided aid under Articles III, IV, or V and any  
10 dependent or member of his family is provided aid under Article  
11 VI, or vice versa, both the Illinois Department and the local  
12 governmental unit shall have a charge upon such claims, demands  
13 and causes of action for the aid provided to the injured person  
14 and any dependent member of his family, including all cash  
15 assistance, medical assistance and food stamps, from the time  
16 of the injury to the date of recovery.

17 "Recipient", as used herein, means (i) in the case of  
18 financial aid provided under this Code, the grantee of record  
19 and any persons whose needs are included in the financial aid  
20 provided to the grantee of record or otherwise met by grants  
21 under the appropriate Article of this Code for which such  
22 person is eligible, ~~and~~ (ii) in the case of health care  
23 benefits provided under the Covering ALL KIDS Health Insurance  
24 Act, the child to whom those benefits are provided, and (iii)  
25 in the case of health care benefits provided under the  
26 Veterans' Health Insurance Program Act, the veteran to whom  
27 benefits are provided.

28 In each case, the notice shall be served by certified mail  
29 or registered mail, upon the party or parties against whom the  
30 applicant or recipient has a claim, demand or cause of action.  
31 The notice shall claim the charge and describe the interest the  
32 Illinois Department, the local governmental unit, or the  
33 county, has in the claim, demand, or cause of action. The  
34 charge shall attach to any verdict or judgment entered and to

1 any money or property which may be recovered on account of such  
2 claim, demand, cause of action or suit from and after the time  
3 of the service of the notice.

4 On petition filed by the Illinois Department, or by the  
5 local governmental unit or county if either is claiming a  
6 charge, or by the recipient, or by the defendant, the court, on  
7 written notice to all interested parties, may adjudicate the  
8 rights of the parties and enforce the charge. The court may  
9 approve the settlement of any claim, demand or cause of action  
10 either before or after a verdict, and nothing in this Section  
11 shall be construed as requiring the actual trial or final  
12 adjudication of any claim, demand or cause of action upon which  
13 the Illinois Department, the local governmental unit or county  
14 has charge. The court may determine what portion of the  
15 recovery shall be paid to the injured person and what portion  
16 shall be paid to the Illinois Department, the local  
17 governmental unit or county having a charge against the  
18 recovery. In making this determination, the court shall conduct  
19 an evidentiary hearing and shall consider competent evidence  
20 pertaining to the following matters:

21 (1) the amount of the charge sought to be enforced  
22 against the recovery when expressed as a percentage of the  
23 gross amount of the recovery; the amount of the charge  
24 sought to be enforced against the recovery when expressed  
25 as a percentage of the amount obtained by subtracting from  
26 the gross amount of the recovery the total attorney's fees  
27 and other costs incurred by the recipient incident to the  
28 recovery; and whether the Department, unit of local  
29 government or county seeking to enforce the charge against  
30 the recovery should as a matter of fairness and equity bear  
31 its proportionate share of the fees and costs incurred to  
32 generate the recovery from which the charge is sought to be  
33 satisfied;

34 (2) the amount, if any, of the attorney's fees and

1 other costs incurred by the recipient incident to the  
2 recovery and paid by the recipient up to the time of  
3 recovery, and the amount of such fees and costs remaining  
4 unpaid at the time of recovery;

5 (3) the total hospital, doctor and other medical  
6 expenses incurred for care and treatment of the injury to  
7 the date of recovery therefor, the portion of such expenses  
8 theretofore paid by the recipient, by insurance provided by  
9 the recipient, and by the Department, unit of local  
10 government and county seeking to enforce a charge against  
11 the recovery, and the amount of such previously incurred  
12 expenses which remain unpaid at the time of recovery and by  
13 whom such incurred, unpaid expenses are to be paid;

14 (4) whether the recovery represents less than  
15 substantially full recompense for the injury and the  
16 hospital, doctor and other medical expenses incurred to the  
17 date of recovery for the care and treatment of the injury,  
18 so that reduction of the charge sought to be enforced  
19 against the recovery would not likely result in a double  
20 recovery or unjust enrichment to the recipient;

21 (5) the age of the recipient and of persons dependent  
22 for support upon the recipient, the nature and permanency  
23 of the recipient's injuries as they affect not only the  
24 future employability and education of the recipient but  
25 also the reasonably necessary and foreseeable future  
26 material, maintenance, medical, rehabilitative and  
27 training needs of the recipient, the cost of such  
28 reasonably necessary and foreseeable future needs, and the  
29 resources available to meet such needs and pay such costs;

30 (6) the realistic ability of the recipient to repay in  
31 whole or in part the charge sought to be enforced against  
32 the recovery when judged in light of the factors enumerated  
33 above.

34 The burden of producing evidence sufficient to support the

1 exercise by the court of its discretion to reduce the amount of  
2 a proven charge sought to be enforced against the recovery  
3 shall rest with the party seeking such reduction.

4 The court may reduce and apportion the Illinois  
5 Department's lien proportionate to the recovery of the  
6 claimant. The court may consider the nature and extent of the  
7 injury, economic and noneconomic loss, settlement offers,  
8 comparative negligence as it applies to the case at hand,  
9 hospital costs, physician costs, and all other appropriate  
10 costs. The Illinois Department shall pay its pro rata share of  
11 the attorney fees based on the Illinois Department's lien as it  
12 compares to the total settlement agreed upon. This Section  
13 shall not affect the priority of an attorney's lien under the  
14 Attorneys Lien Act. The charges of the Illinois Department  
15 described in this Section, however, shall take priority over  
16 all other liens and charges existing under the laws of the  
17 State of Illinois with the exception of the attorney's lien  
18 under said statute.

19 Whenever the Department or any unit of local government has  
20 a statutory charge under this Section against a recovery for  
21 damages incurred by a recipient because of its advancement of  
22 any assistance, such charge shall not be satisfied out of any  
23 recovery until the attorney's claim for fees is satisfied,  
24 irrespective of whether or not an action based on recipient's  
25 claim has been filed in court.

26 This Section shall be inapplicable to any claim, demand or  
27 cause of action arising under (a) the Workers' Compensation Act  
28 or the predecessor Workers' Compensation Act of June 28, 1913,  
29 (b) the Workers' Occupational Diseases Act or the predecessor  
30 Workers' Occupational Diseases Act of March 16, 1936; and (c)  
31 the Wrongful Death Act.

32 (Source: P.A. 94-693, eff. 7-1-06.)

33 (305 ILCS 5/11-22a) (from Ch. 23, par. 11-22a)

1 (Text of Section after amendment by P.A. 94-693)

2 Sec. 11-22a. Right of Subrogation. To the extent of the  
3 amount of (i) medical assistance provided by the Department to  
4 or on behalf of a recipient under Article V or VI, ~~or~~ (ii)  
5 health care benefits provided for a child under the Covering  
6 ALL KIDS Health Insurance Act, or (iii) health care benefits  
7 provided to a veteran under the Veterans' Health Insurance  
8 Program Act, the Department shall be subrogated to any right of  
9 recovery such recipient may have under the terms of any private  
10 or public health care coverage or casualty coverage, including  
11 coverage under the "Workers' Compensation Act", approved July  
12 9, 1951, as amended, or the "Workers' Occupational Diseases  
13 Act", approved July 9, 1951, as amended, without the necessity  
14 of assignment of claim or other authorization to secure the  
15 right of recovery to the Department. To enforce its subrogation  
16 right, the Department may (i) intervene or join in an action or  
17 proceeding brought by the recipient, his or her guardian,  
18 personal representative, estate, dependents, or survivors  
19 against any person or public or private entity that may be  
20 liable; (ii) institute and prosecute legal proceedings against  
21 any person or public or private entity that may be liable for  
22 the cost of such services; or (iii) institute and prosecute  
23 legal proceedings, to the extent necessary to reimburse the  
24 Illinois Department for its costs, against any noncustodial  
25 parent who (A) is required by court or administrative order to  
26 provide insurance or other coverage of the cost of health care  
27 services for a child eligible for medical assistance under this  
28 Code and (B) has received payment from a third party for the  
29 costs of those services but has not used the payments to  
30 reimburse either the other parent or the guardian of the child  
31 or the provider of the services.

32 (Source: P.A. 94-693, eff. 7-1-06.)

33 (305 ILCS 5/11-22b) (from Ch. 23, par. 11-22b)

1 (Text of Section after amendment by P.A. 94-693)

2 Sec. 11-22b. Recoveries.

3 (a) As used in this Section:

4 (1) "Carrier" means any insurer, including any private  
5 company, corporation, mutual association, trust fund,  
6 reciprocal or interinsurance exchange authorized under the  
7 laws of this State to insure persons against liability or  
8 injuries caused to another and any insurer providing benefits  
9 under a policy of bodily injury liability insurance covering  
10 liability arising out of the ownership, maintenance or use of a  
11 motor vehicle which provides uninsured motorist endorsement or  
12 coverage.

13 (2) "Beneficiary" means any person or their dependents who  
14 has received benefits or will be provided benefits under this  
15 Code, ~~or~~ under the Covering ALL KIDS Health Insurance Act, or  
16 under the Veterans' Health Insurance Program Act because of an  
17 injury for which another person may be liable. It includes such  
18 beneficiary's guardian, conservator or other personal  
19 representative, his estate or survivors.

20 (b) (1) When benefits are provided or will be provided to a  
21 beneficiary under this Code, ~~or~~ under the Covering ALL KIDS  
22 Health Insurance Act, or under the Veterans' Health Insurance  
23 Program Act because of an injury for which another person is  
24 liable, or for which a carrier is liable in accordance with the  
25 provisions of any policy of insurance issued pursuant to the  
26 Illinois Insurance Code, the Illinois Department shall have a  
27 right to recover from such person or carrier the reasonable  
28 value of benefits so provided. The Attorney General may, to  
29 enforce such right, institute and prosecute legal proceedings  
30 against the third person or carrier who may be liable for the  
31 injury in an appropriate court, either in the name of the  
32 Illinois Department or in the name of the injured person, his  
33 guardian, personal representative, estate, or survivors.

34 (2) The Department may:

1 (A) compromise or settle and release any such claim  
2 for benefits provided under this Code, or

3 (B) waive any such claims for benefits provided  
4 under this Code, in whole or in part, for the  
5 convenience of the Department or if the Department  
6 determines that collection would result in undue  
7 hardship upon the person who suffered the injury or, in  
8 a wrongful death action, upon the heirs of the  
9 deceased.

10 (3) No action taken on behalf of the Department  
11 pursuant to this Section or any judgment rendered in such  
12 action shall be a bar to any action upon the claim or cause  
13 of action of the beneficiary, his guardian, conservator,  
14 personal representative, estate, dependents or survivors  
15 against the third person who may be liable for the injury,  
16 or shall operate to deny to the beneficiary the recovery  
17 for that portion of any damages not covered hereunder.

18 (c) (1) When an action is brought by the Department  
19 pursuant to subsection (b), it shall be commenced within the  
20 period prescribed by Article XIII of the Code of Civil  
21 Procedure.

22 However, the Department may not commence the action  
23 prior to 5 months before the end of the applicable period  
24 prescribed by Article XIII of the Code of Civil Procedure.  
25 Thirty days prior to commencing an action, the Department  
26 shall notify the beneficiary of the Department's intent to  
27 commence such an action.

28 (2) The death of the beneficiary does not abate any  
29 right of action established by subsection (b).

30 (3) When an action or claim is brought by persons  
31 entitled to bring such actions or assert such claims  
32 against a third person who may be liable for causing the  
33 death of a beneficiary, any settlement, judgment or award  
34 obtained is subject to the Department's claim for

1 reimbursement of the benefits provided to the beneficiary  
2 under this Code, ~~or~~ under the Covering ALL KIDS Health  
3 Insurance Act, or under the Veterans' Health Insurance  
4 Program Act.

5 (4) When the action or claim is brought by the  
6 beneficiary alone and the beneficiary incurs a personal  
7 liability to pay attorney's fees and costs of litigation,  
8 the Department's claim for reimbursement of the benefits  
9 provided to the beneficiary shall be the full amount of  
10 benefits paid on behalf of the beneficiary under this Code, ~~or~~  
11 under the Covering ALL KIDS Health Insurance Act, or  
12 under the Veterans' Health Insurance Program Act less a pro  
13 rata share which represents the Department's reasonable  
14 share of attorney's fees paid by the beneficiary and that  
15 portion of the cost of litigation expenses determined by  
16 multiplying by the ratio of the full amount of the  
17 expenditures of the full amount of the judgment, award or  
18 settlement.

19 (d) (1) If either the beneficiary or the Department brings  
20 an action or claim against such third party or carrier, the  
21 beneficiary or the Department shall within 30 days of filing  
22 the action give to the other written notice by personal service  
23 or registered mail of the action or claim and of the name of  
24 the court in which the action or claim is brought. Proof of  
25 such notice shall be filed in such action or claim. If an  
26 action or claim is brought by either the Department or the  
27 beneficiary, the other may, at any time before trial on the  
28 facts, become a party to such action or claim or shall  
29 consolidate his action or claim with the other if brought  
30 independently.

31 (2) If an action or claim is brought by the Department  
32 pursuant to subsection (b)(1), written notice to the  
33 beneficiary, guardian, personal representative, estate or  
34 survivor given pursuant to this Section shall advise him of



1 his right to intervene in the proceeding, his right to  
2 obtain a private attorney of his choice and the  
3 Department's right to recover the reasonable value of the  
4 benefits provided.

5 (e) In the event of judgment or award in a suit or claim  
6 against such third person or carrier:

7 (1) If the action or claim is prosecuted by the  
8 beneficiary alone, the court shall first order paid from  
9 any judgment or award the reasonable litigation expenses  
10 incurred in preparation and prosecution of such action or  
11 claim, together with reasonable attorney's fees, when an  
12 attorney has been retained. After payment of such expenses  
13 and attorney's fees the court shall, on the application of  
14 the Department, allow as a first lien against the amount of  
15 such judgment or award the amount of the Department's  
16 expenditures for the benefit of the beneficiary under this  
17 Code, ~~or~~ under the Covering ALL KIDS Health Insurance Act, or  
18 or under the Veterans' Health Insurance Program Act, as  
19 provided in subsection (c)(4).

20 (2) If the action or claim is prosecuted both by the  
21 beneficiary and the Department, the court shall first order  
22 paid from any judgment or award the reasonable litigation  
23 expenses incurred in preparation and prosecution of such  
24 action or claim, together with reasonable attorney's fees  
25 for plaintiffs attorneys based solely on the services  
26 rendered for the benefit of the beneficiary. After payment  
27 of such expenses and attorney's fees, the court shall apply  
28 out of the balance of such judgment or award an amount  
29 sufficient to reimburse the Department the full amount of  
30 benefits paid on behalf of the beneficiary under this Code, ~~or~~  
31 or under the Covering ALL KIDS Health Insurance Act, or  
32 under the Veterans' Health Insurance Program Act.

33 (f) The court shall, upon further application at any time  
34 before the judgment or award is satisfied, allow as a further

1     lien the amount of any expenditures of the Department in  
2     payment of additional benefits arising out of the same cause of  
3     action or claim provided on behalf of the beneficiary under  
4     this Code, ~~or~~ under the Covering ALL KIDS Health Insurance Act,  
5     or under the Veterans' Health Insurance Program Act, when such  
6     benefits were provided or became payable subsequent to the  
7     original order.

8           (g) No judgment, award, or settlement in any action or  
9     claim by a beneficiary to recover damages for injuries, when  
10    the Department has an interest, shall be satisfied without  
11    first giving the Department notice and a reasonable opportunity  
12    to perfect and satisfy its lien.

13           (h) When the Department has perfected a lien upon a  
14    judgment or award in favor of a beneficiary against any third  
15    party for an injury for which the beneficiary has received  
16    benefits under this Code, ~~or~~ under the Covering ALL KIDS Health  
17    Insurance Act, or under the Veterans' Health Insurance Program  
18    Act, the Department shall be entitled to a writ of execution as  
19    lien claimant to enforce payment of said lien against such  
20    third party with interest and other accruing costs as in the  
21    case of other executions. In the event the amount of such  
22    judgment or award so recovered has been paid to the  
23    beneficiary, the Department shall be entitled to a writ of  
24    execution against such beneficiary to the extent of the  
25    Department's lien, with interest and other accruing costs as in  
26    the case of other executions.

27           (i) Except as otherwise provided in this Section,  
28    notwithstanding any other provision of law, the entire amount  
29    of any settlement of the injured beneficiary's action or claim,  
30    with or without suit, is subject to the Department's claim for  
31    reimbursement of the benefits provided and any lien filed  
32    pursuant thereto to the same extent and subject to the same  
33    limitations as in Section 11-22 of this Code.

34    (Source: P.A. 94-693, eff. 7-1-06.)

1 (305 ILCS 5/11-22c) (from Ch. 23, par. 11-22c)

2 (Text of Section after amendment by P.A. 94-693)

3 Sec. 11-22c. (a) As used in this Section, "recipient" means  
4 any person receiving financial assistance under Article IV or  
5 Article VI of this Code, ~~or~~ receiving health care benefits  
6 under the Covering ALL KIDS Health Insurance Act, or receiving  
7 health care benefits under the Veterans' Health Insurance  
8 Program Act.

9 (b) If a recipient maintains any suit, charge or other  
10 court or administrative action against an employer seeking back  
11 pay for a period during which the recipient received financial  
12 assistance under Article IV or Article VI of this Code, ~~or~~  
13 health care benefits under the Covering ALL KIDS Health  
14 Insurance Act, or health care benefits under the Veterans'  
15 Health Insurance Program Act, the recipient shall report such  
16 fact to the Department. To the extent of the amount of  
17 assistance provided to or on behalf of the recipient under  
18 Article IV or Article VI, ~~or~~ health care benefits provided  
19 under the Covering ALL KIDS Health Insurance Act, or health  
20 care benefits provided under the Veterans' Health Insurance  
21 Program Act, the Department may by intervention or otherwise  
22 without the necessity of assignment of claim, attach a lien on  
23 the recovery of back wages equal to the amount of assistance  
24 provided by the Department to the recipient under Article IV or  
25 Article VI, ~~or~~ under the Covering ALL KIDS Health Insurance  
26 Act, or under the Veterans' Health Insurance Program Act.

27 (Source: P.A. 94-693, eff. 7-1-06.)

28 Section 97. Severability. The provisions of this Act are  
29 severable under Section 1.31 of the Statute on Statutes.

30 Section 99. Effective date. This Act takes effect upon  
31 becoming law."