

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 (b-1) However, payment of tuition reimbursement claims
2 under Section 14-7.03 or 18-3 of the School Code may be made by
3 the 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, except as required by subsection (j) of this
10 Section. Beginning on June 30, 2021, payment of tuition
11 reimbursement claims under Section 14-7.03 or 18-3 of the
12 School Code as of June 30, payable from appropriations that
13 have otherwise expired, may be paid out of the expiring
14 appropriation during the 4-month period ending at the close of
15 business on October 31.

16 (b-2) All outstanding liabilities as of June 30, 2010,
17 payable from appropriations that would otherwise expire at the
18 conclusion of the lapse period for fiscal year 2010, and
19 interest penalties payable on those liabilities under the State
20 Prompt Payment Act, may be paid out of the expiring
21 appropriations until December 31, 2010, without regard to the
22 fiscal year in which the payment is made, as long as vouchers
23 for the liabilities are received by the Comptroller no later
24 than August 31, 2010.

25 (b-2.5) All outstanding liabilities as of June 30, 2011,
26 payable from appropriations that would otherwise expire at the

1 conclusion of the lapse period for fiscal year 2011, and
2 interest penalties payable on those liabilities under the State
3 Prompt Payment Act, may be paid out of the expiring
4 appropriations until December 31, 2011, without regard to the
5 fiscal year in which the payment is made, as long as vouchers
6 for the liabilities are received by the Comptroller no later
7 than August 31, 2011.

8 (b-3) Medical payments may be made by the Department of
9 Veterans' Affairs from its appropriations for those purposes
10 for any fiscal year, without regard to the fact that the
11 medical services being compensated for by such payment may have
12 been rendered in a prior fiscal year, except as required by
13 subsection (j) of this Section. Beginning on June 30, 2021,
14 medical payments payable from appropriations that have
15 otherwise expired may be paid out of the expiring appropriation
16 during the 4-month period ending at the close of business on
17 October 31.

18 (b-4) Medical payments ~~may be made by the Department of~~
19 ~~Healthcare and Family Services and medical payments~~ and child
20 care payments may be made by the Department of Human Services
21 (as successor to the Department of Public Aid) from
22 appropriations for those purposes for any fiscal year, without
23 regard to the fact that the medical or child care services
24 being compensated for by such payment may have been rendered in
25 a prior fiscal year; and payments may be made at the direction
26 of the Department of Healthcare and Family Services (or

1 successor agency) from the Health Insurance Reserve Fund ~~and~~
2 ~~the Local Government Health Insurance Reserve Fund~~ without
3 regard to any fiscal year limitations, except as required by
4 subsection (j) of this Section. Beginning on June 30, 2021,
5 medical and ~~payments made by the Department of Healthcare and~~
6 ~~Family Services,~~ child care payments made by the Department of
7 Human Services, and payments made at the discretion of the
8 Department of Healthcare and Family Services (or successor
9 agency) from the Health Insurance Reserve Fund and ~~the Local~~
10 ~~Government Health Insurance Reserve Fund~~ payable from
11 appropriations that have otherwise expired may be paid out of
12 the expiring appropriation during the 4-month period ending at
13 the close of business on October 31.

14 (b-5) Medical payments may be made by the Department of
15 Human Services from its appropriations relating to substance
16 abuse treatment services for any fiscal year, without regard to
17 the fact that the medical services being compensated for by
18 such payment may have been rendered in a prior fiscal year,
19 provided the payments are made on a fee-for-service basis
20 consistent with requirements established for Medicaid
21 reimbursement by the Department of Healthcare and Family
22 Services, except as required by subsection (j) of this Section.
23 Beginning on June 30, 2021, medical payments made by the
24 Department of Human Services relating to substance abuse
25 treatment services payable from appropriations that have
26 otherwise expired may be paid out of the expiring appropriation

1 during the 4-month period ending at the close of business on
2 October 31.

3 (b-6) Additionally, payments may be made by the Department
4 of Human Services from its appropriations, or any other State
5 agency from its appropriations with the approval of the
6 Department of Human Services, from the Immigration Reform and
7 Control Fund for purposes authorized pursuant to the
8 Immigration Reform and Control Act of 1986, without regard to
9 any fiscal year limitations, except as required by subsection
10 (j) of this Section. Beginning on June 30, 2021, payments made
11 by the Department of Human Services from the Immigration Reform
12 and Control Fund for purposes authorized pursuant to the
13 Immigration Reform and Control Act of 1986 payable from
14 appropriations that have otherwise expired may be paid out of
15 the expiring appropriation during the 4-month period ending at
16 the close of business on October 31.

17 (b-7) Payments may be made in accordance with a plan
18 authorized by paragraph (11) or (12) of Section 405-105 of the
19 Department of Central Management Services Law from
20 appropriations for those payments without regard to fiscal year
21 limitations.

22 (c) Further, payments may be made by the Department of
23 Public Health and ~~the~~ Department of Human Services (acting as
24 successor to the Department of Public Health under the
25 Department of Human Services Act), ~~and the Department of~~
26 ~~Healthcare and Family Services~~ from their respective

1 appropriations for grants for medical care to or on behalf of
2 ~~persons suffering from chronic renal disease, persons~~
3 ~~suffering from hemophilia, rape victims, and~~ premature and
4 high-mortality risk infants and their mothers and for grants
5 for supplemental food supplies provided under the United States
6 Department of Agriculture Women, Infants and Children
7 Nutrition Program, for any fiscal year without regard to the
8 fact that the services being compensated for by such payment
9 may have been rendered in a prior fiscal year, except as
10 required by subsection (j) of this Section. Beginning on June
11 30, 2021, payments made by the Department of Public Health and
12 ~~the Department of Human Services, and the Department of~~
13 ~~Healthcare and Family Services~~ from their respective
14 appropriations for grants for medical care to or on behalf of
15 ~~persons suffering from chronic renal disease, persons~~
16 ~~suffering from hemophilia, rape victims, and~~ premature and
17 high-mortality risk infants and their mothers and for grants
18 for supplemental food supplies provided under the United States
19 Department of Agriculture Women, Infants and Children
20 Nutrition Program payable from appropriations that have
21 otherwise expired may be paid out of the expiring
22 appropriations during the 4-month period ending at the close of
23 business on October 31.

24 (d) The Department of Public Health and the Department of
25 Human Services (acting as successor to the Department of Public
26 Health under the Department of Human Services Act) shall each

1 annually submit to the State Comptroller, Senate President,
2 Senate Minority Leader, Speaker of the House, House Minority
3 Leader, and the respective Chairmen and Minority Spokesmen of
4 the Appropriations Committees of the Senate and the House, on
5 or before December 31, a report of fiscal year funds used to
6 pay for services provided in any prior fiscal year. This report
7 shall document by program or service category those
8 expenditures from the most recently completed fiscal year used
9 to pay for services provided in prior fiscal years.

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

24 (f) The Department of Human Services (as successor to the
25 Department of Public Aid) shall annually submit to the State
26 Comptroller, Senate President, Senate Minority Leader, Speaker

1 of the House, House Minority Leader, and the respective
2 Chairmen and Minority Spokesmen of the Appropriations
3 Committees of the Senate and the House, on or before December
4 31, a report of fiscal year funds used to pay for services
5 (other than medical care) provided in any prior fiscal year.
6 This report shall document by program or service category those
7 expenditures from the most recently completed fiscal year used
8 to pay for services provided in prior fiscal years.

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

13 (1) Explanations of the exact causes of the variance
14 between the previous year's estimated and actual
15 liabilities.

16 (2) Factors affecting the Department of Healthcare and
17 Family Services' liabilities, including but not limited to
18 numbers of aid recipients, levels of medical service
19 utilization by aid recipients, and inflation in the cost of
20 medical services.

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

23 (h) As provided in Section 4 of the General Assembly
24 Compensation Act, any utility bill for service provided to a
25 General Assembly member's district office for a period
26 including portions of 2 consecutive fiscal years may be paid

1 from funds appropriated for such expenditure in either fiscal
2 year.

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

5 (1) billing user agencies in advance for payments or
6 authorized inter-fund transfers based on estimated charges
7 for goods or services;

8 (2) issuing credits, refunding through inter-fund
9 transfers, or reducing future inter-fund transfers during
10 the subsequent fiscal year for all user agency payments or
11 authorized inter-fund transfers received during the prior
12 fiscal year which were in excess of the final amounts owed
13 by the user agency for that period; and

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

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

1 (i-1) Beginning on July 1, 2021, all outstanding
2 liabilities, not payable during the 4-month lapse period as
3 described in subsections (b-1), (b-3), (b-4), (b-5), (b-6), and
4 (c) of this Section, that are made from appropriations for that
5 purpose for any fiscal year, without regard to the fact that
6 the services being compensated for by those payments may have
7 been rendered in a prior fiscal year, are limited to only those
8 claims that have been incurred but for which a proper bill or
9 invoice as defined by the State Prompt Payment Act has not been
10 received by September 30th following the end of the fiscal year
11 in which the service was rendered.

12 (j) Notwithstanding any other provision of this Act, the
13 aggregate amount of payments to be made without regard for
14 fiscal year limitations as contained in subsections (b-1),
15 (b-3), (b-4), (b-5), (b-6), and (c) of this Section, and
16 determined by using Generally Accepted Accounting Principles,
17 shall not exceed the following amounts:

18 (1) \$6,000,000,000 for outstanding liabilities related
19 to fiscal year 2012;

20 (2) \$5,300,000,000 for outstanding liabilities related
21 to fiscal year 2013;

22 (3) \$4,600,000,000 for outstanding liabilities related
23 to fiscal year 2014;

24 (4) \$4,000,000,000 for outstanding liabilities related
25 to fiscal year 2015;

26 (5) \$3,300,000,000 for outstanding liabilities related

1 to fiscal year 2016;

2 (6) \$2,600,000,000 for outstanding liabilities related
3 to fiscal year 2017;

4 (7) \$2,000,000,000 for outstanding liabilities related
5 to fiscal year 2018;

6 (8) \$1,300,000,000 for outstanding liabilities related
7 to fiscal year 2019;

8 (9) \$600,000,000 for outstanding liabilities related
9 to fiscal year 2020; and

10 (10) \$0 for outstanding liabilities related to fiscal
11 year 2021 and fiscal years thereafter.

12 (k) Department of Healthcare and Family Services Medical
13 Assistance Payments.

14 (1) Definition of Medical Assistance.

15 For purposes of this subsection, the term "Medical
16 Assistance" shall include, but not necessarily be
17 limited to, medical programs and services authorized
18 under Titles XIX and XXI of the Social Security Act,
19 the Illinois Public Aid Code, the Children's Health
20 Insurance Program Act, the Covering ALL KIDS Health
21 Insurance Act, the Long Term Acute Care Hospital
22 Quality Improvement Transfer Program Act, and medical
23 care to or on behalf of persons suffering from chronic
24 renal disease, persons suffering from hemophilia and
25 victims of sexual assault.

26 (2) Limitations on Medical Assistance payments that

1 may be paid from future fiscal year appropriations.

2 (A) The maximum amounts of annual unpaid Medical
3 Assistance bills received and recorded by the
4 Department of Healthcare and Family Services on or
5 before June 30th of a particular fiscal year
6 attributable in aggregate to the General Revenue Fund,
7 Healthcare Provider Relief Fund, Tobacco Settlement
8 Recovery Fund, Long-Term Care Provider Fund, and the
9 Drug Rebate Fund that may be paid in total by the
10 Department from future fiscal year Medical Assistance
11 appropriations to those funds are: \$700,000,000 for
12 fiscal year 2013 and \$100,000,000 for fiscal year 2014
13 and each fiscal year thereafter.

14 (B) Bills for Medical Assistance services rendered
15 in a particular fiscal year, but received and recorded
16 by the Department of Healthcare and Family Services
17 after June 30th of that fiscal year, may be paid from
18 either appropriations for that fiscal year or future
19 fiscal year appropriations for Medical Assistance.
20 Such payments shall not be subject to the requirements
21 of subparagraph (A).

22 (C) Medical Assistance bills received by the
23 Department of Healthcare and Family Services in a
24 particular fiscal year, but subject to payment amount
25 adjustments in a future fiscal year may be paid from a
26 future fiscal year's appropriation for Medical

1 Assistance. Such payments shall not be subject to the
2 requirements of subparagraph (A).

3 (D) Medical Assistance payments made by the
4 Department of Healthcare and Family Services from
5 funds other than those specifically referenced in
6 subparagraph (A) may be made from appropriations for
7 those purposes for any fiscal year without regard to
8 the fact that the Medical Assistance services being
9 compensated for by such payment may have been rendered
10 in a prior fiscal year. Such payments shall not be
11 subject to the requirements of subparagraph (A).

12 (3) Extended lapse period for Department of Healthcare
13 and Family Services Medical Assistance payments.
14 Notwithstanding any other State law to the contrary,
15 outstanding Department of Healthcare and Family Services
16 Medical Assistance liabilities, as of June 30th, payable
17 from appropriations which have otherwise expired, may be
18 paid out of the expiring appropriations during the 6-month
19 period ending at the close of business on December 31st.

20 (1) The changes to this Section made by this amendatory Act
21 of the 97th General Assembly shall be effective for payment of
22 Medical Assistance bills incurred in fiscal year 2013 and
23 future fiscal years. The changes to this Section made by this
24 amendatory Act of the 97th General Assembly shall not be
25 applied to Medical Assistance bills incurred in fiscal year
26 2012 or prior fiscal years.

1 (Source: P.A. 96-928, eff. 6-15-10; 96-958, eff. 7-1-10;
2 96-1501, eff. 1-25-11; 97-75, eff. 6-30-11; 97-333, eff.
3 8-12-11.)

4 Section 98. This Act does not take effect at all unless
5 both House Bill 5007, as amended, of the 97th General Assembly
6 and Senate Bill 2840, as amended, of the 97th General Assembly
7 become law.

8 Section 99. Effective date. This Act takes effect July 1,
9 2012.