

1 AN ACT concerning public aid.

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

4 Section 5. The Illinois Public Aid Code is amended by
5 adding Section 5-1.2a as follows:

6 (305 ILCS 5/5-1.2a new)

7 Sec. 5-1.2a. Income and Identity Verification System.

8 (a) Within 6 months after the effective date of this
9 amendatory Act of the 97th General Assembly, the Department
10 shall establish uniform procedures to identify, investigate,
11 and resolve potential cases of fraud, misrepresentation, or
12 inadequate documentation prior to determining an applicant's
13 eligibility for assistance under this Article. The procedures
14 shall ensure that every case is reviewed. Each review shall
15 include utilization of the income and identity verification
16 system established under this Section.

17 (b) The Department shall establish a computerized income
18 and identity eligibility verification system in order to verify
19 eligibility, eliminate duplication of assistance, and deter
20 fraud.

21 (c) Prior to awarding or continuing assistance under this
22 Article, the Department shall, to the extent such databases are
23 available to the Department, match the name, date of birth, and

1 social security number of each applicant and recipient against
2 the following:

3 (1) Unearned income information maintained by the
4 Internal Revenue Service.

5 (2) Employer quarterly reports of income and
6 unemployment insurance payment information maintained by
7 the Department of Employment Security.

8 (3) Earned income information maintained by the Social
9 Security Administration.

10 (4) Immigration status information maintained by the
11 United States Citizenship and Immigration Services.

12 (5) Death register information maintained by the
13 Social Security Administration.

14 (6) Prisoner information maintained by the Social
15 Security Administration.

16 (7) Public housing and Section 8 Housing Assistance
17 payment information maintained by the Department of
18 Housing and Urban Development.

19 (8) National fleeing felon information maintained by
20 the Federal Bureau of Investigation.

21 (9) Wage reporting and similar information maintained
22 by states contiguous to this State.

23 (10) Beneficiary records and earnings information
24 maintained by the Social Security Administration in its
25 Beneficiary and Earnings Data Exchange (BENDEX) database.

26 (11) Earnings and pension information maintained by

1 the Social Security Administration in its Beneficiary
2 Earnings Exchange Record System (BEERS) database.

3 (12) Employment information maintained by the
4 Department of Employment Security in its New Hire Directory
5 database.

6 (13) Employment information maintained by the United
7 States Department of Health and Human Services in its
8 National Directory of New Hires database.

9 (14) Supplemental Security Income information
10 maintained by the Social Security Administration in its
11 State Data Exchange (SDX) database.

12 (15) Veterans' benefits information maintained by the
13 United States Department of Health and Human Services, in
14 coordination with the Department of Health and Human
15 Services and the Department of Veterans' Affairs, in the
16 federal Public Assistance Reporting Information System
17 (PARIS) database.

18 (16) Child care services information maintained by the
19 Department of Health and Human Services under its child
20 care assistance program.

21 (17) Utility payments information maintained by the
22 Department of Commerce and Economic Opportunity under the
23 Low Income Home Energy Assistance Program.

24 (18) A database which is substantially similar to or a
25 successor of a database established in this Section.

26 (19) A database of all persons who currently hold a

1 license, permit, or certificate from a State agency.

2 (d) Prior to awarding or continuing assistance under this
3 Article, the Department shall match the name, date of birth,
4 and social security number of each applicant and recipient
5 against the following public records:

6 (1) A nationwide public records data source of physical
7 asset ownership such as real property, automobiles,
8 watercraft, aircraft, and luxury vehicles.

9 (2) A nationwide public records data source of
10 incarcerated individuals.

11 (3) A nationwide best-address and driver's license
12 data source to verify individuals are residents of the
13 State.

14 (4) A comprehensive public records database that
15 identifies potential identity fraud or identity theft that
16 can closely associate name, social security number, date of
17 birth, phone, and address information.

18 (e) If a discrepancy results between an applicant's or
19 recipient's social security number and one or more of the
20 databases or information tools listed under subsection (b),
21 (c), or (d), the Department shall review the applicant's or
22 recipient's case using the following procedures:

23 (1) If the information discovered under subsections
24 (c) and (d) does not result in the Department finding the
25 applicant or recipient ineligible for assistance under
26 this Article, the Department shall take no further action.

1 (2) If the information discovered results in the
2 Department finding the applicant or recipient ineligible
3 for assistance, the applicant or recipient shall be given
4 an opportunity to explain the discrepancy. The Department
5 shall provide written notice to the applicant or recipient
6 which shall describe in sufficient detail the
7 circumstances of the discrepancy, the manner in which the
8 applicant or recipient may respond, and the consequences of
9 failing to take action. The applicant or recipient shall
10 have 10 business days to respond in an attempt to resolve
11 the discrepancy. The explanation provided by the recipient
12 or applicant shall be given in writing. After receiving the
13 explanation, the Department may request additional
14 documentation if it determines that there is a substantial
15 risk of fraud.

16 (3) If the applicant or recipient does not respond to
17 the notice, the Department shall deny assistance for
18 failure to cooperate, in which case the Department shall
19 provide notice of intent to discontinue assistance.
20 Eligibility for assistance shall not be reestablished
21 until the discrepancy has been resolved.

22 (4) If an applicant or recipient responds to the notice
23 and disagrees with the findings of the match between his or
24 her social security number and one or more databases or
25 information tools listed under this Section, the
26 Department shall reinvestigate the matter. If the

1 Department finds that there has been an error, the
2 Department shall take immediate action to correct it and no
3 further action shall be taken. If, after an investigation,
4 the Department determines that there is no error, the
5 Department shall determine the effect on the applicant's or
6 recipient's case and take appropriate action. Written
7 notice of the Department's action shall be given to the
8 applicant or recipient.

9 (5) If the applicant or recipient agrees with the
10 findings of the match between the applicant's or
11 recipient's social security number and one or more
12 databases or information tools listed under this Section,
13 the Department shall determine the effect on the
14 applicant's or recipient's case and take appropriate
15 action. Written notice of the Department's action shall be
16 given to the applicant or recipient. In no case shall the
17 Department discontinue medical assistance coverage as a
18 result of a match between the applicant's or recipient's
19 social security number and one more databases or
20 information tools listed under this Section until the
21 applicant or recipient has been given notice of the
22 discrepancy and the opportunity to respond.

23 (6) The applicant or recipient shall have an
24 opportunity for a fair hearing in the event of any adverse
25 action affecting eligibility for assistance under this
26 Article.

1 (f) The Department may contract with third party entities
2 to perform the review of such enrollees as authorized under
3 this Section or to provide information to facilitate such
4 reviews.

5 (g) The Department shall adopt any rules necessary to
6 implement this Section.

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