

1 AN ACT concerning health.

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

4 Section 5. The State Employees Group Insurance Act of 1971
5 is amended by changing Section 6.11 as follows:

6 (5 ILCS 375/6.11)

7 Sec. 6.11. Required health benefits; Illinois Insurance
8 Code requirements. The program of health benefits shall provide
9 the post-mastectomy care benefits required to be covered by a
10 policy of accident and health insurance under Section 356t of
11 the Illinois Insurance Code. The program of health benefits
12 shall provide the coverage required under Sections 356u, 356w,
13 356x, 356z.2, 356z.4, ~~and~~ 356z.6, and 356z.9 of the Illinois
14 Insurance Code. The program of health benefits must comply with
15 Section 155.37 of the Illinois Insurance Code.

16 (Source: P.A. 92-440, eff. 8-17-01; 92-764, eff. 1-1-03;
17 93-102, eff. 1-1-04; 93-853, eff. 1-1-05.)

18 Section 10. The Counties Code is amended by changing
19 Section 5-1069.3 as follows:

20 (55 ILCS 5/5-1069.3)

21 Sec. 5-1069.3. Required health benefits. If a county,

1 including a home rule county, is a self-insurer for purposes of
2 providing health insurance coverage for its employees, the
3 coverage shall include coverage for the post-mastectomy care
4 benefits required to be covered by a policy of accident and
5 health insurance under Section 356t and the coverage required
6 under Sections 356u, 356w, 356x, ~~and~~ 356z.6, and 356z.9 of the
7 Illinois Insurance Code. The requirement that health benefits
8 be covered as provided in this Section is an exclusive power
9 and function of the State and is a denial and limitation under
10 Article VII, Section 6, subsection (h) of the Illinois
11 Constitution. A home rule county to which this Section applies
12 must comply with every provision of this Section.

13 (Source: P.A. 93-853, eff. 1-1-05.)

14 Section 15. The Illinois Municipal Code is amended by
15 changing Section 10-4-2.3 as follows:

16 (65 ILCS 5/10-4-2.3)

17 Sec. 10-4-2.3. Required health benefits. If a
18 municipality, including a home rule municipality, is a
19 self-insurer for purposes of providing health insurance
20 coverage for its employees, the coverage shall include coverage
21 for the post-mastectomy care benefits required to be covered by
22 a policy of accident and health insurance under Section 356t
23 and the coverage required under Sections 356u, 356w, 356x, ~~and~~
24 356z.6, and 356z.9 of the Illinois Insurance Code. The

1 requirement that health benefits be covered as provided in this
2 is an exclusive power and function of the State and is a denial
3 and limitation under Article VII, Section 6, subsection (h) of
4 the Illinois Constitution. A home rule municipality to which
5 this Section applies must comply with every provision of this
6 Section.

7 (Source: P.A. 93-853, eff. 1-1-05.)

8 Section 20. The Illinois Insurance Code is amended by
9 adding Section 356z.9 as follows:

10 (215 ILCS 5/356z.9 new)

11 Sec. 356z.9. Amino acid-based elemental formulas.

12 (a) A group or individual policy of accident and health
13 insurance or managed care plan amended, delivered, issued, or
14 renewed after the effective date of this amendatory Act of the
15 95th General Assembly must provide coverage for
16 nonprescription amino acid-based elemental formulas,
17 regardless of delivery method, for the diagnosis and treatment
18 of (i) milk protein allergies and intolerances, (ii)
19 eosinophilic disorders, and (iii) impaired absorption of
20 nutrients caused by disorders affecting the absorptive
21 surface, functional length, and motility of the
22 gastrointestinal tract, when the prescribing physician has
23 issued a written order stating that the amino acid-based
24 elemental formula is medically necessary for the treatment of a

1 disease or disorder and is the least restrictive and most
2 cost-effective means for meeting the needs of the patient.

3 (b) A group or individual policy of accident and health
4 insurance or managed care plan amended, delivered, issued, or
5 renewed after the effective date of this amendatory Act of the
6 95th General Assembly must provide coverage for specialized
7 amino acid-based elemental formulas, regardless of delivery
8 method, when the prescribing physician has issued a written
9 order stating that such specialized amino acid-based elemental
10 formula is medically necessary for the treatment of a disease
11 or disorder and is the least restrictive and most
12 cost-effective means for meeting the needs of the patient.

13 Section 25. The Health Maintenance Organization Act is
14 amended by changing Section 5-3 as follows:

15 (215 ILCS 125/5-3) (from Ch. 111 1/2, par. 1411.2)

16 Sec. 5-3. Insurance Code provisions.

17 (a) Health Maintenance Organizations shall be subject to
18 the provisions of Sections 133, 134, 137, 140, 141.1, 141.2,
19 141.3, 143, 143c, 147, 148, 149, 151, 152, 153, 154, 154.5,
20 154.6, 154.7, 154.8, 155.04, 355.2, 356m, 356v, 356w, 356x,
21 356y, 356z.2, 356z.4, 356z.5, 356z.6, 356z.8, 356z.9, 364.01,
22 367.2, 367.2-5, 367i, 368a, 368b, 368c, 368d, 368e, 370c, 401,
23 401.1, 402, 403, 403A, 408, 408.2, 409, 412, 444, and 444.1,
24 paragraph (c) of subsection (2) of Section 367, and Articles

1 IIA, VIII 1/2, XII, XII 1/2, XIII, XIII 1/2, XXV, and XXVI of
2 the Illinois Insurance Code.

3 (b) For purposes of the Illinois Insurance Code, except for
4 Sections 444 and 444.1 and Articles XIII and XIII 1/2, Health
5 Maintenance Organizations in the following categories are
6 deemed to be "domestic companies":

7 (1) a corporation authorized under the Dental Service
8 Plan Act or the Voluntary Health Services Plans Act;

9 (2) a corporation organized under the laws of this
10 State; or

11 (3) a corporation organized under the laws of another
12 state, 30% or more of the enrollees of which are residents
13 of this State, except a corporation subject to
14 substantially the same requirements in its state of
15 organization as is a "domestic company" under Article VIII
16 1/2 of the Illinois Insurance Code.

17 (c) In considering the merger, consolidation, or other
18 acquisition of control of a Health Maintenance Organization
19 pursuant to Article VIII 1/2 of the Illinois Insurance Code,

20 (1) the Director shall give primary consideration to
21 the continuation of benefits to enrollees and the financial
22 conditions of the acquired Health Maintenance Organization
23 after the merger, consolidation, or other acquisition of
24 control takes effect;

25 (2) (i) the criteria specified in subsection (1) (b) of
26 Section 131.8 of the Illinois Insurance Code shall not

1 apply and (ii) the Director, in making his determination
2 with respect to the merger, consolidation, or other
3 acquisition of control, need not take into account the
4 effect on competition of the merger, consolidation, or
5 other acquisition of control;

6 (3) the Director shall have the power to require the
7 following information:

8 (A) certification by an independent actuary of the
9 adequacy of the reserves of the Health Maintenance
10 Organization sought to be acquired;

11 (B) pro forma financial statements reflecting the
12 combined balance sheets of the acquiring company and
13 the Health Maintenance Organization sought to be
14 acquired as of the end of the preceding year and as of
15 a date 90 days prior to the acquisition, as well as pro
16 forma financial statements reflecting projected
17 combined operation for a period of 2 years;

18 (C) a pro forma business plan detailing an
19 acquiring party's plans with respect to the operation
20 of the Health Maintenance Organization sought to be
21 acquired for a period of not less than 3 years; and

22 (D) such other information as the Director shall
23 require.

24 (d) The provisions of Article VIII 1/2 of the Illinois
25 Insurance Code and this Section 5-3 shall apply to the sale by
26 any health maintenance organization of greater than 10% of its

1 enrollee population (including without limitation the health
2 maintenance organization's right, title, and interest in and to
3 its health care certificates).

4 (e) In considering any management contract or service
5 agreement subject to Section 141.1 of the Illinois Insurance
6 Code, the Director (i) shall, in addition to the criteria
7 specified in Section 141.2 of the Illinois Insurance Code, take
8 into account the effect of the management contract or service
9 agreement on the continuation of benefits to enrollees and the
10 financial condition of the health maintenance organization to
11 be managed or serviced, and (ii) need not take into account the
12 effect of the management contract or service agreement on
13 competition.

14 (f) Except for small employer groups as defined in the
15 Small Employer Rating, Renewability and Portability Health
16 Insurance Act and except for medicare supplement policies as
17 defined in Section 363 of the Illinois Insurance Code, a Health
18 Maintenance Organization may by contract agree with a group or
19 other enrollment unit to effect refunds or charge additional
20 premiums under the following terms and conditions:

21 (i) the amount of, and other terms and conditions with
22 respect to, the refund or additional premium are set forth
23 in the group or enrollment unit contract agreed in advance
24 of the period for which a refund is to be paid or
25 additional premium is to be charged (which period shall not
26 be less than one year); and

1 (ii) the amount of the refund or additional premium
2 shall not exceed 20% of the Health Maintenance
3 Organization's profitable or unprofitable experience with
4 respect to the group or other enrollment unit for the
5 period (and, for purposes of a refund or additional
6 premium, the profitable or unprofitable experience shall
7 be calculated taking into account a pro rata share of the
8 Health Maintenance Organization's administrative and
9 marketing expenses, but shall not include any refund to be
10 made or additional premium to be paid pursuant to this
11 subsection (f)). The Health Maintenance Organization and
12 the group or enrollment unit may agree that the profitable
13 or unprofitable experience may be calculated taking into
14 account the refund period and the immediately preceding 2
15 plan years.

16 The Health Maintenance Organization shall include a
17 statement in the evidence of coverage issued to each enrollee
18 describing the possibility of a refund or additional premium,
19 and upon request of any group or enrollment unit, provide to
20 the group or enrollment unit a description of the method used
21 to calculate (1) the Health Maintenance Organization's
22 profitable experience with respect to the group or enrollment
23 unit and the resulting refund to the group or enrollment unit
24 or (2) the Health Maintenance Organization's unprofitable
25 experience with respect to the group or enrollment unit and the
26 resulting additional premium to be paid by the group or

1 enrollment unit.

2 In no event shall the Illinois Health Maintenance
3 Organization Guaranty Association be liable to pay any
4 contractual obligation of an insolvent organization to pay any
5 refund authorized under this Section.

6 (Source: P.A. 93-102, eff. 1-1-04; 93-261, eff. 1-1-04; 93-477,
7 eff. 8-8-03; 93-529, eff. 8-14-03; 93-853, eff. 1-1-05;
8 93-1000, eff. 1-1-05; 94-906, eff. 1-1-07; 94-1076, eff.
9 12-29-06; revised 1-5-07.)

10 Section 30. The Limited Health Service Organization Act is
11 amended by changing Section 4003 as follows:

12 (215 ILCS 130/4003) (from Ch. 73, par. 1504-3)

13 Sec. 4003. Illinois Insurance Code provisions. Limited
14 health service organizations shall be subject to the provisions
15 of Sections 133, 134, 137, 140, 141.1, 141.2, 141.3, 143, 143c,
16 147, 148, 149, 151, 152, 153, 154, 154.5, 154.6, 154.7, 154.8,
17 155.04, 155.37, 355.2, 356v, 356z.9, 368a, 401, 401.1, 402,
18 403, 403A, 408, 408.2, 409, 412, 444, and 444.1 and Articles
19 IIA, VIII 1/2, XII, XII 1/2, XIII, XIII 1/2, XXV, and XXVI of
20 the Illinois Insurance Code. For purposes of the Illinois
21 Insurance Code, except for Sections 444 and 444.1 and Articles
22 XIII and XIII 1/2, limited health service organizations in the
23 following categories are deemed to be domestic companies:

24 (1) a corporation under the laws of this State; or

1 (2) a corporation organized under the laws of another
2 state, 30% of more of the enrollees of which are residents
3 of this State, except a corporation subject to
4 substantially the same requirements in its state of
5 organization as is a domestic company under Article VIII
6 1/2 of the Illinois Insurance Code.

7 (Source: P.A. 91-549, eff. 8-14-99; 91-605, eff. 12-14-99;
8 91-788, eff. 6-9-00; 92-440, eff. 8-17-01.)

9 Section 35. The Voluntary Health Services Plans Act is
10 amended by changing Section 10 as follows:

11 (215 ILCS 165/10) (from Ch. 32, par. 604)

12 Sec. 10. Application of Insurance Code provisions. Health
13 services plan corporations and all persons interested therein
14 or dealing therewith shall be subject to the provisions of
15 Articles IIA and XII 1/2 and Sections 3.1, 133, 140, 143, 143c,
16 149, 155.37, 354, 355.2, 356r, 356t, 356u, 356v, 356w, 356x,
17 356y, 356z.1, 356z.2, 356z.4, 356z.5, 356z.6, 356z.8, 356z.9,
18 364.01, 367.2, 368a, 401, 401.1, 402, 403, 403A, 408, 408.2,
19 and 412, and paragraphs (7) and (15) of Section 367 of the
20 Illinois Insurance Code.

21 (Source: P.A. 93-102, eff. 1-1-04; 93-529, eff. 8-14-03;
22 93-853, eff. 1-1-05; 93-1000, eff. 1-1-05; 94-1076, eff.
23 12-29-06.)

1 Section 40. The Illinois Public Aid Code is amended by
2 changing Section 5-5 as follows:

3 (305 ILCS 5/5-5) (from Ch. 23, par. 5-5)

4 Sec. 5-5. Medical services. The Illinois Department, by
5 rule, shall determine the quantity and quality of and the rate
6 of reimbursement for the medical assistance for which payment
7 will be authorized, and the medical services to be provided,
8 which may include all or part of the following: (1) inpatient
9 hospital services; (2) outpatient hospital services; (3) other
10 laboratory and X-ray services; (4) skilled nursing home
11 services; (5) physicians' services whether furnished in the
12 office, the patient's home, a hospital, a skilled nursing home,
13 or elsewhere; (6) medical care, or any other type of remedial
14 care furnished by licensed practitioners; (7) home health care
15 services; (8) private duty nursing service; (9) clinic
16 services; (10) dental services, including prevention and
17 treatment of periodontal disease and dental caries disease for
18 pregnant women; (11) physical therapy and related services;
19 (12) prescribed drugs, dentures, and prosthetic devices; and
20 eyeglasses prescribed by a physician skilled in the diseases of
21 the eye, or by an optometrist, whichever the person may select;
22 (13) other diagnostic, screening, preventive, and
23 rehabilitative services; (14) transportation and such other
24 expenses as may be necessary; (15) medical treatment of sexual
25 assault survivors, as defined in Section 1a of the Sexual

1 Assault Survivors Emergency Treatment Act, for injuries
2 sustained as a result of the sexual assault, including
3 examinations and laboratory tests to discover evidence which
4 may be used in criminal proceedings arising from the sexual
5 assault; (16) the diagnosis and treatment of sickle cell
6 anemia; and (17) any other medical care, and any other type of
7 remedial care recognized under the laws of this State, but not
8 including abortions, or induced miscarriages or premature
9 births, unless, in the opinion of a physician, such procedures
10 are necessary for the preservation of the life of the woman
11 seeking such treatment, or except an induced premature birth
12 intended to produce a live viable child and such procedure is
13 necessary for the health of the mother or her unborn child. The
14 Illinois Department, by rule, shall prohibit any physician from
15 providing medical assistance to anyone eligible therefor under
16 this Code where such physician has been found guilty of
17 performing an abortion procedure in a wilful and wanton manner
18 upon a woman who was not pregnant at the time such abortion
19 procedure was performed. The term "any other type of remedial
20 care" shall include nursing care and nursing home service for
21 persons who rely on treatment by spiritual means alone through
22 prayer for healing.

23 Notwithstanding any other provision of this Section, a
24 comprehensive tobacco use cessation program that includes
25 purchasing prescription drugs or prescription medical devices
26 approved by the Food and Drug administration shall be covered

1 under the medical assistance program under this Article for
2 persons who are otherwise eligible for assistance under this
3 Article.

4 Notwithstanding any other provision of this Code, the
5 Illinois Department may not require, as a condition of payment
6 for any laboratory test authorized under this Article, that a
7 physician's handwritten signature appear on the laboratory
8 test order form. The Illinois Department may, however, impose
9 other appropriate requirements regarding laboratory test order
10 documentation.

11 The ~~Illinois~~ Department of Healthcare and Family Services
12 ~~Public Aid~~ shall provide the following services to persons
13 eligible for assistance under this Article who are
14 participating in education, training or employment programs
15 operated by the Department of Human Services as successor to
16 the Department of Public Aid:

17 (1) dental services, which shall include but not be
18 limited to prosthodontics; and

19 (2) eyeglasses prescribed by a physician skilled in the
20 diseases of the eye, or by an optometrist, whichever the
21 person may select.

22 The Illinois Department, by rule, may distinguish and
23 classify the medical services to be provided only in accordance
24 with the classes of persons designated in Section 5-2.

25 The Department of Healthcare and Family Services must
26 provide coverage for nonprescription amino acid-based

1 elemental formulas, regardless of delivery method, for the
2 diagnosis and treatment of (i) milk protein allergies and
3 intolerances, (ii) eosinophilic disorders, and (iii) impaired
4 absorption of nutrients caused by disorders affecting the
5 absorptive surface, functional length, and motility of the
6 gastrointestinal tract, when the prescribing physician has
7 issued a written order stating that the amino acid-based
8 elemental formula is medically necessary for the treatment of a
9 disease or disorder and is the least restrictive and most
10 cost-effective means for meeting the needs of the patient.

11 The Department of Healthcare and Family Services must
12 provide coverage for specialized amino acid-based elemental
13 formulas, regardless of delivery method, when the prescribing
14 physician has issued a written order stating that such
15 specialized amino acid-based elemental formula is medically
16 necessary for the treatment of a disease or disorder and is the
17 least restrictive and most cost-effective means for meeting the
18 needs of the patient.

19 The Illinois Department shall authorize the provision of,
20 and shall authorize payment for, screening by low-dose
21 mammography for the presence of occult breast cancer for women
22 35 years of age or older who are eligible for medical
23 assistance under this Article, as follows: a baseline mammogram
24 for women 35 to 39 years of age and an annual mammogram for
25 women 40 years of age or older. All screenings shall include a
26 physical breast exam, instruction on self-examination and

1 information regarding the frequency of self-examination and
2 its value as a preventative tool. As used in this Section,
3 "low-dose mammography" means the x-ray examination of the
4 breast using equipment dedicated specifically for mammography,
5 including the x-ray tube, filter, compression device, image
6 receptor, and cassettes, with an average radiation exposure
7 delivery of less than one rad mid-breast, with 2 views for each
8 breast.

9 Any medical or health care provider shall immediately
10 recommend, to any pregnant woman who is being provided prenatal
11 services and is suspected of drug abuse or is addicted as
12 defined in the Alcoholism and Other Drug Abuse and Dependency
13 Act, referral to a local substance abuse treatment provider
14 licensed by the Department of Human Services or to a licensed
15 hospital which provides substance abuse treatment services.
16 The Department of Healthcare and Family Services ~~Public Aid~~
17 shall assure coverage for the cost of treatment of the drug
18 abuse or addiction for pregnant recipients in accordance with
19 the Illinois Medicaid Program in conjunction with the
20 Department of Human Services.

21 All medical providers providing medical assistance to
22 pregnant women under this Code shall receive information from
23 the Department on the availability of services under the Drug
24 Free Families with a Future or any comparable program providing
25 case management services for addicted women, including
26 information on appropriate referrals for other social services

1 that may be needed by addicted women in addition to treatment
2 for addiction.

3 The Illinois Department, in cooperation with the
4 Departments of Human Services (as successor to the Department
5 of Alcoholism and Substance Abuse) and Public Health, through a
6 public awareness campaign, may provide information concerning
7 treatment for alcoholism and drug abuse and addiction, prenatal
8 health care, and other pertinent programs directed at reducing
9 the number of drug-affected infants born to recipients of
10 medical assistance.

11 Neither the ~~Illinois~~ Department of Healthcare and Family
12 Services ~~Public Aid~~ nor the Department of Human Services shall
13 sanction the recipient solely on the basis of her substance
14 abuse.

15 The Illinois Department shall establish such regulations
16 governing the dispensing of health services under this Article
17 as it shall deem appropriate. The Department should seek the
18 advice of formal professional advisory committees appointed by
19 the Director of the Illinois Department for the purpose of
20 providing regular advice on policy and administrative matters,
21 information dissemination and educational activities for
22 medical and health care providers, and consistency in
23 procedures to the Illinois Department.

24 The Illinois Department may develop and contract with
25 Partnerships of medical providers to arrange medical services
26 for persons eligible under Section 5-2 of this Code.

1 Implementation of this Section may be by demonstration projects
2 in certain geographic areas. The Partnership shall be
3 represented by a sponsor organization. The Department, by rule,
4 shall develop qualifications for sponsors of Partnerships.
5 Nothing in this Section shall be construed to require that the
6 sponsor organization be a medical organization.

7 The sponsor must negotiate formal written contracts with
8 medical providers for physician services, inpatient and
9 outpatient hospital care, home health services, treatment for
10 alcoholism and substance abuse, and other services determined
11 necessary by the Illinois Department by rule for delivery by
12 Partnerships. Physician services must include prenatal and
13 obstetrical care. The Illinois Department shall reimburse
14 medical services delivered by Partnership providers to clients
15 in target areas according to provisions of this Article and the
16 Illinois Health Finance Reform Act, except that:

17 (1) Physicians participating in a Partnership and
18 providing certain services, which shall be determined by
19 the Illinois Department, to persons in areas covered by the
20 Partnership may receive an additional surcharge for such
21 services.

22 (2) The Department may elect to consider and negotiate
23 financial incentives to encourage the development of
24 Partnerships and the efficient delivery of medical care.

25 (3) Persons receiving medical services through
26 Partnerships may receive medical and case management

1 services above the level usually offered through the
2 medical assistance program.

3 Medical providers shall be required to meet certain
4 qualifications to participate in Partnerships to ensure the
5 delivery of high quality medical services. These
6 qualifications shall be determined by rule of the Illinois
7 Department and may be higher than qualifications for
8 participation in the medical assistance program. Partnership
9 sponsors may prescribe reasonable additional qualifications
10 for participation by medical providers, only with the prior
11 written approval of the Illinois Department.

12 Nothing in this Section shall limit the free choice of
13 practitioners, hospitals, and other providers of medical
14 services by clients. In order to ensure patient freedom of
15 choice, the Illinois Department shall immediately promulgate
16 all rules and take all other necessary actions so that provided
17 services may be accessed from therapeutically certified
18 optometrists to the full extent of the Illinois Optometric
19 Practice Act of 1987 without discriminating between service
20 providers.

21 The Department shall apply for a waiver from the United
22 States Health Care Financing Administration to allow for the
23 implementation of Partnerships under this Section.

24 The Illinois Department shall require health care
25 providers to maintain records that document the medical care
26 and services provided to recipients of Medical Assistance under

1 this Article. The Illinois Department shall require health care
2 providers to make available, when authorized by the patient, in
3 writing, the medical records in a timely fashion to other
4 health care providers who are treating or serving persons
5 eligible for Medical Assistance under this Article. All
6 dispensers of medical services shall be required to maintain
7 and retain business and professional records sufficient to
8 fully and accurately document the nature, scope, details and
9 receipt of the health care provided to persons eligible for
10 medical assistance under this Code, in accordance with
11 regulations promulgated by the Illinois Department. The rules
12 and regulations shall require that proof of the receipt of
13 prescription drugs, dentures, prosthetic devices and
14 eyeglasses by eligible persons under this Section accompany
15 each claim for reimbursement submitted by the dispenser of such
16 medical services. No such claims for reimbursement shall be
17 approved for payment by the Illinois Department without such
18 proof of receipt, unless the Illinois Department shall have put
19 into effect and shall be operating a system of post-payment
20 audit and review which shall, on a sampling basis, be deemed
21 adequate by the Illinois Department to assure that such drugs,
22 dentures, prosthetic devices and eyeglasses for which payment
23 is being made are actually being received by eligible
24 recipients. Within 90 days after the effective date of this
25 amendatory Act of 1984, the Illinois Department shall establish
26 a current list of acquisition costs for all prosthetic devices

1 and any other items recognized as medical equipment and
2 supplies reimbursable under this Article and shall update such
3 list on a quarterly basis, except that the acquisition costs of
4 all prescription drugs shall be updated no less frequently than
5 every 30 days as required by Section 5-5.12.

6 The rules and regulations of the Illinois Department shall
7 require that a written statement including the required opinion
8 of a physician shall accompany any claim for reimbursement for
9 abortions, or induced miscarriages or premature births. This
10 statement shall indicate what procedures were used in providing
11 such medical services.

12 The Illinois Department shall require all dispensers of
13 medical services, other than an individual practitioner or
14 group of practitioners, desiring to participate in the Medical
15 Assistance program established under this Article to disclose
16 all financial, beneficial, ownership, equity, surety or other
17 interests in any and all firms, corporations, partnerships,
18 associations, business enterprises, joint ventures, agencies,
19 institutions or other legal entities providing any form of
20 health care services in this State under this Article.

21 The Illinois Department may require that all dispensers of
22 medical services desiring to participate in the medical
23 assistance program established under this Article disclose,
24 under such terms and conditions as the Illinois Department may
25 by rule establish, all inquiries from clients and attorneys
26 regarding medical bills paid by the Illinois Department, which

1 inquiries could indicate potential existence of claims or liens
2 for the Illinois Department.

3 Enrollment of a vendor that provides non-emergency medical
4 transportation, defined by the Department by rule, shall be
5 conditional for 180 days. During that time, the Department of
6 Healthcare and Family Services ~~Public Aid~~ may terminate the
7 vendor's eligibility to participate in the medical assistance
8 program without cause. That termination of eligibility is not
9 subject to the Department's hearing process.

10 The Illinois Department shall establish policies,
11 procedures, standards and criteria by rule for the acquisition,
12 repair and replacement of orthotic and prosthetic devices and
13 durable medical equipment. Such rules shall provide, but not be
14 limited to, the following services: (1) immediate repair or
15 replacement of such devices by recipients without medical
16 authorization; and (2) rental, lease, purchase or
17 lease-purchase of durable medical equipment in a
18 cost-effective manner, taking into consideration the
19 recipient's medical prognosis, the extent of the recipient's
20 needs, and the requirements and costs for maintaining such
21 equipment. Such rules shall enable a recipient to temporarily
22 acquire and use alternative or substitute devices or equipment
23 pending repairs or replacements of any device or equipment
24 previously authorized for such recipient by the Department.

25 The Department shall execute, relative to the nursing home
26 prescreening project, written inter-agency agreements with the

1 Department of Human Services and the Department on Aging, to
2 effect the following: (i) intake procedures and common
3 eligibility criteria for those persons who are receiving
4 non-institutional services; and (ii) the establishment and
5 development of non-institutional services in areas of the State
6 where they are not currently available or are undeveloped.

7 The Illinois Department shall develop and operate, in
8 cooperation with other State Departments and agencies and in
9 compliance with applicable federal laws and regulations,
10 appropriate and effective systems of health care evaluation and
11 programs for monitoring of utilization of health care services
12 and facilities, as it affects persons eligible for medical
13 assistance under this Code.

14 The Illinois Department shall report annually to the
15 General Assembly, no later than the second Friday in April of
16 1979 and each year thereafter, in regard to:

17 (a) actual statistics and trends in utilization of
18 medical services by public aid recipients;

19 (b) actual statistics and trends in the provision of
20 the various medical services by medical vendors;

21 (c) current rate structures and proposed changes in
22 those rate structures for the various medical vendors; and

23 (d) efforts at utilization review and control by the
24 Illinois Department.

25 The period covered by each report shall be the 3 years
26 ending on the June 30 prior to the report. The report shall

1 include suggested legislation for consideration by the General
2 Assembly. The filing of one copy of the report with the
3 Speaker, one copy with the Minority Leader and one copy with
4 the Clerk of the House of Representatives, one copy with the
5 President, one copy with the Minority Leader and one copy with
6 the Secretary of the Senate, one copy with the Legislative
7 Research Unit, and such additional copies with the State
8 Government Report Distribution Center for the General Assembly
9 as is required under paragraph (t) of Section 7 of the State
10 Library Act shall be deemed sufficient to comply with this
11 Section.

12 (Source: P.A. 92-16, eff. 6-28-01; 92-651, eff. 7-11-02;
13 92-789, eff. 8-6-02; 93-632, eff. 2-1-04; 93-841, eff. 7-30-04;
14 93-981, eff. 8-23-04; revised 12-15-05.)

15 Section 99. Effective date. This Act takes effect upon
16 becoming law.