



96TH GENERAL ASSEMBLY

State of Illinois

2009 and 2010

SB3707

Introduced 2/11/2010, by Sen. Donne E. Trotter

SYNOPSIS AS INTRODUCED:

30 ILCS 105/25

from Ch. 127, par. 161

Amends the State Finance Act. Provides that, for certain medical payments, outstanding liabilities as of June 30, payable from appropriations that have otherwise expired, may be paid out of the expiring appropriations during the 4-month period ending at the close of business on October 31. Provides that, beginning on July 1, 2010, all outstanding liabilities for those medical payments incurred during a previous fiscal year, not payable during the 4-month lapse period, are limited to an aggregate amount of payments totaling no more than \$800,000,000 for claims that were incurred and the claim therefor received in the previous fiscal year. Provides that, beginning on July 1, 2011, all outstanding liabilities for those medical payments incurred during a previous year, not payable during the 4-month lapse period, are limited to an aggregate amount of payments totaling no more than \$400,000,000 for claims that were incurred and the claim therefor received in the previous fiscal year. Provides that, beginning on July 1, 2012, all outstanding liabilities for those medical payments, not payable during the 4-month lapse period, that are made from appropriations for that purpose for any fiscal year, without regard to the fact that the medical care services being compensated for by those payments may have been rendered in a prior fiscal year, are limited to only those claims that have been incurred but the claim therefor not received. Effective July 1, 2010.

LRB096 20613 RCE 36321 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning finance.

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

4 Section 5. The State Finance Act is amended by changing
5 Section 25 as follows:

6 (30 ILCS 105/25) (from Ch. 127, par. 161)

7 Sec. 25. Fiscal year limitations.

8 (a) All appropriations shall be available for expenditure
9 for the fiscal year or for a lesser period if the Act making
10 that appropriation so specifies. A deficiency or emergency
11 appropriation shall be available for expenditure only through
12 June 30 of the year when the Act making that appropriation is
13 enacted unless that Act otherwise provides.

14 (b) Outstanding liabilities as of June 30, payable from
15 appropriations which have otherwise expired, may be paid out of
16 the expiring appropriations during the 2-month period ending at
17 the close of business on August 31. Any service involving
18 professional or artistic skills or any personal services by an
19 employee whose compensation is subject to income tax
20 withholding must be performed as of June 30 of the fiscal year
21 in order to be considered an "outstanding liability as of June
22 30" that is thereby eligible for payment out of the expiring
23 appropriation.

1 However, payment of tuition reimbursement claims under
2 Section 14-7.03 or 18-3 of the School Code may be made by the
3 State Board of Education from its appropriations for those
4 respective purposes for any fiscal year, even though the claims
5 reimbursed by the payment may be claims attributable to a prior
6 fiscal year, and payments may be made at the direction of the
7 State Superintendent of Education from the fund from which the
8 appropriation is made without regard to any fiscal year
9 limitations.

10 Medical payments may be made by the Department of Veterans'
11 Affairs from its appropriations for those purposes for any
12 fiscal year, without regard to the fact that the medical
13 services being compensated for by such payment may have been
14 rendered in a prior fiscal year.

15 Medical payments may be made by the Department of
16 Healthcare and Family Services and medical payments and child
17 care payments may be made by the Department of Human Services
18 (as successor to the Department of Public Aid) from
19 appropriations for those purposes for any fiscal year, without
20 regard to the fact that the medical or child care services
21 being compensated for by such payment may have been rendered in
22 a prior fiscal year; and payments may be made at the direction
23 of the Department of Central Management Services from the
24 Health Insurance Reserve Fund and the Local Government Health
25 Insurance Reserve Fund without regard to any fiscal year
26 limitations.

1 Medical payments may be made by the Department of Human
2 Services from its appropriations relating to substance abuse
3 treatment services for any fiscal year, without regard to the
4 fact that the medical services being compensated for by such
5 payment may have been rendered in a prior fiscal year, provided
6 the payments are made on a fee-for-service basis consistent
7 with requirements established for Medicaid reimbursement by
8 the Department of Healthcare and Family Services.

9 Additionally, payments may be made by the Department of
10 Human Services from its appropriations, or any other State
11 agency from its appropriations with the approval of the
12 Department of Human Services, from the Immigration Reform and
13 Control Fund for purposes authorized pursuant to the
14 Immigration Reform and Control Act of 1986, without regard to
15 any fiscal year limitations.

16 Further, with respect to costs incurred in fiscal years
17 2002 and 2003 only, payments may be made by the State Treasurer
18 from its appropriations from the Capital Litigation Trust Fund
19 without regard to any fiscal year limitations.

20 Lease payments may be made by the Department of Central
21 Management Services under the sale and leaseback provisions of
22 Section 7.4 of the State Property Control Act with respect to
23 the James R. Thompson Center and the Elgin Mental Health Center
24 and surrounding land from appropriations for that purpose
25 without regard to any fiscal year limitations.

26 Lease payments may be made under the sale and leaseback

1 provisions of Section 7.5 of the State Property Control Act
2 with respect to the Illinois State Toll Highway Authority
3 headquarters building and surrounding land without regard to
4 any fiscal year limitations.

5 (c) Further, payments may be made by the Department of
6 Public Health and the Department of Human Services (acting as
7 successor to the Department of Public Health under the
8 Department of Human Services Act) from their respective
9 appropriations for grants for medical care to or on behalf of
10 persons suffering from chronic renal disease, persons
11 suffering from hemophilia, rape victims, and premature and
12 high-mortality risk infants and their mothers and for grants
13 for supplemental food supplies provided under the United States
14 Department of Agriculture Women, Infants and Children
15 Nutrition Program, for any fiscal year without regard to the
16 fact that the services being compensated for by such payment
17 may have been rendered in a prior fiscal year.

18 (c -1) For all medical payments, as described in paragraphs
19 (b) and (c) of this Section, outstanding liabilities as of June
20 30, payable from appropriations that have otherwise expired,
21 may be paid out of the expiring appropriations during the
22 4-month period ending at the close of business on October 31.

23 (c-2) Beginning on July 1, 2010, all outstanding
24 liabilities for medical payments incurred during a previous
25 fiscal year, not payable during the 4-month lapse period as
26 described in subsection (c-1), are limited to an aggregate

1 amount of payments totaling no more than \$800,000,000 for
2 claims that were incurred and the claim therefor received in
3 the previous fiscal year. Beginning on July 1, 2011, all
4 outstanding liabilities for medical payments incurred during a
5 previous year, not payable during the 4-month lapse period as
6 described in subsection (c-1), are limited to an aggregate
7 amount of payments totaling no more than \$400,000,000 for
8 claims that were incurred and the claim therefor received in
9 the previous fiscal year.

10 (c-3) Beginning on July 1, 2012, all outstanding
11 liabilities for medical payments, not payable during the
12 4-month lapse period as described in subsection (c-1), that are
13 made from appropriations for that purpose for any fiscal year,
14 without regard to the fact that the medical care services being
15 compensated for by those payments may have been rendered in a
16 prior fiscal year, are limited to only those claims that have
17 been incurred but the claim therefor not received.

18 (d) The Department of Public Health and the Department of
19 Human Services (acting as successor to the Department of Public
20 Health under the Department of Human Services Act) shall each
21 annually submit to the State Comptroller, Senate President,
22 Senate Minority Leader, Speaker of the House, House Minority
23 Leader, and the respective Chairmen and Minority Spokesmen of
24 the Appropriations Committees of the Senate and the House, on
25 or before December 31, a report of fiscal year funds used to
26 pay for services provided in any prior fiscal year. This report

1 shall document by program or service category those
2 expenditures from the most recently completed fiscal year used
3 to pay for services provided in prior fiscal years.

4 (e) The Department of Healthcare and Family Services, the
5 Department of Human Services (acting as successor to the
6 Department of Public Aid), and the Department of Human Services
7 making fee-for-service payments relating to substance abuse
8 treatment services provided during a previous fiscal year shall
9 each annually submit to the State Comptroller, Senate
10 President, Senate Minority Leader, Speaker of the House, House
11 Minority Leader, the respective Chairmen and Minority
12 Spokesmen of the Appropriations Committees of the Senate and
13 the House, on or before November 30, a report that shall
14 document by program or service category those expenditures from
15 the most recently completed fiscal year used to pay for (i)
16 services provided in prior fiscal years and (ii) services for
17 which claims were received in prior fiscal years.

18 (f) The Department of Human Services (as successor to the
19 Department of Public Aid) shall annually submit to the State
20 Comptroller, Senate President, Senate Minority Leader, Speaker
21 of the House, House Minority Leader, and the respective
22 Chairmen and Minority Spokesmen of the Appropriations
23 Committees of the Senate and the House, on or before December
24 31, a report of fiscal year funds used to pay for services
25 (other than medical care) provided in any prior fiscal year.
26 This report shall document by program or service category those

1 expenditures from the most recently completed fiscal year used
2 to pay for services provided in prior fiscal years.

3 (g) In addition, each annual report required to be
4 submitted by the Department of Healthcare and Family Services
5 under subsection (e) shall include the following information
6 with respect to the State's Medicaid program:

7 (1) Explanations of the exact causes of the variance
8 between the previous year's estimated and actual
9 liabilities.

10 (2) Factors affecting the Department of Healthcare and
11 Family Services' liabilities, including but not limited to
12 numbers of aid recipients, levels of medical service
13 utilization by aid recipients, and inflation in the cost of
14 medical services.

15 (3) The results of the Department's efforts to combat
16 fraud and abuse.

17 (h) As provided in Section 4 of the General Assembly
18 Compensation Act, any utility bill for service provided to a
19 General Assembly member's district office for a period
20 including portions of 2 consecutive fiscal years may be paid
21 from funds appropriated for such expenditure in either fiscal
22 year.

23 (i) An agency which administers a fund classified by the
24 Comptroller as an internal service fund may issue rules for:

25 (1) billing user agencies in advance for payments or
26 authorized inter-fund transfers based on estimated charges

1 for goods or services;

2 (2) issuing credits, refunding through inter-fund
3 transfers, or reducing future inter-fund transfers during
4 the subsequent fiscal year for all user agency payments or
5 authorized inter-fund transfers received during the prior
6 fiscal year which were in excess of the final amounts owed
7 by the user agency for that period; and

8 (3) issuing catch-up billings to user agencies during
9 the subsequent fiscal year for amounts remaining due when
10 payments or authorized inter-fund transfers received from
11 the user agency during the prior fiscal year were less than
12 the total amount owed for that period.

13 User agencies are authorized to reimburse internal service
14 funds for catch-up billings by vouchers drawn against their
15 respective appropriations for the fiscal year in which the
16 catch-up billing was issued or by increasing an authorized
17 inter-fund transfer during the current fiscal year. For the
18 purposes of this Act, "inter-fund transfers" means transfers
19 without the use of the voucher-warrant process, as authorized
20 by Section 9.01 of the State Comptroller Act.

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

22 Section 99. Effective date. This Act takes effect July 1,
23 2010.