

1 AN ACT concerning public aid.

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

4 Section 5. The Illinois Public Aid Code is amended by
5 changing Section 8A-2.5 as follows:

6 (305 ILCS 5/8A-2.5)

7 Sec. 8A-2.5. Unauthorized use of medical assistance.

8 (a) Any person who knowingly uses, acquires, possesses, or
9 transfers a medical card in any manner not authorized by law or
10 by rules and regulations of the Illinois Department, or who
11 knowingly alters a medical card, or who knowingly uses,
12 acquires, possesses, or transfers an altered medical card, is
13 guilty of a violation of this Article and shall be punished as
14 provided in Section 8A-6.

15 (b) Any person who knowingly obtains unauthorized medical
16 benefits with or without use of a medical card is guilty of a
17 violation of this Article and shall be punished as provided in
18 Section 8A-6.

19 (c) The Department may seek to recover any and all State
20 and federal monies for which it has improperly and erroneously
21 paid benefits as a result of a fraudulent action and any civil
22 penalties authorized in this Section. Pursuant to Section
23 11-14.5 of this Code, the Department may determine the monetary

1 value of benefits improperly and erroneously received. The
2 Department may recover the monies paid for such benefits and
3 interest on that amount at the rate of 5% per annum for the
4 period from which payment was made to the date upon which
5 repayment is made to the State. Prior to the recovery of any
6 amount paid for benefits allegedly obtained by fraudulent
7 means, the recipient of such benefits shall be afforded an
8 opportunity for a hearing after reasonable notice. The notice
9 shall be served personally or by certified or registered mail
10 or as otherwise provided by law upon the parties or their
11 agents appointed to receive service of process and shall
12 include the following:

13 (1) A statement of the time, place and nature of the
14 hearing.

15 (2) A statement of the legal authority and jurisdiction
16 under which the hearing is to be held.

17 (3) A reference to the particular Sections of the
18 substantive and procedural statutes and rules involved.

19 (4) Except where a more detailed statement is otherwise
20 provided for by law, a short and plain statement of the
21 matters asserted, the consequences of a failure to respond,
22 and the official file or other reference number.

23 (5) A statement of the monetary value of the benefits
24 fraudulently received by the person accused.

25 (6) A statement that, in addition to any other
26 penalties provided by law, a civil penalty in an amount not

1 to exceed \$2,000 may be imposed for each fraudulent claim
2 for benefits or payments.

3 (7) A statement providing that the determination of the
4 monetary value may be contested by petitioning the
5 Department for an administrative hearing within 30 days
6 from the date of mailing the notice.

7 (8) The names and mailing addresses of the
8 administrative law judge, all parties, and all other
9 persons to whom the agency gives notice of the hearing
10 unless otherwise confidential by law.

11 An opportunity shall be afforded all parties to be
12 represented by legal counsel and to respond and present
13 evidence and argument.

14 Unless precluded by law, disposition may be made of any
15 contested case by stipulation, agreed settlement, consent
16 order, or default.

17 Any final order, decision, or other determination made,
18 issued or executed by the Director under the provisions of this
19 Article whereby any person is aggrieved shall be subject to
20 review in accordance with the provisions of the Administrative
21 Review Law, and the rules adopted pursuant thereto, which shall
22 apply to and govern all proceedings for the judicial review of
23 final administrative decisions of the Director.

24 Upon entry of a final administrative decision for repayment
25 of any benefits obtained by fraudulent means, or for any civil
26 penalties assessed, a lien shall attach to all property and

1 assets of such person, firm, corporation, association, agency,
2 institution, or other legal entity until the judgment is
3 satisfied.

4 Within 18 ~~12~~ months of the effective date of this
5 amendatory Act of the 96th General Assembly, the Department of
6 Healthcare and Family Services will report to the General
7 Assembly on the number of fraud cases identified and pursued,
8 and the fines assessed and collected. The report will also
9 include the Department's analysis as to the use of private
10 sector resources to bring action, investigate, and collect
11 monies owed.

12 (Source: P.A. 96-1501, eff. 1-25-11.)