

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 adding Section 5-5.26 as follows:

6 (305 ILCS 5/5-5.26 new)

7 Sec. 5-5.26. Cost-reporting mechanism for child and adult
8 psychiatric services.

9 (a) The General Assembly finds that direct access to
10 psychiatric mental health services for children and adults
11 suffering from mental illness will improve the quality of life
12 for these individuals and will reduce health care costs by
13 avoiding the need for more costly inpatient hospitalization.
14 Thus, it is the intent of the General Assembly to develop
15 policy aimed at ensuring that psychiatrists providing child and
16 adult psychiatric services on an outpatient basis are
17 adequately reimbursed for the cost of providing these services.
18 Therefore, in order to determine the actual costs, the
19 Department of Healthcare and Family Services shall develop a
20 cost-reporting mechanism for service providers as defined in
21 this Section by no later than January 1, 2009. The Department
22 of Healthcare and Family Services shall consult with service
23 providers as defined in this Section to assist with the

1 development of the cost-reporting mechanism. By no later than
2 March 1, 2009, the Department of Healthcare and Family Services
3 shall report to the Governor and the General Assembly on the
4 results of the cost-reporting mechanism. This report shall
5 include, but need not be limited to, details on the development
6 of the cost-reporting mechanism and its accurate reflection of
7 the actual costs to service providers for providing child and
8 adult psychiatric services. The Department of Healthcare and
9 Family Services shall, subject to appropriation, establish a
10 separate cost-based reimbursement rate based on the
11 cost-reporting mechanism for psychiatrists who provide child
12 and adult psychiatric services on an outpatient basis for
13 service providers as defined by this Section.

14 (b) This Section applies only to psychiatrists who provide
15 child and adult psychiatric services on an outpatient basis for
16 service providers as defined in this Section.

17 (c) For purposes of this Section:

18 "Cost-based reimbursement rate" means a rate of
19 reimbursement equal to the allowable and audited reasonable
20 costs reported.

21 "Psychiatrist" means a psychiatrist as defined in Section
22 1-121 of the Mental Health and Developmental Disabilities Code.

23 "Service provider" means any of the following that
24 demonstrates a combined Medicaid, poverty, and uninsured
25 patient population penetration rate of 60% or greater:

26 (1) An entity certified by the Illinois Department of

1 Human Services under the Medicaid Community Mental Health
2 Services Program under 59 Ill. Adm. Code 132.

3 (2) A person, corporation, or entity that furnishes
4 medical, educational, psychiatric, vocational, or
5 rehabilitative services to a recipient under this Code and
6 enters into a contract or agreement with one or more of the
7 following State agencies to provide such services:

8 (A) The Department of Human Services.

9 (B) The Department of Children and Family
10 Services.

11 (C) The Department of Corrections.

12 (D) The Department of Juvenile Justice.

13 (3) A community mental health board established under
14 the Community Mental Health Act.

15 "Service provider" does not include an employee of a State
16 agency or county agency.

17 Section 99. Effective date. This Act takes effect upon
18 becoming law.