

1 AN ACT concerning State government.

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

4 Section 5. The Illinois Act on the Aging is amended by
5 adding Section 4.01a as follows:

6 (20 ILCS 105/4.01a new)

7 Sec. 4.01a. Use of certain moneys deposited into the
8 Department on Aging State Projects Fund. All moneys transferred
9 into the Department on Aging State Projects Fund from the
10 Long-Term Care Provider Fund shall, subject to appropriation,
11 be used for older adult services, as described in subsection
12 (f) of Section 20 of the Older Adult Services Act. All federal
13 moneys received as a result of expenditures of such moneys
14 shall be deposited into the Department of Human Services
15 Community Services Fund.

16 Section 10. The Department of Human Services Act is amended
17 by adding Section 1-50 as follows:

18 (20 ILCS 1305/1-50 new)

19 Sec. 1-50. Department of Human Services Community Services
20 Fund.

21 (a) The Department of Human Services Community Services

1 Fund is created in the State treasury as a special fund.

2 (b) The Fund is created for the purpose of receiving and
3 disbursing moneys in accordance with this Section.
4 Disbursements from the Fund shall be made, subject to
5 appropriation, for payment of expenses incurred by the
6 Department of Human Services in support of the Department's
7 rebalancing services.

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

9 (1) Moneys transferred from another State fund.

10 (2) All federal moneys received as a result of
11 expenditures that are attributable to moneys deposited in
12 the Fund.

13 (3) All other moneys received for the Fund from any
14 other source.

15 (4) Interest earned upon moneys in the Fund.

16 Section 15. The State Finance Act is amended by adding
17 Section 5.786 as follows:

18 (30 ILCS 105/5.786 new)

19 Sec. 5.786. The Department of Human Services Community
20 Services Fund.

21 Section 20. The State Prompt Payment Act is amended by
22 changing Section 3-2 as follows:

1 (30 ILCS 540/3-2)

2 Sec. 3-2. Beginning July 1, 1993, in any instance where a
3 State official or agency is late in payment of a vendor's bill
4 or invoice for goods or services furnished to the State, as
5 defined in Section 1, properly approved in accordance with
6 rules promulgated under Section 3-3, the State official or
7 agency shall pay interest to the vendor in accordance with the
8 following:

9 (1) Any bill, except a bill submitted under Article V
10 of the Illinois Public Aid Code, approved for payment under
11 this Section must be paid or the payment issued to the
12 payee within 60 days of receipt of a proper bill or
13 invoice. If payment is not issued to the payee within this
14 60 day period, an interest penalty of 1.0% of any amount
15 approved and unpaid shall be added for each month or
16 fraction thereof after the end of this 60 day period, until
17 final payment is made. Any bill, except a bill for pharmacy
18 or nursing facility services or goods, submitted under
19 Article V of the Illinois Public Aid Code approved for
20 payment under this Section must be paid or the payment
21 issued to the payee within 60 days after receipt of a
22 proper bill or invoice, and, if payment is not issued to
23 the payee within this 60-day period, an interest penalty of
24 2.0% of any amount approved and unpaid shall be added for
25 each month or fraction thereof after the end of this 60-day
26 period, until final payment is made. Any bill for pharmacy

1 or nursing facility services or goods submitted under
2 Article V of the Illinois Public Aid Code, approved for
3 payment under this Section must be paid or the payment
4 issued to the payee within 60 days of receipt of a proper
5 bill or invoice. If payment is not issued to the payee
6 within this 60-day period, an interest penalty of 1.0% of
7 any amount approved and unpaid shall be added for each
8 month or fraction thereof after the end of this 60-day
9 period, until final payment is made.

10 (1.1) A State agency shall review in a timely manner
11 each bill or invoice after its receipt. If the State agency
12 determines that the bill or invoice contains a defect
13 making it unable to process the payment request, the agency
14 shall notify the vendor requesting payment as soon as
15 possible after discovering the defect pursuant to rules
16 promulgated under Section 3-3; provided, however, that the
17 notice for construction related bills or invoices must be
18 given not later than 30 days after the bill or invoice was
19 first submitted. The notice shall identify the defect and
20 any additional information necessary to correct the
21 defect. If one or more items on a construction related bill
22 or invoice are disapproved, but not the entire bill or
23 invoice, then the portion that is not disapproved shall be
24 paid.

25 (2) Where a State official or agency is late in payment
26 of a vendor's bill or invoice properly approved in

1 accordance with this Act, and different late payment terms
2 are not reduced to writing as a contractual agreement, the
3 State official or agency shall automatically pay interest
4 penalties required by this Section amounting to \$50 or more
5 to the appropriate vendor. Each agency shall be responsible
6 for determining whether an interest penalty is owed and for
7 paying the interest to the vendor. Interest due to a vendor
8 that amounts to less than \$50 shall not be paid but shall
9 be accrued until all interest due the vendor for all
10 similar warrants exceeds \$50, at which time the accrued
11 interest shall be payable and interest will begin accruing
12 again, except that interest accrued as of the end of the
13 fiscal year that does not exceed \$50 shall be payable at
14 that time. In the event an individual has paid a vendor for
15 services in advance, the provisions of this Section shall
16 apply until payment is made to that individual.

17 (Source: P.A. 96-555, eff. 8-18-09; 96-802, eff. 1-1-10;
18 96-959, eff. 7-1-10; 96-1000, eff. 7-2-10.)

19 Section 25. The Nursing Home Care Act is amended by
20 changing Section 3-103 as follows:

21 (210 ILCS 45/3-103) (from Ch. 111 1/2, par. 4153-103)

22 Sec. 3-103. The procedure for obtaining a valid license
23 shall be as follows:

24 (1) Application to operate a facility shall be made to

1 the Department on forms furnished by the Department.

2 (2) All license applications shall be accompanied with
3 an application fee. The fee for an annual license shall be
4 \$1,990. Facilities that pay a fee or assessment pursuant to
5 Article V-C of the Illinois Public Aid Code shall be exempt
6 from the license fee imposed under this item (2). The fee
7 for a 2-year license shall be double the fee for the annual
8 license set forth in the preceding sentence. The fees
9 collected shall be deposited with the State Treasurer into
10 the Long Term Care Monitor/Receiver Fund, which has been
11 created as a special fund in the State treasury. This
12 special fund is to be used by the Department for expenses
13 related to the appointment of monitors and receivers as
14 contained in Sections 3-501 through 3-517 of this Act, for
15 the enforcement of this Act, and for implementation of the
16 Abuse Prevention Review Team Act. All federal moneys
17 received as a result of expenditures from the Fund shall be
18 deposited into the Fund. The Department may reduce or waive
19 a penalty pursuant to Section 3-308 only if that action
20 will not threaten the ability of the Department to meet the
21 expenses required to be met by the Long Term Care
22 Monitor/Receiver Fund. ~~At the end of each fiscal year, any~~
23 ~~funds in excess of \$1,000,000 held in the Long Term Care~~
24 ~~Monitor/Receiver Fund shall be deposited in the State's~~
25 ~~General Revenue Fund.~~ The application shall be under oath
26 and the submission of false or misleading information shall

1 be a Class A misdemeanor. The application shall contain the
2 following information:

3 (a) The name and address of the applicant if an
4 individual, and if a firm, partnership, or
5 association, of every member thereof, and in the case
6 of a corporation, the name and address thereof and of
7 its officers and its registered agent, and in the case
8 of a unit of local government, the name and address of
9 its chief executive officer;

10 (b) The name and location of the facility for which
11 a license is sought;

12 (c) The name of the person or persons under whose
13 management or supervision the facility will be
14 conducted;

15 (d) The number and type of residents for which
16 maintenance, personal care, or nursing is to be
17 provided; and

18 (e) Such information relating to the number,
19 experience, and training of the employees of the
20 facility, any management agreements for the operation
21 of the facility, and of the moral character of the
22 applicant and employees as the Department may deem
23 necessary.

24 (3) Each initial application shall be accompanied by a
25 financial statement setting forth the financial condition
26 of the applicant and by a statement from the unit of local

1 government having zoning jurisdiction over the facility's
2 location stating that the location of the facility is not
3 in violation of a zoning ordinance. An initial application
4 for a new facility shall be accompanied by a permit as
5 required by the "Illinois Health Facilities Planning Act".
6 After the application is approved, the applicant shall
7 advise the Department every 6 months of any changes in the
8 information originally provided in the application.

9 (4) Other information necessary to determine the
10 identity and qualifications of an applicant to operate a
11 facility in accordance with this Act shall be included in
12 the application as required by the Department in
13 regulations.

14 (Source: P.A. 96-758, eff. 8-25-09; 96-1372, eff. 7-29-10.)

15 Section 30. The Illinois Public Aid Code is amended by
16 changing Sections 5-1.1, 5-5.2, 5-5.3, 5-5.4, 5-5.4a, 5-5.5,
17 5-5.5a, 5-5.6b, 5-5.7, 5-5.8b, 5-5.11, 5A-2, 5A-3, 5A-5, 5A-8,
18 5A-10, 5A-14, 5B-1, 5B-2, 5B-4, 5B-5, and 5B-8 as follows:

19 (305 ILCS 5/5-1.1) (from Ch. 23, par. 5-1.1)

20 Sec. 5-1.1. Definitions. The terms defined in this Section
21 shall have the meanings ascribed to them, except when the
22 context otherwise requires.

23 (a) "Nursing ~~Skilled nursing~~ facility" means a ~~nursing home~~
24 ~~eligible to participate as a skilled nursing facility, licensed~~

1 by the Department of Public Health under the Nursing Home Care
2 Act, that provides nursing facility services within the meaning
3 of ~~under~~ Title XIX of the federal Social Security Act.

4 (b) "Intermediate care facility for the developmentally
5 disabled" or "ICF/DD" means a ~~nursing home eligible to~~
6 ~~participate as an intermediate care facility,~~ licensed by the
7 Department of Public Health under the MR/DD Community Care Act,
8 that is an intermediate care facility for the mentally retarded
9 within the meaning of ~~under~~ Title XIX of the federal Social
10 Security Act.

11 (c) "Standard services" means those services required for
12 the care of all patients in the facility and shall, as a
13 minimum, include the following: (1) administration; (2)
14 dietary (standard); (3) housekeeping; (4) laundry and linen;
15 (5) maintenance of property and equipment, including
16 utilities; (6) medical records; (7) training of employees; (8)
17 utilization review; (9) activities services; (10) social
18 services; (11) disability services; and all other similar
19 services required by either the laws of the State of Illinois
20 or one of its political subdivisions or municipalities or by
21 Title XIX of the Social Security Act.

22 (d) "Patient services" means those which vary with the
23 number of personnel; professional and para-professional skills
24 of the personnel; specialized equipment, and reflect the
25 intensity of the medical and psycho-social needs of the
26 patients. Patient services shall as a minimum include: (1)

1 physical services; (2) nursing services, including restorative
2 nursing; (3) medical direction and patient care planning; (4)
3 health related supportive and habilitative services and all
4 similar services required by either the laws of the State of
5 Illinois or one of its political subdivisions or municipalities
6 or by Title XIX of the Social Security Act.

7 (e) "Ancillary services" means those services which
8 require a specific physician's order and defined as under the
9 medical assistance program as not being routine in nature for
10 skilled nursing facilities and ICF/DDs ~~intermediate care~~
11 ~~facilities~~. Such services generally must be authorized prior to
12 delivery and payment as provided for under the rules of the
13 Department of Healthcare and Family Services.

14 (f) "Capital" means the investment in a facility's assets
15 for both debt and non-debt funds. Non-debt capital is the
16 difference between an adjusted replacement value of the assets
17 and the actual amount of debt capital.

18 (g) "Profit" means the amount which shall accrue to a
19 facility as a result of its revenues exceeding its expenses as
20 determined in accordance with generally accepted accounting
21 principles.

22 (h) "Non-institutional services" means those services
23 provided under paragraph (f) of Section 3 of the Disabled
24 Persons Rehabilitation Act and those services provided under
25 Section 4.02 of the Illinois Act on the Aging.

26 (i) "Exceptional medical care" means the level of medical

1 care required by persons who are medically stable for discharge
2 from a hospital but who require acute intensity hospital level
3 care for physician, nurse and ancillary specialist services,
4 including persons with acquired immunodeficiency syndrome
5 (AIDS) or a related condition. Such care shall consist of those
6 services which the Department shall determine by rule.

7 (j) "Institutionalized person" means an individual who is
8 an inpatient in an ICF/DD or ~~intermediate care or skilled~~
9 nursing facility, or who is an inpatient in a medical
10 institution receiving a level of care equivalent to that of an
11 ICF/DD or ~~intermediate care or skilled~~ nursing facility, or who
12 is receiving services under Section 1915(c) of the Social
13 Security Act.

14 (k) "Institutionalized spouse" means an institutionalized
15 person who is expected to receive services at the same level of
16 care for at least 30 days and is married to a spouse who is not
17 an institutionalized person.

18 (l) "Community spouse" is the spouse of an
19 institutionalized spouse.

20 (Source: P.A. 95-331, eff. 8-21-07.)

21 (305 ILCS 5/5-5.2) (from Ch. 23, par. 5-5.2)

22 Sec. 5-5.2. Payment.

23 (a) All nursing facilities ~~Skilled Nursing Facilities~~ that
24 are grouped pursuant to Section 5-5.1 of this Act shall receive
25 the same rate of payment for similar services. ~~All Intermediate~~

1 ~~Care Facilities that are grouped pursuant to Section 5-5.1 of~~
2 ~~this Act shall receive the same rate of payment for similar~~
3 ~~services.~~

4 (b) It shall be a matter of State policy that the Illinois
5 Department shall utilize a uniform billing cycle throughout the
6 State for the ~~following~~ long-term care providers: ~~skilled~~
7 ~~nursing facilities, intermediate care facilities, and~~
8 ~~intermediate care facilities for persons with a developmental~~
9 ~~disability. The Illinois Department shall establish billing~~
10 ~~cycles on a calendar month basis for all long term care~~
11 ~~providers no later than July 1, 1992.~~

12 (c) Notwithstanding any other provisions of this Code,
13 beginning July 1, 2012 the methodologies for reimbursement of
14 nursing facility services as provided under this Article shall
15 no longer be applicable for bills payable for State fiscal
16 years 2012 and thereafter. The Department of Healthcare and
17 Family Services shall, effective July 1, 2012, implement an
18 evidence-based payment methodology for the reimbursement of
19 nursing facility services. The methodology shall continue to
20 take into consideration the needs of individual residents, as
21 assessed and reported by the most current version of the
22 nursing facility Resident Assessment Instrument, adopted and
23 in use by the federal government.

24 (Source: P.A. 87-809; 88-380.)

25 (305 ILCS 5/5-5.3) (from Ch. 23, par. 5-5.3)

1 Sec. 5-5.3. Conditions of Payment - Prospective Rates -
2 Accounting Principles. This amendatory Act establishes certain
3 conditions for the Department of ~~Public Aid~~ (now Healthcare and
4 Family Services) in instituting rates for the care of
5 recipients of medical assistance in ~~skilled~~ nursing facilities
6 and ICF/DDs ~~intermediate care facilities~~. Such conditions
7 shall assure a method under which the payment for ~~skilled~~
8 nursing facility and ICF/DD ~~and intermediate care~~ services,
9 provided to recipients under the Medical Assistance Program
10 shall be on a reasonable cost related basis, which is
11 prospectively determined at least annually by the Department of
12 Public Aid (now Healthcare and Family Services). The annually
13 established payment rate shall take effect on July 1 in 1984
14 and subsequent years. There shall be no rate increase during
15 calendar year 1983 and the first six months of calendar year
16 1984.

17 The determination of the payment shall be made on the basis
18 of generally accepted accounting principles that shall take
19 into account the actual costs to the facility of providing
20 ~~skilled~~ nursing facility and ICF/DD ~~and intermediate care~~
21 services to recipients under the medical assistance program.

22 The resultant total rate for a specified type of service
23 shall be an amount which shall have been determined to be
24 adequate to reimburse allowable costs of a facility that is
25 economically and efficiently operated. The Department shall
26 establish an effective date for each facility or group of

1 facilities after which rates shall be paid on a reasonable cost
2 related basis which shall be no sooner than the effective date
3 of this amendatory Act of 1977.

4 (Source: P.A. 95-331, eff. 8-21-07.)

5 (305 ILCS 5/5-5.4) (from Ch. 23, par. 5-5.4)

6 Sec. 5-5.4. Standards of Payment - Department of Healthcare
7 and Family Services. The Department of Healthcare and Family
8 Services shall develop standards of payment of ~~skilled~~ nursing
9 facility and ICF/DD ~~and intermediate care~~ services in
10 facilities providing such services under this Article which:

11 (1) Provide for the determination of a facility's payment
12 for ~~skilled~~ nursing facility or ICF/DD ~~and intermediate care~~
13 services on a prospective basis. The amount of the payment rate
14 for all nursing facilities certified by the Department of
15 Public Health under the MR/DD Community Care Act or the Nursing
16 Home Care Act as Intermediate Care for the Developmentally
17 Disabled facilities, Long Term Care for Under Age 22
18 facilities, Skilled Nursing facilities, or Intermediate Care
19 facilities under the medical assistance program shall be
20 prospectively established annually on the basis of historical,
21 financial, and statistical data reflecting actual costs from
22 prior years, which shall be applied to the current rate year
23 and updated for inflation, except that the capital cost element
24 for newly constructed facilities shall be based upon projected
25 budgets. The annually established payment rate shall take

1 effect on July 1 in 1984 and subsequent years. No rate increase
2 and no update for inflation shall be provided on or after July
3 1, 1994 and before July 1, 2012 ~~2011~~, unless specifically
4 provided for in this Section. The changes made by Public Act
5 93-841 extending the duration of the prohibition against a rate
6 increase or update for inflation are effective retroactive to
7 July 1, 2004.

8 For facilities licensed by the Department of Public Health
9 under the Nursing Home Care Act as Intermediate Care for the
10 Developmentally Disabled facilities or Long Term Care for Under
11 Age 22 facilities, the rates taking effect on July 1, 1998
12 shall include an increase of 3%. For facilities licensed by the
13 Department of Public Health under the Nursing Home Care Act as
14 Skilled Nursing facilities or Intermediate Care facilities,
15 the rates taking effect on July 1, 1998 shall include an
16 increase of 3% plus \$1.10 per resident-day, as defined by the
17 Department. For facilities licensed by the Department of Public
18 Health under the Nursing Home Care Act as Intermediate Care
19 Facilities for the Developmentally Disabled or Long Term Care
20 for Under Age 22 facilities, the rates taking effect on January
21 1, 2006 shall include an increase of 3%. For facilities
22 licensed by the Department of Public Health under the Nursing
23 Home Care Act as Intermediate Care Facilities for the
24 Developmentally Disabled or Long Term Care for Under Age 22
25 facilities, the rates taking effect on January 1, 2009 shall
26 include an increase sufficient to provide a \$0.50 per hour wage

1 increase for non-executive staff.

2 For facilities licensed by the Department of Public Health
3 under the Nursing Home Care Act as Intermediate Care for the
4 Developmentally Disabled facilities or Long Term Care for Under
5 Age 22 facilities, the rates taking effect on July 1, 1999
6 shall include an increase of 1.6% plus \$3.00 per resident-day,
7 as defined by the Department. For facilities licensed by the
8 Department of Public Health under the Nursing Home Care Act as
9 Skilled Nursing facilities or Intermediate Care facilities,
10 the rates taking effect on July 1, 1999 shall include an
11 increase of 1.6% and, for services provided on or after October
12 1, 1999, shall be increased by \$4.00 per resident-day, as
13 defined by the Department.

14 For facilities licensed by the Department of Public Health
15 under the Nursing Home Care Act as Intermediate Care for the
16 Developmentally Disabled facilities or Long Term Care for Under
17 Age 22 facilities, the rates taking effect on July 1, 2000
18 shall include an increase of 2.5% per resident-day, as defined
19 by the Department. For facilities licensed by the Department of
20 Public Health under the Nursing Home Care Act as Skilled
21 Nursing facilities or Intermediate Care facilities, the rates
22 taking effect on July 1, 2000 shall include an increase of 2.5%
23 per resident-day, as defined by the Department.

24 For facilities licensed by the Department of Public Health
25 under the Nursing Home Care Act as skilled nursing facilities
26 or intermediate care facilities, a new payment methodology must

1 be implemented for the nursing component of the rate effective
2 July 1, 2003. The Department of Public Aid (now Healthcare and
3 Family Services) shall develop the new payment methodology
4 using the Minimum Data Set (MDS) as the instrument to collect
5 information concerning nursing home resident condition
6 necessary to compute the rate. The Department shall develop the
7 new payment methodology to meet the unique needs of Illinois
8 nursing home residents while remaining subject to the
9 appropriations provided by the General Assembly. A transition
10 period from the payment methodology in effect on June 30, 2003
11 to the payment methodology in effect on July 1, 2003 shall be
12 provided for a period not exceeding 3 years and 184 days after
13 implementation of the new payment methodology as follows:

14 (A) For a facility that would receive a lower nursing
15 component rate per patient day under the new system than
16 the facility received effective on the date immediately
17 preceding the date that the Department implements the new
18 payment methodology, the nursing component rate per
19 patient day for the facility shall be held at the level in
20 effect on the date immediately preceding the date that the
21 Department implements the new payment methodology until a
22 higher nursing component rate of reimbursement is achieved
23 by that facility.

24 (B) For a facility that would receive a higher nursing
25 component rate per patient day under the payment
26 methodology in effect on July 1, 2003 than the facility

1 received effective on the date immediately preceding the
2 date that the Department implements the new payment
3 methodology, the nursing component rate per patient day for
4 the facility shall be adjusted.

5 (C) Notwithstanding paragraphs (A) and (B), the
6 nursing component rate per patient day for the facility
7 shall be adjusted subject to appropriations provided by the
8 General Assembly.

9 For facilities licensed by the Department of Public Health
10 under the Nursing Home Care Act as Intermediate Care for the
11 Developmentally Disabled facilities or Long Term Care for Under
12 Age 22 facilities, the rates taking effect on March 1, 2001
13 shall include a statewide increase of 7.85%, as defined by the
14 Department.

15 Notwithstanding any other provision of this Section, for
16 facilities licensed by the Department of Public Health under
17 the Nursing Home Care Act as skilled nursing facilities or
18 intermediate care facilities, except facilities participating
19 in the Department's demonstration program pursuant to the
20 provisions of Title 77, Part 300, Subpart T of the Illinois
21 Administrative Code, the numerator of the ratio used by the
22 Department of Healthcare and Family Services to compute the
23 rate payable under this Section using the Minimum Data Set
24 (MDS) methodology shall incorporate the following annual
25 amounts as the additional funds appropriated to the Department
26 specifically to pay for rates based on the MDS nursing

1 component methodology in excess of the funding in effect on
2 December 31, 2006:

3 (i) For rates taking effect January 1, 2007,
4 \$60,000,000.

5 (ii) For rates taking effect January 1, 2008,
6 \$110,000,000.

7 (iii) For rates taking effect January 1, 2009,
8 \$194,000,000.

9 (iv) For rates taking effect April 1, 2011, or the
10 first day of the month that begins at least 45 days after
11 the effective date of this amendatory Act of the 96th
12 General Assembly, \$416,500,000 or an amount as may be
13 necessary to complete the transition to the MDS methodology
14 for the nursing component of the rate.

15 Notwithstanding any other provision of this Section, for
16 facilities licensed by the Department of Public Health under
17 the Nursing Home Care Act as skilled nursing facilities or
18 intermediate care facilities, the support component of the
19 rates taking effect on January 1, 2008 shall be computed using
20 the most recent cost reports on file with the Department of
21 Healthcare and Family Services no later than April 1, 2005,
22 updated for inflation to January 1, 2006.

23 For facilities licensed by the Department of Public Health
24 under the Nursing Home Care Act as Intermediate Care for the
25 Developmentally Disabled facilities or Long Term Care for Under
26 Age 22 facilities, the rates taking effect on April 1, 2002

1 shall include a statewide increase of 2.0%, as defined by the
2 Department. This increase terminates on July 1, 2002; beginning
3 July 1, 2002 these rates are reduced to the level of the rates
4 in effect on March 31, 2002, as defined by the Department.

5 For facilities licensed by the Department of Public Health
6 under the Nursing Home Care Act as skilled nursing facilities
7 or intermediate care facilities, the rates taking effect on
8 July 1, 2001 shall be computed using the most recent cost
9 reports on file with the Department of Public Aid no later than
10 April 1, 2000, updated for inflation to January 1, 2001. For
11 rates effective July 1, 2001 only, rates shall be the greater
12 of the rate computed for July 1, 2001 or the rate effective on
13 June 30, 2001.

14 Notwithstanding any other provision of this Section, for
15 facilities licensed by the Department of Public Health under
16 the Nursing Home Care Act as skilled nursing facilities or
17 intermediate care facilities, the Illinois Department shall
18 determine by rule the rates taking effect on July 1, 2002,
19 which shall be 5.9% less than the rates in effect on June 30,
20 2002.

21 Notwithstanding any other provision of this Section, for
22 facilities licensed by the Department of Public Health under
23 the Nursing Home Care Act as skilled nursing facilities or
24 intermediate care facilities, if the payment methodologies
25 required under Section 5A-12 and the waiver granted under 42
26 CFR 433.68 are approved by the United States Centers for

1 Medicare and Medicaid Services, the rates taking effect on July
2 1, 2004 shall be 3.0% greater than the rates in effect on June
3 30, 2004. These rates shall take effect only upon approval and
4 implementation of the payment methodologies required under
5 Section 5A-12.

6 Notwithstanding any other provisions of this Section, for
7 facilities licensed by the Department of Public Health under
8 the Nursing Home Care Act as skilled nursing facilities or
9 intermediate care facilities, the rates taking effect on
10 January 1, 2005 shall be 3% more than the rates in effect on
11 December 31, 2004.

12 Notwithstanding any other provision of this Section, for
13 facilities licensed by the Department of Public Health under
14 the Nursing Home Care Act as skilled nursing facilities or
15 intermediate care facilities, effective January 1, 2009, the
16 per diem support component of the rates effective on January 1,
17 2008, computed using the most recent cost reports on file with
18 the Department of Healthcare and Family Services no later than
19 April 1, 2005, updated for inflation to January 1, 2006, shall
20 be increased to the amount that would have been derived using
21 standard Department of Healthcare and Family Services methods,
22 procedures, and inflators.

23 Notwithstanding any other provisions of this Section, for
24 facilities licensed by the Department of Public Health under
25 the Nursing Home Care Act as intermediate care facilities that
26 are federally defined as Institutions for Mental Disease, a

1 socio-development component rate equal to 6.6% of the
2 facility's nursing component rate as of January 1, 2006 shall
3 be established and paid effective July 1, 2006. The
4 socio-development component of the rate shall be increased by a
5 factor of 2.53 on the first day of the month that begins at
6 least 45 days after January 11, 2008 (the effective date of
7 Public Act 95-707). As of August 1, 2008, the socio-development
8 component rate shall be equal to 6.6% of the facility's nursing
9 component rate as of January 1, 2006, multiplied by a factor of
10 3.53. For services provided on or after April 1, 2011, or the
11 first day of the month that begins at least 45 days after the
12 effective date of this amendatory Act of the 96th General
13 Assembly, whichever is later, the ~~The~~ Illinois Department may
14 by rule adjust these socio-development component rates, and may
15 use different adjustment methodologies for those facilities
16 participating, and those not participating, in the Illinois
17 Department's demonstration program pursuant to the provisions
18 of Title 77, Part 300, Subpart T of the Illinois Administrative
19 Code, but in no case may such rates be diminished below those
20 in effect on August 1, 2008.

21 For facilities licensed by the Department of Public Health
22 under the Nursing Home Care Act as Intermediate Care for the
23 Developmentally Disabled facilities or as long-term care
24 facilities for residents under 22 years of age, the rates
25 taking effect on July 1, 2003 shall include a statewide
26 increase of 4%, as defined by the Department.

1 For facilities licensed by the Department of Public Health
2 under the Nursing Home Care Act as Intermediate Care for the
3 Developmentally Disabled facilities or Long Term Care for Under
4 Age 22 facilities, the rates taking effect on the first day of
5 the month that begins at least 45 days after the effective date
6 of this amendatory Act of the 95th General Assembly shall
7 include a statewide increase of 2.5%, as defined by the
8 Department.

9 Notwithstanding any other provision of this Section, for
10 facilities licensed by the Department of Public Health under
11 the Nursing Home Care Act as skilled nursing facilities or
12 intermediate care facilities, effective January 1, 2005,
13 facility rates shall be increased by the difference between (i)
14 a facility's per diem property, liability, and malpractice
15 insurance costs as reported in the cost report filed with the
16 Department of Public Aid and used to establish rates effective
17 July 1, 2001 and (ii) those same costs as reported in the
18 facility's 2002 cost report. These costs shall be passed
19 through to the facility without caps or limitations, except for
20 adjustments required under normal auditing procedures.

21 Rates established effective each July 1 shall govern
22 payment for services rendered throughout that fiscal year,
23 except that rates established on July 1, 1996 shall be
24 increased by 6.8% for services provided on or after January 1,
25 1997. Such rates will be based upon the rates calculated for
26 the year beginning July 1, 1990, and for subsequent years

1 thereafter until June 30, 2001 shall be based on the facility
2 cost reports for the facility fiscal year ending at any point
3 in time during the previous calendar year, updated to the
4 midpoint of the rate year. The cost report shall be on file
5 with the Department no later than April 1 of the current rate
6 year. Should the cost report not be on file by April 1, the
7 Department shall base the rate on the latest cost report filed
8 by each skilled care facility and intermediate care facility,
9 updated to the midpoint of the current rate year. In
10 determining rates for services rendered on and after July 1,
11 1985, fixed time shall not be computed at less than zero. The
12 Department shall not make any alterations of regulations which
13 would reduce any component of the Medicaid rate to a level
14 below what that component would have been utilizing in the rate
15 effective on July 1, 1984.

16 (2) Shall take into account the actual costs incurred by
17 facilities in providing services for recipients of skilled
18 nursing and intermediate care services under the medical
19 assistance program.

20 (3) Shall take into account the medical and psycho-social
21 characteristics and needs of the patients.

22 (4) Shall take into account the actual costs incurred by
23 facilities in meeting licensing and certification standards
24 imposed and prescribed by the State of Illinois, any of its
25 political subdivisions or municipalities and by the U.S.
26 Department of Health and Human Services pursuant to Title XIX

1 of the Social Security Act.

2 The Department of Healthcare and Family Services shall
3 develop precise standards for payments to reimburse nursing
4 facilities for any utilization of appropriate rehabilitative
5 personnel for the provision of rehabilitative services which is
6 authorized by federal regulations, including reimbursement for
7 services provided by qualified therapists or qualified
8 assistants, and which is in accordance with accepted
9 professional practices. Reimbursement also may be made for
10 utilization of other supportive personnel under appropriate
11 supervision.

12 The Department shall develop enhanced payments to offset
13 the additional costs incurred by a facility serving exceptional
14 need residents and shall allocate at least \$8,000,000 of the
15 funds collected from the assessment established by Section 5B-2
16 of this Code for such payments. For the purpose of this
17 Section, "exceptional needs" means, but need not be limited to,
18 ventilator care, tracheotomy care, bariatric care, complex
19 wound care, and traumatic brain injury care.

20 (5) Beginning July 1, 2012 the methodologies for
21 reimbursement of nursing facility services as provided under
22 this Section 5-5.4 shall no longer be applicable for bills
23 payable for State fiscal years 2012 and thereafter.

24 (Source: P.A. 95-12, eff. 7-2-07; 95-331, eff. 8-21-07; 95-707,
25 eff. 1-11-08; 95-744, eff. 7-18-08; 96-45, eff. 7-15-09;
26 96-339, eff. 7-1-10; 96-959, eff. 7-1-10; 96-1000, eff.

1 7-2-10.)

2 (305 ILCS 5/5-5.4a)

3 Sec. 5-5.4a. Intermediate Care Facility for the
4 Developmentally Disabled; bed reserve payments.

5 The Department ~~of Public Aid~~ shall promulgate rules that ~~by~~
6 ~~October 1, 1993~~ which establish a policy of bed reserve
7 payments to ICF/DDs ~~Intermediate Care Facilities for the~~
8 ~~Developmentally Disabled~~ which addresses the needs of
9 residents of ICF/DDs ~~Intermediate Care Facilities for the~~
10 ~~Developmentally Disabled (ICF/DD)~~ and their families.

11 (a) When a resident of an ICF/DD ~~Intermediate Care Facility~~
12 ~~for the Developmentally Disabled (ICF/DD)~~ is absent from the
13 facility ~~ICF/DD~~ in which he or she is a resident for purposes
14 of physician authorized in-patient admission to a hospital, the
15 Department's rules shall, at a minimum, provide (1) bed reserve
16 payments at a daily rate which is 100% of the client's current
17 per diem rate, for a period not exceeding 10 consecutive days;
18 (2) bed reserve payments at a daily rate which is 75% of a
19 client's current per diem rate, for a period which exceeds 10
20 consecutive days but does not exceed 30 consecutive days; and
21 (3) bed reserve payments at a daily rate which is 50% of a
22 client's current per diem rate for a period which exceeds
23 thirty consecutive days but does not exceed 45 consecutive
24 days.

25 (b) When a resident of an ICF/DD ~~Intermediate Care Facility~~

1 ~~for the Developmentally Disabled (ICF/DD)~~ is absent from the
2 facility ~~ICF/DD~~ in which he or she is a resident for purposes
3 of a home visit with a family member the Department's rules
4 shall, at a minimum, provide (1) bed reserve payments at a rate
5 which is 100% of a client's current per diem rate, for a period
6 not exceeding 10 days per State fiscal year; and (2) bed
7 reserve payments at a rate which is 75% of a client's current
8 per diem rate, for a period which exceeds 10 days per State
9 fiscal year but does not exceed 30 days per State fiscal year.

10 (c) No Department rule regarding bed reserve payments shall
11 require an ICF/DD to have a specified percentage of total
12 facility occupancy as a requirement for receiving bed reserve
13 payments.

14 This Section 5-5.4a shall not apply to any State operated
15 facilities.

16 (Source: P.A. 91-357, eff. 7-29-99.)

17 (305 ILCS 5/5-5.5) (from Ch. 23, par. 5-5.5)

18 Sec. 5-5.5. Elements of Payment Rate.

19 (a) The Department of Healthcare and Family Services shall
20 develop a prospective method for determining payment rates for
21 ~~skilled~~ nursing facility and ICF/DD ~~and intermediate care~~
22 services in nursing facilities composed of the following cost
23 elements:

24 (1) Standard Services, with the cost of this component
25 being determined by taking into account the actual costs to

1 the facilities of these services subject to cost ceilings
2 to be defined in the Department's rules.

3 (2) Resident Services, with the cost of this component
4 being determined by taking into account the actual costs,
5 needs and utilization of these services, as derived from an
6 assessment of the resident needs in the nursing facilities.

7 (3) Ancillary Services, with the payment rate being
8 developed for each individual type of service. Payment
9 shall be made only when authorized under procedures
10 developed by the Department of Healthcare and Family
11 Services.

12 (4) Nurse's Aide Training, with the cost of this
13 component being determined by taking into account the
14 actual cost to the facilities of such training.

15 (5) Real Estate Taxes, with the cost of this component
16 being determined by taking into account the figures
17 contained in the most currently available cost reports
18 (with no imposition of maximums) updated to the midpoint of
19 the current rate year for long term care services rendered
20 between July 1, 1984 and June 30, 1985, and with the cost
21 of this component being determined by taking into account
22 the actual 1983 taxes for which the nursing homes were
23 assessed (with no imposition of maximums) updated to the
24 midpoint of the current rate year for long term care
25 services rendered between July 1, 1985 and June 30, 1986.

26 (b) In developing a prospective method for determining

1 payment rates for ~~skilled~~ nursing facility and ICF/DD ~~and~~
2 ~~intermediate-care~~ services in nursing facilities and ICF/DDs,
3 the Department of Healthcare and Family Services shall consider
4 the following cost elements:

5 (1) Reasonable capital cost determined by utilizing
6 incurred interest rate and the current value of the
7 investment, including land, utilizing composite rates, or
8 by utilizing such other reasonable cost related methods
9 determined by the Department. However, beginning with the
10 rate reimbursement period effective July 1, 1987, the
11 Department shall be prohibited from establishing,
12 including, and implementing any depreciation factor in
13 calculating the capital cost element.

14 (2) Profit, with the actual amount being produced and
15 accruing to the providers in the form of a return on their
16 total investment, on the basis of their ability to
17 economically and efficiently deliver a type of service. The
18 method of payment may assure the opportunity for a profit,
19 but shall not guarantee or establish a specific amount as a
20 cost.

21 (c) The Illinois Department may implement the amendatory
22 changes to this Section made by this amendatory Act of 1991
23 through the use of emergency rules in accordance with the
24 provisions of Section 5.02 of the Illinois Administrative
25 Procedure Act. For purposes of the Illinois Administrative
26 Procedure Act, the adoption of rules to implement the

1 amendatory changes to this Section made by this amendatory Act
2 of 1991 shall be deemed an emergency and necessary for the
3 public interest, safety and welfare.

4 (d) No later than January 1, 2001, the Department of Public
5 Aid shall file with the Joint Committee on Administrative
6 Rules, pursuant to the Illinois Administrative Procedure Act, a
7 proposed rule, or a proposed amendment to an existing rule,
8 regarding payment for appropriate services, including
9 assessment, care planning, discharge planning, and treatment
10 provided by nursing facilities to residents who have a serious
11 mental illness.

12 (Source: P.A. 95-331, eff. 8-21-07; 96-1123, eff. 1-1-11.)

13 (305 ILCS 5/5-5.5a) (from Ch. 23, par. 5-5.5a)

14 Sec. 5-5.5a. Kosher kitchen and food service.

15 (a) The Department of Healthcare and Family Services may
16 develop in its rate structure for ~~skilled~~ nursing facilities
17 ~~and intermediate care facilities~~ an accommodation for fully
18 kosher kitchen and food service operations, rabbinically
19 approved or certified on an annual basis for a facility in
20 which the only kitchen or all kitchens are fully kosher (a
21 fully kosher facility). Beginning in the fiscal year after the
22 fiscal year when this amendatory Act of 1990 becomes effective,
23 the rate structure may provide for an additional payment to
24 such facility not to exceed 50 cents per resident per day if
25 60% or more of the residents in the facility request kosher

1 foods or food products prepared in accordance with Jewish
2 religious dietary requirements for religious purposes in a
3 fully kosher facility. Based upon food cost reports of the
4 Illinois Department of Agriculture regarding kosher and
5 non-kosher food available in the various regions of the State,
6 this rate structure may be periodically adjusted by the
7 Department but may not exceed the maximum authorized under this
8 subsection (a).

9 (b) The Department shall by rule determine how a facility
10 with a fully kosher kitchen and food service may be determined
11 to be eligible and apply for the rate accommodation specified
12 in subsection (a).

13 (Source: P.A. 95-331, eff. 8-21-07.)

14 (305 ILCS 5/5-5.6b) (from Ch. 23, par. 5-5.6b)

15 Sec. 5-5.6b. Prohibition against double payment. If any
16 resident of a ~~skilled~~ nursing facility or ICF/DD ~~intermediate~~
17 ~~care facility~~ is admitted to such facility on the basis that
18 the charges for such resident's care will be paid from private
19 funds, and the source of payment for such care thereafter
20 changes from private funds to payments under this Article, the
21 facility shall, upon receiving the first such payment under
22 this Article, notify the Illinois Department of such source of
23 private funds for such recipient and repay to the source of
24 private funds any amounts received from such source as payment
25 for care for which payment also was made under this Article.

1 Private funds shall not include third party resources such as
2 insurance or Medicare benefits or payments made by responsible
3 relatives.

4 (Source: P.A. 85-824.)

5 (305 ILCS 5/5-5.7) (from Ch. 23, par. 5-5.7)

6 Sec. 5-5.7. Cost Reports - Audits. The Department of
7 Healthcare and Family Services shall work with the Department
8 of Public Health to use cost report information currently being
9 collected under provisions of the Nursing Home Care Act and the
10 MR/DD Community Care Act. The Department of Healthcare and
11 Family Services may, in conjunction with the Department of
12 Public Health, develop in accordance with generally accepted
13 accounting principles a uniform chart of accounts which each
14 facility providing services under the medical assistance
15 program shall adopt, after a reasonable period.

16 Nursing homes licensed under the Nursing Home Care Act or
17 the MR/DD Community Care Act and providers of adult
18 developmental training services certified by the Department of
19 Human Services pursuant to Section 15.2 of the Mental Health
20 and Developmental Disabilities Administrative Act which
21 provide services to clients eligible for medical assistance
22 under this Article are responsible for submitting the required
23 annual cost report to the Department of Healthcare and Family
24 Services.

25 The Department of Healthcare and Family Services shall

1 audit the financial and statistical records of each provider
2 participating in the medical assistance program as a ~~skilled~~
3 nursing facility or ICF/DD ~~or intermediate care facility~~ over a
4 3 year period, beginning with the close of the first cost
5 reporting year. Following the end of this 3-year term, audits
6 of the financial and statistical records will be performed each
7 year in at least 20% of the facilities participating in the
8 medical assistance program with at least 10% being selected on
9 a random sample basis, and the remainder selected on the basis
10 of exceptional profiles. All audits shall be conducted in
11 accordance with generally accepted auditing standards.

12 The Department of Healthcare and Family Services shall
13 establish prospective payment rates for categories of service
14 needed within the ~~skilled~~ nursing facility or ICF/DD ~~and~~
15 ~~intermediate care~~ levels of services, in order to more
16 appropriately recognize the individual needs of patients in
17 nursing facilities.

18 The Department of Healthcare and Family Services shall
19 provide, during the process of establishing the payment rate
20 for ~~skilled~~ nursing facility or ICF/DD ~~and intermediate care~~
21 services, or when a substantial change in rates is proposed, an
22 opportunity for public review and comment on the proposed rates
23 prior to their becoming effective.

24 (Source: P.A. 95-331, eff. 8-21-07; 96-339, eff. 7-1-10.)

25 (305 ILCS 5/5-5.8b) (from Ch. 23, par. 5-5.8b)

1 Sec. 5-5.8b. Payment to Campus Facilities. There is hereby
2 established a separate payment category for campus facilities.
3 A "campus facility" is defined as an entity which consists of a
4 long term care facility (or group of facilities if the
5 facilities are on the same contiguous parcel of real estate)
6 which meets all of the following criteria as of May 1, 1987:
7 the entity provides care for both children and adults;
8 residents of the entity reside in three or more separate
9 buildings with congregate and small group living arrangements
10 on a single campus; the entity provides three or more separate
11 licensed levels of care; the entity (or a part of the entity)
12 is enrolled with the Department of ~~Public Aid (now Department~~
13 ~~of Healthcare and Family Services)~~ as a provider of long term
14 care services and receives payments from that Department; the
15 entity (or a part of the entity) receives funding from the
16 Department of ~~Mental Health and Developmental Disabilities~~
17 ~~(now the Department of Human Services)~~; and the entity (or a
18 part of the entity) holds a current license as a child care
19 institution issued by the Department of Children and Family
20 Services.

21 The Department of Healthcare and Family Services, the
22 Department of Human Services, and the Department of Children
23 and Family Services shall develop jointly a rate methodology or
24 methodologies for campus facilities. Such methodology or
25 methodologies may establish a single rate to be paid by all the
26 agencies, or a separate rate to be paid by each agency, or

1 separate components to be paid to different parts of the campus
2 facility. All campus facilities shall receive the same rate of
3 payment for similar services. Any methodology developed
4 pursuant to this section shall take into account the actual
5 costs to the facility of providing services to residents, and
6 shall be adequate to reimburse the allowable costs of a campus
7 facility which is economically and efficiently operated. Any
8 methodology shall be established on the basis of historical,
9 financial, and statistical data submitted by campus
10 facilities, and shall take into account the actual costs
11 incurred by campus facilities in providing services, and in
12 meeting licensing and certification standards imposed and
13 prescribed by the State of Illinois, any of its political
14 subdivisions or municipalities and by the United States
15 Department of Health and Human Services. Rates may be
16 established on a prospective or retrospective basis. Any
17 methodology shall provide reimbursement for appropriate
18 payment elements, including the following: standard services,
19 patient services, real estate taxes, and capital costs.

20 (Source: P.A. 95-331, eff. 8-21-07.)

21 (305 ILCS 5/5A-2) (from Ch. 23, par. 5A-2)

22 (Section scheduled to be repealed on July 1, 2013)

23 Sec. 5A-2. Assessment.

24 (a) Subject to Sections 5A-3 and 5A-10, an annual
25 assessment on inpatient services is imposed on each hospital

1 provider in an amount equal to the hospital's occupied bed days
2 multiplied by \$84.19 multiplied by the proration factor for
3 State fiscal year 2004 and the hospital's occupied bed days
4 multiplied by \$84.19 for State fiscal year 2005.

5 For State fiscal years 2004 and 2005, the Department of
6 Healthcare and Family Services shall use the number of occupied
7 bed days as reported by each hospital on the Annual Survey of
8 Hospitals conducted by the Department of Public Health to
9 calculate the hospital's annual assessment. If the sum of a
10 hospital's occupied bed days is not reported on the Annual
11 Survey of Hospitals or if there are data errors in the reported
12 sum of a hospital's occupied bed days as determined by the
13 Department of Healthcare and Family Services (formerly
14 Department of Public Aid), then the Department of Healthcare
15 and Family Services may obtain the sum of occupied bed days
16 from any source available, including, but not limited to,
17 records maintained by the hospital provider, which may be
18 inspected at all times during business hours of the day by the
19 Department of Healthcare and Family Services or its duly
20 authorized agents and employees.

21 Subject to Sections 5A-3 and 5A-10, for the privilege of
22 engaging in the occupation of hospital provider, beginning
23 August 1, 2005, an annual assessment is imposed on each
24 hospital provider for State fiscal years 2006, 2007, and 2008,
25 in an amount equal to 2.5835% of the hospital provider's
26 adjusted gross hospital revenue for inpatient services and

1 2.5835% of the hospital provider's adjusted gross hospital
2 revenue for outpatient services. If the hospital provider's
3 adjusted gross hospital revenue is not available, then the
4 Illinois Department may obtain the hospital provider's
5 adjusted gross hospital revenue from any source available,
6 including, but not limited to, records maintained by the
7 hospital provider, which may be inspected at all times during
8 business hours of the day by the Illinois Department or its
9 duly authorized agents and employees.

10 Subject to Sections 5A-3 and 5A-10, for State fiscal years
11 2009 through 2014 ~~2013~~, an annual assessment on inpatient
12 services is imposed on each hospital provider in an amount
13 equal to \$218.38 multiplied by the difference of the hospital's
14 occupied bed days less the hospital's Medicare bed days.

15 For State fiscal years 2009 through 2014 ~~2013~~, a hospital's
16 occupied bed days and Medicare bed days shall be determined
17 using the most recent data available from each hospital's 2005
18 Medicare cost report as contained in the Healthcare Cost Report
19 Information System file, for the quarter ending on December 31,
20 2006, without regard to any subsequent adjustments or changes
21 to such data. If a hospital's 2005 Medicare cost report is not
22 contained in the Healthcare Cost Report Information System,
23 then the Illinois Department may obtain the hospital provider's
24 occupied bed days and Medicare bed days from any source
25 available, including, but not limited to, records maintained by
26 the hospital provider, which may be inspected at all times

1 during business hours of the day by the Illinois Department or
2 its duly authorized agents and employees.

3 (b) (Blank).

4 (c) (Blank).

5 (d) Notwithstanding any of the other provisions of this
6 Section, the Department is authorized, during this 94th General
7 Assembly, to adopt rules to reduce the rate of any annual
8 assessment imposed under this Section, as authorized by Section
9 5-46.2 of the Illinois Administrative Procedure Act.

10 (e) Notwithstanding any other provision of this Section,
11 any plan providing for an assessment on a hospital provider as
12 a permissible tax under Title XIX of the federal Social
13 Security Act and Medicaid-eligible payments to hospital
14 providers from the revenues derived from that assessment shall
15 be reviewed by the Illinois Department of Healthcare and Family
16 Services, as the Single State Medicaid Agency required by
17 federal law, to determine whether those assessments and
18 hospital provider payments meet federal Medicaid standards. If
19 the Department determines that the elements of the plan may
20 meet federal Medicaid standards and a related State Medicaid
21 Plan Amendment is prepared in a manner and form suitable for
22 submission, that State Plan Amendment shall be submitted in a
23 timely manner for review by the Centers for Medicare and
24 Medicaid Services of the United States Department of Health and
25 Human Services and subject to approval by the Centers for
26 Medicare and Medicaid Services of the United States Department

1 of Health and Human Services. No such plan shall become
2 effective without approval by the Illinois General Assembly by
3 the enactment into law of related legislation. Notwithstanding
4 any other provision of this Section, the Department is
5 authorized to adopt rules to reduce the rate of any annual
6 assessment imposed under this Section. Any such rules may be
7 adopted by the Department under Section 5-50 of the Illinois
8 Administrative Procedure Act.

9 (Source: P.A. 94-242, eff. 7-18-05; 94-838, eff. 6-6-06;
10 95-859, eff. 8-19-08.)

11 (305 ILCS 5/5A-3) (from Ch. 23, par. 5A-3)

12 Sec. 5A-3. Exemptions.

13 (a) (Blank).

14 (b) A hospital provider that is a State agency, a State
15 university, or a county with a population of 3,000,000 or more
16 is exempt from the assessment imposed by Section 5A-2.

17 (b-2) A hospital provider that is a county with a
18 population of less than 3,000,000 or a township, municipality,
19 hospital district, or any other local governmental unit is
20 exempt from the assessment imposed by Section 5A-2.

21 (b-5) (Blank).

22 (b-10) For State fiscal years 2004 through 2014 ~~2013~~, a
23 hospital provider, described in Section 1903(w)(3)(F) of the
24 Social Security Act, whose hospital does not charge for its
25 services is exempt from the assessment imposed by Section 5A-2,

1 unless the exemption is adjudged to be unconstitutional or
2 otherwise invalid, in which case the hospital provider shall
3 pay the assessment imposed by Section 5A-2.

4 (b-15) For State fiscal years 2004 and 2005, a hospital
5 provider whose hospital is licensed by the Department of Public
6 Health as a psychiatric hospital is exempt from the assessment
7 imposed by Section 5A-2, unless the exemption is adjudged to be
8 unconstitutional or otherwise invalid, in which case the
9 hospital provider shall pay the assessment imposed by Section
10 5A-2.

11 (b-20) For State fiscal years 2004 and 2005, a hospital
12 provider whose hospital is licensed by the Department of Public
13 Health as a rehabilitation hospital is exempt from the
14 assessment imposed by Section 5A-2, unless the exemption is
15 adjudged to be unconstitutional or otherwise invalid, in which
16 case the hospital provider shall pay the assessment imposed by
17 Section 5A-2.

18 (b-25) For State fiscal years 2004 and 2005, a hospital
19 provider whose hospital (i) is not a psychiatric hospital,
20 rehabilitation hospital, or children's hospital and (ii) has an
21 average length of inpatient stay greater than 25 days is exempt
22 from the assessment imposed by Section 5A-2, unless the
23 exemption is adjudged to be unconstitutional or otherwise
24 invalid, in which case the hospital provider shall pay the
25 assessment imposed by Section 5A-2.

26 (c) (Blank).

1 (Source: P.A. 94-242, eff. 7-18-05; 95-859, eff. 8-19-08.)

2 (305 ILCS 5/5A-5) (from Ch. 23, par. 5A-5)

3 Sec. 5A-5. Notice; penalty; maintenance of records.

4 (a) The Department of Healthcare and Family Services shall
5 send a notice of assessment to every hospital provider subject
6 to assessment under this Article. The notice of assessment
7 shall notify the hospital of its assessment and shall be sent
8 after receipt by the Department of notification from the
9 Centers for Medicare and Medicaid Services of the U.S.
10 Department of Health and Human Services that the payment
11 methodologies required under Section 5A-12, Section 5A-12.1,
12 or Section 5A-12.2, whichever is applicable for that fiscal
13 year, and, if necessary, the waiver granted under 42 CFR 433.68
14 have been approved. The notice shall be on a form prepared by
15 the Illinois Department and shall state the following:

16 (1) The name of the hospital provider.

17 (2) The address of the hospital provider's principal
18 place of business from which the provider engages in the
19 occupation of hospital provider in this State, and the name
20 and address of each hospital operated, conducted, or
21 maintained by the provider in this State.

22 (3) The occupied bed days, occupied bed days less
23 Medicare days, or adjusted gross hospital revenue of the
24 hospital provider (whichever is applicable), the amount of
25 assessment imposed under Section 5A-2 for the State fiscal

1 year for which the notice is sent, and the amount of each
2 installment to be paid during the State fiscal year.

3 (4) (Blank).

4 (5) Other reasonable information as determined by the
5 Illinois Department.

6 (b) If a hospital provider conducts, operates, or maintains
7 more than one hospital licensed by the Illinois Department of
8 Public Health, the provider shall pay the assessment for each
9 hospital separately.

10 (c) Notwithstanding any other provision in this Article, in
11 the case of a person who ceases to conduct, operate, or
12 maintain a hospital in respect of which the person is subject
13 to assessment under this Article as a hospital provider, the
14 assessment for the State fiscal year in which the cessation
15 occurs shall be adjusted by multiplying the assessment computed
16 under Section 5A-2 by a fraction, the numerator of which is the
17 number of days in the year during which the provider conducts,
18 operates, or maintains the hospital and the denominator of
19 which is 365. Immediately upon ceasing to conduct, operate, or
20 maintain a hospital, the person shall pay the assessment for
21 the year as so adjusted (to the extent not previously paid).

22 (d) Notwithstanding any other provision in this Article, a
23 provider who commences conducting, operating, or maintaining a
24 hospital, upon notice by the Illinois Department, shall pay the
25 assessment computed under Section 5A-2 and subsection (e) in
26 installments on the due dates stated in the notice and on the

1 regular installment due dates for the State fiscal year
2 occurring after the due dates of the initial notice.

3 (e) Notwithstanding any other provision in this Article,
4 for State fiscal years 2004 and 2005, in the case of a hospital
5 provider that did not conduct, operate, or maintain a hospital
6 throughout calendar year 2001, the assessment for that State
7 fiscal year shall be computed on the basis of hypothetical
8 occupied bed days for the full calendar year as determined by
9 the Illinois Department. Notwithstanding any other provision
10 in this Article, for State fiscal years 2006 through 2008, in
11 the case of a hospital provider that did not conduct, operate,
12 or maintain a hospital in 2003, the assessment for that State
13 fiscal year shall be computed on the basis of hypothetical
14 adjusted gross hospital revenue for the hospital's first full
15 fiscal year as determined by the Illinois Department (which may
16 be based on annualization of the provider's actual revenues for
17 a portion of the year, or revenues of a comparable hospital for
18 the year, including revenues realized by a prior provider of
19 the same hospital during the year). Notwithstanding any other
20 provision in this Article, for State fiscal years 2009 through
21 2014 ~~2013~~, in the case of a hospital provider that did not
22 conduct, operate, or maintain a hospital in 2005, the
23 assessment for that State fiscal year shall be computed on the
24 basis of hypothetical occupied bed days for the full calendar
25 year as determined by the Illinois Department.

26 (f) Every hospital provider subject to assessment under

1 this Article shall keep sufficient records to permit the
2 determination of adjusted gross hospital revenue for the
3 hospital's fiscal year. All such records shall be kept in the
4 English language and shall, at all times during regular
5 business hours of the day, be subject to inspection by the
6 Illinois Department or its duly authorized agents and
7 employees.

8 (g) The Illinois Department may, by rule, provide a
9 hospital provider a reasonable opportunity to request a
10 clarification or correction of any clerical or computational
11 errors contained in the calculation of its assessment, but such
12 corrections shall not extend to updating the cost report
13 information used to calculate the assessment.

14 (h) (Blank).

15 (Source: P.A. 94-242, eff. 7-18-05; 95-331, eff. 8-21-07;
16 95-859, eff. 8-19-08.)

17 (305 ILCS 5/5A-8) (from Ch. 23, par. 5A-8)

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

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

23 (b) The Fund is created for the purpose of receiving moneys
24 in accordance with Section 5A-6 and disbursing moneys only for
25 the following purposes, notwithstanding any other provision of

1 law:

2 (1) For making payments to hospitals as required under
3 Articles V, V-A, VI, and XIV of this Code, under the
4 Children's Health Insurance Program Act, under the
5 Covering ALL KIDS Health Insurance Act, and under the
6 Senior Citizens and Disabled Persons Property Tax Relief
7 and Pharmaceutical Assistance Act.

8 (2) For the reimbursement of moneys collected by the
9 Illinois Department from hospitals or hospital providers
10 through error or mistake in performing the activities
11 authorized under this Article and Article V of this Code.

12 (3) For payment of administrative expenses incurred by
13 the Illinois Department or its agent in performing the
14 activities authorized by this Article.

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

18 (5) For making transfers, as those transfers are
19 authorized in the proceedings authorizing debt under the
20 Short Term Borrowing Act, but transfers made under this
21 paragraph (5) shall not exceed the principal amount of debt
22 issued in anticipation of the receipt by the State of
23 moneys to be deposited into the Fund.

24 (6) For making transfers to any other fund in the State
25 treasury, but transfers made under this paragraph (6) shall
26 not exceed the amount transferred previously from that

1 other fund into the Hospital Provider Fund.

2 (6.5) For making transfers to the Healthcare Provider
3 Relief Fund, except that transfers made under this
4 paragraph (6.5) shall not exceed \$60,000,000 in the
5 aggregate.

6 (7) For State fiscal years 2004 and 2005 for making
7 transfers to the Health and Human Services Medicaid Trust
8 Fund, including 20% of the moneys received from hospital
9 providers under Section 5A-4 and transferred into the
10 Hospital Provider Fund under Section 5A-6. For State fiscal
11 year 2006 for making transfers to the Health and Human
12 Services Medicaid Trust Fund of up to \$130,000,000 per year
13 of the moneys received from hospital providers under
14 Section 5A-4 and transferred into the Hospital Provider
15 Fund under Section 5A-6. Transfers under this paragraph
16 shall be made within 7 days after the payments have been
17 received pursuant to the schedule of payments provided in
18 subsection (a) of Section 5A-4.

19 (7.5) For State fiscal year 2007 for making transfers
20 of the moneys received from hospital providers under
21 Section 5A-4 and transferred into the Hospital Provider
22 Fund under Section 5A-6 to the designated funds not
23 exceeding the following amounts in that State fiscal year:

24	Health and Human Services	
25	Medicaid Trust Fund	\$20,000,000
26	Long-Term Care Provider Fund	\$30,000,000

1 General Revenue Fund \$80,000,000.

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

6 (7.8) For State fiscal year 2008, for making transfers
7 of the moneys received from hospital providers under
8 Section 5A-4 and transferred into the Hospital Provider
9 Fund under Section 5A-6 to the designated funds not
10 exceeding the following amounts in that State fiscal year:

- 11 Health and Human Services
- 12 Medicaid Trust Fund \$40,000,000
- 13 Long-Term Care Provider Fund \$60,000,000
- 14 General Revenue Fund \$160,000,000.

15 Transfers under this paragraph shall be made within 7
16 days after the payments have been received pursuant to the
17 schedule of payments provided in subsection (a) of Section
18 5A-4.

19 (7.9) For State fiscal years 2009 through 2014 ~~2013~~,
20 for making transfers of the moneys received from hospital
21 providers under Section 5A-4 and transferred into the
22 Hospital Provider Fund under Section 5A-6 to the designated
23 funds not exceeding the following amounts in that State
24 fiscal year:

- 25 Health and Human Services
- 26 Medicaid Trust Fund \$20,000,000

1 Long Term Care Provider Fund \$30,000,000

2 General Revenue Fund \$80,000,000.

3 Except as provided under this paragraph, transfers
4 under this paragraph shall be made within 7 business days
5 after the payments have been received pursuant to the
6 schedule of payments provided in subsection (a) of Section
7 5A-4. For State fiscal year 2009, transfers to the General
8 Revenue Fund under this paragraph shall be made on or
9 before June 30, 2009, as sufficient funds become available
10 in the Hospital Provider Fund to both make the transfers
11 and continue hospital payments.

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

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

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

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

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

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

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

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

7 (d) (Blank).

8 (Source: P.A. 95-707, eff. 1-11-08; 95-859, eff. 8-19-08; 96-3,
9 eff. 2-27-09; 96-45, eff. 7-15-09; 96-821, eff. 11-20-09.)

10 (305 ILCS 5/5A-10) (from Ch. 23, par. 5A-10)

11 Sec. 5A-10. Applicability.

12 (a) The assessment imposed by Section 5A-2 shall not take
13 effect or shall cease to be imposed, and any moneys remaining
14 in the Fund shall be refunded to hospital providers in
15 proportion to the amounts paid by them, if:

16 (1) The sum of the appropriations for State fiscal
17 years 2004 and 2005 from the General Revenue Fund for
18 hospital payments under the medical assistance program is
19 less than \$4,500,000,000 or the appropriation for each of
20 State fiscal years 2006, 2007 and 2008 from the General
21 Revenue Fund for hospital payments under the medical
22 assistance program is less than \$2,500,000,000 increased
23 annually to reflect any increase in the number of
24 recipients, or the annual appropriation for State fiscal
25 years 2009 through 2014 ~~2013~~, from the General Revenue Fund

1 combined with the Hospital Provider Fund as authorized in
2 Section 5A-8 for hospital payments under the medical
3 assistance program, is less than the amount appropriated
4 for State fiscal year 2009, adjusted annually to reflect
5 any change in the number of recipients, excluding State
6 fiscal year 2009 supplemental appropriations made
7 necessary by the enactment of the American Recovery and
8 Reinvestment Act of 2009; or

9 (2) For State fiscal years prior to State fiscal year
10 2009, the Department of Healthcare and Family Services
11 (formerly Department of Public Aid) makes changes in its
12 rules that reduce the hospital inpatient or outpatient
13 payment rates, including adjustment payment rates, in
14 effect on October 1, 2004, except for hospitals described
15 in subsection (b) of Section 5A-3 and except for changes in
16 the methodology for calculating outlier payments to
17 hospitals for exceptionally costly stays, so long as those
18 changes do not reduce aggregate expenditures below the
19 amount expended in State fiscal year 2005 for such
20 services; or

21 (2.1) For State fiscal years 2009 through 2014 ~~2013~~,
22 the Department of Healthcare and Family Services adopts any
23 administrative rule change to reduce payment rates or
24 alters any payment methodology that reduces any payment
25 rates made to operating hospitals under the approved Title
26 XIX or Title XXI State plan in effect January 1, 2008

1 except for:

2 (A) any changes for hospitals described in
3 subsection (b) of Section 5A-3; or

4 (B) any rates for payments made under this Article
5 V-A; or

6 (C) any changes proposed in State plan amendment
7 transmittal numbers 08-01, 08-02, 08-04, 08-06, and
8 08-07; or

9 (D) in relation to any admissions on or after
10 January 1, 2011, a modification in the methodology for
11 calculating outlier payments to hospitals for
12 exceptionally costly stays, for hospitals reimbursed
13 under the diagnosis-related grouping methodology;
14 provided that the Department shall be limited to one
15 such modification during the 36-month period after the
16 effective date of this amendatory Act of the 96th
17 General Assembly; or

18 (3) The payments to hospitals required under Section
19 5A-12 or Section 5A-12.2 are changed or are not eligible
20 for federal matching funds under Title XIX or XXI of the
21 Social Security Act.

22 (b) The assessment imposed by Section 5A-2 shall not take
23 effect or shall cease to be imposed if the assessment is
24 determined to be an impermissible tax under Title XIX of the
25 Social Security Act. Moneys in the Hospital Provider Fund
26 derived from assessments imposed prior thereto shall be

1 disbursed in accordance with Section 5A-8 to the extent federal
2 financial participation is not reduced due to the
3 impermissibility of the assessments, and any remaining moneys
4 shall be refunded to hospital providers in proportion to the
5 amounts paid by them.

6 (Source: P.A. 95-331, eff. 8-21-07; 95-859, eff. 8-19-08; 96-8,
7 eff. 4-28-09.)

8 (305 ILCS 5/5A-14)

9 Sec. 5A-14. Repeal of assessments and disbursements.

10 (a) Section 5A-2 is repealed on July 1, 2014 ~~2013~~.

11 (b) Section 5A-12 is repealed on July 1, 2005.

12 (c) Section 5A-12.1 is repealed on July 1, 2008.

13 (d) Section 5A-12.2 is repealed on July 1, 2014 ~~2013~~.

14 (e) Section 5A-12.3 is repealed on July 1, 2011.

15 (Source: P.A. 95-859, eff. 8-19-08; 96-821, eff. 11-20-09.)

16 (305 ILCS 5/5B-1) (from Ch. 23, par. 5B-1)

17 Sec. 5B-1. Definitions. As used in this Article, unless the
18 context requires otherwise:

19 "Fund" means the Long-Term Care Provider Fund.

20 "Long-term care facility" means (i) a ~~skilled~~ nursing ~~or~~
21 ~~intermediate long term care~~ facility, whether public or private
22 and whether organized for profit or not-for-profit, that is
23 subject to licensure by the Illinois Department of Public
24 Health under the Nursing Home Care Act or the MR/DD Community

1 Care Act, including a county nursing home directed and
2 maintained under Section 5-1005 of the Counties Code, and (ii)
3 a part of a hospital in which skilled or intermediate long-term
4 care services within the meaning of Title XVIII or XIX of the
5 Social Security Act are provided; except that the term
6 "long-term care facility" does not include a facility operated
7 by a State agency, a facility participating in the Illinois
8 Department's demonstration program pursuant to the provisions
9 of Title 77, Part 300, Subpart T of the Illinois Administrative
10 Code, or operated solely as an intermediate care facility for
11 the mentally retarded within the meaning of Title XIX of the
12 Social Security Act.

13 "Long-term care provider" means (i) a person licensed by
14 the Department of Public Health to operate and maintain a
15 skilled nursing or intermediate long-term care facility or (ii)
16 a hospital provider that provides skilled or intermediate
17 long-term care services within the meaning of Title XVIII or
18 XIX of the Social Security Act. For purposes of this paragraph,
19 "person" means any political subdivision of the State,
20 municipal corporation, individual, firm, partnership,
21 corporation, company, limited liability company, association,
22 joint stock association, or trust, or a receiver, executor,
23 trustee, guardian, or other representative appointed by order
24 of any court. "Hospital provider" means a person licensed by
25 the Department of Public Health to conduct, operate, or
26 maintain a hospital.

1 "Occupied bed days" shall be computed separately for each
2 long-term care facility operated or maintained by a long-term
3 care provider, and means the sum for all beds of the number of
4 days during the month ~~year~~ on which each bed was ~~is~~ occupied by
5 a resident, other than a resident for whom Medicare Part A is
6 the primary payer ~~(other than a resident receiving care at an~~
7 ~~intermediate care facility for the mentally retarded within the~~
8 ~~meaning of Title XIX of the Social Security Act).~~

9 ~~"Intergovernmental transfer payment" means the payments~~
10 ~~established under Section 15-3 of this Code, and includes~~
11 ~~without limitation payments payable under that Section for~~
12 ~~July, August, and September of 1992.~~

13 (Source: P.A. 96-339, eff. 7-1-10.)

14 (305 ILCS 5/5B-2) (from Ch. 23, par. 5B-2)

15 Sec. 5B-2. Assessment; no local authorization to tax.

16 (a) For the privilege of engaging in the occupation of
17 long-term care provider, beginning July 1, 2011 an assessment
18 is imposed upon each long-term care provider in an amount equal
19 to \$6.07 times the number of occupied bed days due and payable
20 each month ~~for the State fiscal year beginning on July 1, 1992~~
21 ~~and ending on June 30, 1993, in an amount equal to \$6.30 times~~
22 ~~the number of occupied bed days for the most recent calendar~~
23 ~~year ending before the beginning of that State fiscal year.~~
24 Notwithstanding any provision of any other Act to the contrary,
25 this assessment shall be construed as a tax, but may not be

1 added to the charges of an individual's nursing home care that
2 is paid for in whole, or in part, by a federal, State, or
3 combined federal-state medical care program, ~~except those~~
4 ~~individuals receiving Medicare Part B benefits solely.~~

5 (b) Nothing in this amendatory Act of 1992 shall be
6 construed to authorize any home rule unit or other unit of
7 local government to license for revenue or impose a tax or
8 assessment upon long-term care providers or the occupation of
9 long-term care provider, or a tax or assessment measured by the
10 income or earnings or occupied bed days of a long-term care
11 provider.

12 (Source: P.A. 87-861.)

13 (305 ILCS 5/5B-4) (from Ch. 23, par. 5B-4)

14 Sec. 5B-4. Payment of assessment; penalty.

15 (a) The assessment imposed by Section 5B-2 ~~for a State~~
16 ~~fiscal year~~ shall be due and payable monthly, on the last State
17 business day of the month for occupied bed days reported for
18 the preceding third month prior to the month in which the tax
19 is payable and due. A facility that has delayed payment due to
20 the State's failure to reimburse for services rendered may
21 request an extension on the due date for payment pursuant to
22 subsection (b) and shall pay the assessment within 30 days of
23 reimbursement by the Department in quarterly installments,
24 ~~each equalling one-fourth of the assessment for the year, on~~
25 ~~September 30, December 31, March 31, and June 30 of the year.~~

1 The Illinois Department may provide that county nursing homes
2 directed and maintained pursuant to Section 5-1005 of the
3 Counties Code may meet their assessment obligation by
4 certifying to the Illinois Department that county expenditures
5 have been obligated for the operation of the county nursing
6 home in an amount at least equal to the amount of the
7 assessment.

8 (a-5) Each assessment payment shall be accompanied by an
9 assessment report to be completed by the long-term care
10 provider. A separate report shall be completed for each
11 long-term care facility in this State operated by a long-term
12 care provider. The report shall be in a form and manner
13 prescribed by the Illinois Department and shall at a minimum
14 provide for the reporting of the number of occupied bed days of
15 the long-term care facility for the reporting period and other
16 reasonable information the Illinois Department requires for
17 the administration of its responsibilities under this Code. To
18 the extent practicable, the Department shall coordinate the
19 assessment reporting requirements with other reporting
20 required of long-term care facilities.

21 (b) The Illinois Department is authorized to establish
22 delayed payment schedules for long-term care providers that are
23 unable to make assessment ~~installment~~ payments when due under
24 this Section due to financial difficulties, as determined by
25 the Illinois Department. The Illinois Department may not deny a
26 request for delay of payment of the assessment imposed under

1 this Article if the long-term care provider has not been paid
2 for services provided during the month on which the assessment
3 is levied.

4 (c) If a long-term care provider fails to pay the full
5 amount of an assessment payment ~~installment~~ when due (including
6 any extensions granted under subsection (b)), there shall,
7 unless waived by the Illinois Department for reasonable cause,
8 be added to the assessment imposed by Section 5B-2 ~~for the~~
9 ~~State fiscal year~~ a penalty assessment equal to the lesser of
10 (i) 5% of the amount of the assessment payment ~~installment~~ not
11 paid on or before the due date plus 5% of the portion thereof
12 remaining unpaid on the last day of each month thereafter or
13 (ii) 100% of the assessment payment ~~installment~~ amount not paid
14 on or before the due date. For purposes of this subsection,
15 payments will be credited first to unpaid assessment payment
16 ~~installment~~ amounts (rather than to penalty or interest),
17 beginning with the most delinquent assessment payments
18 ~~installments~~. Payment cycles of longer than 60 days shall be
19 one factor the Director takes into account in granting a waiver
20 under this Section.

21 (c-5) If a long-term care provider fails to file its report
22 with payment, there shall, unless waived by the Illinois
23 Department for reasonable cause, be added to the assessment due
24 a penalty assessment equal to 25% of the assessment due.

25 (d) Nothing in this amendatory Act of 1993 shall be
26 construed to prevent the Illinois Department from collecting

1 all amounts due under this Article pursuant to an assessment
2 imposed before the effective date of this amendatory Act of
3 1993.

4 (e) Nothing in this amendatory Act of the 96th General
5 Assembly shall be construed to prevent the Illinois Department
6 from collecting all amounts due under this Code pursuant to an
7 assessment, tax, fee, or penalty imposed before the effective
8 date of this amendatory Act of the 96th General Assembly.

9 (Source: P.A. 96-444, eff. 8-14-09.)

10 (305 ILCS 5/5B-5) (from Ch. 23, par. 5B-5)

11 Sec. 5B-5. Annual reporting ~~Reporting~~; penalty;
12 maintenance of records.

13 (a) After December 31 of each year, and on or before March
14 31 of the succeeding year, every long-term care provider
15 subject to assessment under this Article shall file a report
16 ~~return~~ with the Illinois Department. ~~The return shall report~~
17 ~~the occupied bed days for the calendar year just ended and~~
18 ~~shall be utilized by the Illinois Department to calculate the~~
19 ~~assessment for the State fiscal year commencing on the next~~
20 ~~July 1, except that the return for the State fiscal year~~
21 ~~commencing July 1, 1992 and the report of occupied bed days for~~
22 ~~calendar year 1991 shall be filed on or before September 30,~~
23 ~~1992.~~ The report ~~return~~ shall be in a form and manner
24 prescribed ~~on a form prepared~~ by the Illinois Department and
25 shall state the revenue received by the long-term care

1 provider, reported in such categories as may be required by the
2 Illinois Department, and other the following:

3 ~~(1) The name of the long term care provider.~~

4 ~~(2) The address of the long term care provider's~~
5 ~~principal place of business from which the provider engages~~
6 ~~in the occupation of long term care provider in this State,~~
7 ~~and the name and address of each long term care facility~~
8 ~~operated or maintained by the provider in this State.~~

9 ~~(3) The number of occupied bed days of the long term~~
10 ~~care provider for the calendar year just ended, the amount~~
11 ~~of assessment imposed under Section 5B-2 for the State~~
12 ~~fiscal year for which the return is filed, and the amount~~
13 ~~of each quarterly installment to be paid during the State~~
14 ~~fiscal year.~~

15 ~~(4) The amount of penalty due, if any.~~

16 ~~(5) Other~~ reasonable information the Illinois
17 Department requires for the administration of its
18 responsibilities under this Code.

19 (b) If a long-term care provider operates or maintains more
20 than one long-term care facility in this State, the provider
21 may not file a single return covering all those long-term care
22 facilities, but shall file a separate return for each long-term
23 care facility and shall compute and pay the assessment for each
24 long-term care facility separately.

25 (c) Notwithstanding any other provision in this Article, in
26 the case of a person who ceases to operate or maintain a

1 long-term care facility in respect of which the person is
2 subject to assessment under this Article as a long-term care
3 provider, ~~the assessment for the State fiscal year in which the~~
4 ~~cessation occurs shall be adjusted by multiplying the~~
5 ~~assessment computed under Section 5B-2 by a fraction, the~~
6 ~~numerator of which is the number of months in the year during~~
7 ~~which the provider operates or maintains the long term care~~
8 ~~facility and the denominator of which is 12.~~ The person shall
9 file a final, amended return with the Illinois Department not
10 more than 90 days after the cessation reflecting the adjustment
11 and shall pay with the final return the assessment for the year
12 as so adjusted (to the extent not previously paid). If a person
13 fails to file a final amended return on a timely basis, there
14 shall, unless waived by the Illinois Department for reasonable
15 cause, be added to the assessment due a penalty assessment
16 equal to 25% of the assessment due.

17 (d) Notwithstanding any other provision of this Article, a
18 provider who commences operating or maintaining a long-term
19 care facility that was under a prior ownership and remained
20 licensed by the Department of Public Health shall notify the
21 Illinois Department of the change in ownership and shall be
22 responsible to immediately pay any prior amounts owed by the
23 facility. ~~shall file an initial return for the State fiscal~~
24 ~~year in which the commencement occurs within 90 days thereafter~~
25 ~~and shall pay the assessment computed under Section 5B-2 and~~
26 ~~subsection (c) in equal installments on the due date of the~~

1 ~~return and on the regular installment due dates for the State~~
2 ~~fiscal year occurring after the due date of the initial return.~~

3 (e) The Department shall develop a procedure for sharing
4 with a potential buyer of a facility information regarding
5 outstanding assessments and penalties owed by that facility.

6 ~~Notwithstanding any other provision of this Article, in the~~
7 ~~case of a long term care provider that did not operate or~~
8 ~~maintain a long term care facility throughout the calendar year~~
9 ~~preceding a State fiscal year, the assessment for that State~~
10 ~~fiscal year shall be computed on the basis of hypothetical~~
11 ~~occupied bed days for the full calendar year as determined by~~
12 ~~rules adopted by the Illinois Department (which may be based on~~
13 ~~annualization of the provider's actual occupied bed days for a~~
14 ~~portion of the calendar year, or the occupied bed days of a~~
15 ~~comparable facility for the year, including the same facility~~
16 ~~while operated by a prior provider).~~

17 (f) In the case of a long-term care provider existing as a
18 corporation or legal entity other than an individual, the
19 return filed by it shall be signed by its president,
20 vice-president, secretary, or treasurer or by its properly
21 authorized agent.

22 (g) If a long-term care provider fails to file its return
23 ~~for a State fiscal year~~ on or before the due date of the
24 return, there shall, unless waived by the Illinois Department
25 for reasonable cause, be added to the assessment imposed by
26 Section 5B-2 ~~for the State fiscal year~~ a penalty assessment

1 equal to 25% of the assessment imposed for the year.

2 (h) Every long-term care provider subject to assessment
3 under this Article shall keep records and books that will
4 permit the determination of occupied bed days on a calendar
5 year basis. All such books and records shall be kept in the
6 English language and shall, at all times during business hours
7 of the day, be subject to inspection by the Illinois Department
8 or its duly authorized agents and employees.

9 (Source: P.A. 87-861.)

10 (305 ILCS 5/5B-8) (from Ch. 23, par. 5B-8)

11 Sec. 5B-8. Long-Term Care Provider Fund.

12 (a) There is created in the State Treasury the Long-Term
13 Care Provider Fund. Interest earned by the Fund shall be
14 credited to the Fund. The Fund shall not be used to replace any
15 moneys appropriated to the Medicaid program by the General
16 Assembly.

17 (b) The Fund is created for the purpose of receiving and
18 disbursing moneys in accordance with this Article.
19 Disbursements from the Fund shall be made only as follows:

20 (1) For payments to ~~skilled or intermediate~~ nursing
21 facilities, including county nursing facilities but
22 excluding State-operated facilities, under Title XIX of
23 the Social Security Act and Article V of this Code.

24 (2) For the reimbursement of moneys collected by the
25 Illinois Department through error or mistake, ~~and for~~

1 ~~making required payments under Section 5-4.38(a)(1) if~~
2 ~~there are no moneys available for such payments in the~~
3 ~~Medicaid Long Term Care Provider Participation Fee Trust~~
4 ~~Fund.~~

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

8 (3.5) For reimbursement of expenses incurred by
9 long-term care facilities, and payment of administrative
10 expenses incurred by the Department of Public Health, in
11 relation to the conduct and analysis of background checks
12 for identified offenders under the Nursing Home Care Act.

13 (4) For payments of any amounts that are reimbursable
14 to the federal government for payments from this Fund that
15 are required to be paid by State warrant.

16 (5) For making transfers to the General Obligation Bond
17 Retirement and Interest Fund, as those transfers are
18 authorized in the proceedings authorizing debt under the
19 Short Term Borrowing Act, but transfers made under this
20 paragraph (5) shall not exceed the principal amount of debt
21 issued in anticipation of the receipt by the State of
22 moneys to be deposited into the Fund.

23 (6) For making transfers, at the direction of the
24 Director of the Governor's Office of Management and Budget
25 during each fiscal year beginning on or after July 1, 2011,
26 to other State funds in an annual amount of \$20,000,000 of

1 the tax collected pursuant to this Article for the purpose
2 of enforcement of nursing home standards, support of the
3 ombudsman program, and efforts to expand home and
4 community-based services.

5 Disbursements from the Fund, other than transfers made
6 pursuant to paragraphs (5) and (6) of this subsection ~~to the~~
7 ~~General Obligation Bond Retirement and Interest Fund~~, shall be
8 by warrants drawn by the State Comptroller upon receipt of
9 vouchers duly executed and certified by the Illinois
10 Department.

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

12 (1) All moneys collected or received by the Illinois
13 Department from the long-term care provider assessment
14 imposed by this Article.

15 (2) All federal matching funds received by the Illinois
16 Department as a result of expenditures made by the Illinois
17 Department that are attributable to moneys deposited in the
18 Fund.

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

21 (4) (Blank). ~~Any balance in the Medicaid Long Term Care~~
22 ~~Provider Participation Fee Fund in the State Treasury. The~~
23 ~~balance shall be transferred to the Fund upon certification~~
24 ~~by the Illinois Department to the State Comptroller that~~
25 ~~all of the disbursements required by Section 5-4.31(b) of~~
26 ~~this Code have been made.~~

1 (5) All other monies received for the Fund from any
2 other source, including interest earned thereon.

3 (Source: P.A. 95-707, eff. 1-11-08.)

4 (305 ILCS 5/5-4.20 rep.)

5 (305 ILCS 5/5-4.21 rep.)

6 (305 ILCS 5/5-4.22 rep.)

7 (305 ILCS 5/5-4.23 rep.)

8 (305 ILCS 5/5-4.24 rep.)

9 (305 ILCS 5/5-4.25 rep.)

10 (305 ILCS 5/5-4.26 rep.)

11 (305 ILCS 5/5-4.27 rep.)

12 (305 ILCS 5/5-4.28 rep.)

13 (305 ILCS 5/5-4.29 rep.)

14 (305 ILCS 5/5-4.30 rep.)

15 (305 ILCS 5/5-4.31 rep.)

16 (305 ILCS 5/5-4.32 rep.)

17 (305 ILCS 5/5-4.33 rep.)

18 (305 ILCS 5/5-4.34 rep.)

19 (305 ILCS 5/5-4.35 rep.)

20 (305 ILCS 5/5-4.36 rep.)

21 (305 ILCS 5/5-4.37 rep.)

22 (305 ILCS 5/5-4.38 rep.)

23 (305 ILCS 5/5-4.39 rep.)

24 (305 ILCS 5/5-5.6a rep.)

25 (305 ILCS 5/5-5.11 rep.)

1 (305 ILCS 5/5-5.21 rep.)

2 Section 35. The Illinois Public Aid Code is amended by
3 repealing Sections 5-4.20, 5-4.21, 5-4.22, 5-4.23, 5-4.24,
4 5-4.25, 5-4.26, 5-4.27, 5-4.28, 5-4.29, 5-4.30, 5-4.31,
5 5-4.32, 5-4.33, 5-4.34, 5-4.35, 5-4.36, 5-4.37, 5-4.38,
6 5-4.39, 5-5.6a, 5-5.11, and 5-5.21.

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