



Rep. Chapin Rose

Filed: 3/7/2011

09700HB1077ham001

LRB097 05581 KTG 52115 a

1 AMENDMENT TO HOUSE BILL 1077

2 AMENDMENT NO. _____. Amend House Bill 1077 by replacing
3 everything after the enacting clause with the following:

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

1 violation of this Article and shall be punished as provided in
2 Section 8A-6.

3 (c) The Department may seek to recover any and all State
4 and federal monies for which it has improperly and erroneously
5 paid benefits as a result of a fraudulent action and any civil
6 penalties authorized in this Section. Pursuant to Section
7 11-14.5 of this Code, the Department may determine the monetary
8 value of benefits improperly and erroneously received. The
9 Department may recover the monies paid for such benefits and
10 interest on that amount at the rate of 5% per annum for the
11 period from which payment was made to the date upon which
12 repayment is made to the State. Prior to the recovery of any
13 amount paid for benefits allegedly obtained by fraudulent
14 means, the recipient of such benefits shall be afforded an
15 opportunity for a hearing after reasonable notice. The notice
16 shall be served personally or by certified or registered mail
17 or as otherwise provided by law upon the parties or their
18 agents appointed to receive service of process and shall
19 include the following:

20 (1) A statement of the time, place and nature of the
21 hearing.

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

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

26 (4) Except where a more detailed statement is otherwise

1 provided for by law, a short and plain statement of the
2 matters asserted, the consequences of a failure to respond,
3 and the official file or other reference number.

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

6 (6) A statement that, in addition to any other
7 penalties provided by law, a civil penalty in an amount not
8 to exceed \$2,000 may be imposed for each fraudulent claim
9 for benefits or payments.

10 (7) A statement providing that the determination of the
11 monetary value may be contested by petitioning the
12 Department for an administrative hearing within 30 days
13 from the date of mailing the notice.

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

18 An opportunity shall be afforded all parties to be
19 represented by legal counsel and to respond and present
20 evidence and argument.

21 Unless precluded by law, disposition may be made of any
22 contested case by stipulation, agreed settlement, consent
23 order, or default.

24 Any final order, decision, or other determination made,
25 issued or executed by the Director under the provisions of this
26 Article whereby any person is aggrieved shall be subject to

1 review in accordance with the provisions of the Administrative
2 Review Law, and the rules adopted pursuant thereto, which shall
3 apply to and govern all proceedings for the judicial review of
4 final administrative decisions of the Director.

5 Upon entry of a final administrative decision for repayment
6 of any benefits obtained by fraudulent means, or for any civil
7 penalties assessed, a lien shall attach to all property and
8 assets of such person, firm, corporation, association, agency,
9 institution, or other legal entity until the judgment is
10 satisfied.

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

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