



## 95TH GENERAL ASSEMBLY

### State of Illinois

2007 and 2008

SB1349

Introduced 2/9/2007, by Sen. James F. Clayborne, Jr.

#### SYNOPSIS AS INTRODUCED:

305 ILCS 5/5-1.2

Amends the Illinois Public Aid Code. In provisions concerning Medicaid recipient eligibility verification, provides that effective July 1, 2007, all changes in the status of Medicaid recipients residing in Illinois nursing facilities after initial eligibility for Medicaid has been established shall be reported by the nursing facilities to the Department of Healthcare and Family Services using the Recipient Eligibility Verification system. Provides that all changes reported using the Recipient Eligibility Verification system shall be deemed valid and shall be used as the basis for determining future eligibility for Medicaid until such time as any review or audit conducted by the Department shall establish that the information is incorrect. Effective immediately.

LRB095 09503 DRJ 29701 b

FISCAL NOTE ACT  
MAY APPLY

A BILL FOR

1 AN ACT concerning public aid.

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

4 Section 5. The Illinois Public Aid Code is amended by  
5 changing Section 5-1.2 as follows:

6 (305 ILCS 5/5-1.2)

7 Sec. 5-1.2. Recipient eligibility verification.

8 (a) The Illinois Department shall initiate a statewide  
9 system by which providers and sites of medical care can  
10 electronically verify recipient eligibility for aid under this  
11 Article. High-volume providers and sites of medical care, as  
12 defined by the Illinois Department by rule, shall be required  
13 to participate in the eligibility verification system. Every  
14 non-high-volume provider and site of medical care shall be  
15 afforded the opportunity to participate in the eligibility  
16 verification system. The Illinois Department shall provide by  
17 rule for implementation of the system, which may be  
18 accomplished in phases over time and by geographic region,  
19 recipient classification, and provider type. The system shall  
20 initially be implemented in, but not limited to, the following  
21 zip codes in Cook County: 60601, 60602, 60603, 60604, 60605,  
22 60606, 60607, 60608, 60609, 60612, and 60616. The system shall  
23 be implemented within 6 months after approval by the federal

1 government. The Illinois Department shall report to the General  
2 Assembly by December 31, 1994 on the status of the Illinois  
3 Department's application to the federal government for  
4 approval of this system. The recipient eligibility  
5 verification system may be coordinated with the Electronic  
6 Benefits Transfer system established by Section 11-3.1 of this  
7 Code and compatible with any of the methods for the delivery of  
8 medical care and services authorized by this Article. The  
9 system shall make available to providers the history of claims  
10 for medical services submitted to the Illinois Department for  
11 those services provided to the recipient. The Illinois  
12 Department shall develop safeguards to protect each  
13 recipient's health information from misuse or unauthorized  
14 disclosure.

15 (b) The Illinois Department shall conduct a demonstration  
16 project in at least 2 geographic locations for the purpose of  
17 assessing the effectiveness of a recipient photo  
18 identification card in reducing abuses in the provision of  
19 services under this Article. In order to receive medical care,  
20 recipients included in this demonstration project must present  
21 a Medicaid card and photo identification card. The Illinois  
22 Department shall apply for any federal waivers or approvals  
23 necessary to conduct this demonstration project. The  
24 demonstration project shall become operational (i) 12 months  
25 after the effective date of this amendatory Act of 1994 or (ii)  
26 after the Illinois Department's receipt of all necessary

1 federal waivers and approvals, whichever occurs later, and  
2 shall operate for 12 months.

3 (c) Effective July 1, 2007, all changes in the status of  
4 medical assistance recipients residing in Illinois nursing  
5 facilities after initial eligibility for medical assistance  
6 has been established shall be reported by the nursing  
7 facilities to the Department of Healthcare and Family Services  
8 using the Recipient Eligibility Verification system. All  
9 changes reported using the Recipient Eligibility Verification  
10 system shall be deemed valid and shall be used as the basis for  
11 determining future eligibility for medical assistance until  
12 such time as any review or audit conducted by the Department  
13 shall establish that the information is incorrect.

14 (Source: P.A. 88-554, eff. 7-26-94.)

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