# HB1519

LRB09807590KTG37661b

## 98TH GENERAL ASSEMBLY

## State of Illinois

## 2013 and 2014

### HB1519

by Rep. Cynthia Soto

## SYNOPSIS AS INTRODUCED:

305 ILCS 5/5-5f

Amends the Medical Assistance Article of the Illinois Public Aid Code. Provides that in the event hospitals are deemed not to have reached the $40,000,000 in reduced expenditures as set forth under the Code, then for any individual hospital not meeting its established threshold, the Department of Public Health shall assess a penalty payment equal to one-half the amount of the differential between the hospital's actual liability related to readmissions and that of the threshold amount. Provides that these penalty payments shall be deposited into the Healthcare Provider Relief Fund and that in the event the Centers for Medicare and Medicaid Services finds that the penalty payments are an impermissible healthcare-related tax, the penalty payments shall be doubled. Further provides that the expenditures are to be defined as General Revenue Fund-based expenditures. Effective immediately.

LRB098 07590 KTG 37661 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

AN ACT concerning public aid.

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

Section 5. The Illinois Public Aid Code is amended by changing Section 5-5f as follows:

(305 ILCS 5/5-5f)

Sec. 5-5f. Elimination and limitations of medical assistance services. Notwithstanding any other provision of this Code to the contrary, on and after July 1, 2012:

(a) The following services shall no longer be a covered service available under this Code: group psychotherapy for residents of any facility licensed under the Nursing Home Care Act or the Specialized Mental Health Rehabilitation Act; and adult chiropractic services.

(b) The Department shall place the following limitations on services: (i) the Department shall limit adult eyeglasses to one pair every 2 years; (ii) the Department shall set an annual limit of a maximum of 20 visits for each of the following services: adult speech, hearing, and language therapy services, adult occupational therapy services, and physical therapy services; (iii) the Department shall limit podiatry services to individuals with diabetes; (iv) the Department shall pay for caesarean sections at the normal vaginal delivery

rate unless a caesarean section was medically necessary; (v) the Department shall limit adult dental services to emergencies; and (vi) effective July 1, 2012, the Department shall place limitations and require concurrent review on every inpatient detoxification stay to prevent repeat admissions to any hospital for detoxification within 60 days of a previous inpatient detoxification stay. The Department shall convene a workgroup of hospitals, substance abuse providers, care coordination entities, managed care plans, and other stakeholders to develop recommendations for quality standards, diversion to other settings, and admission criteria for patients who need inpatient detoxification.

(c) The Department shall require prior approval of the following services: wheelchair repairs, regardless of the cost of the repairs, coronary artery bypass graft, and bariatric surgery consistent with Medicare standards concerning patient responsibility. The wholesale cost of power wheelchairs shall be actual acquisition cost including all discounts.

(d) The Department shall establish benchmarks for hospitals to measure and align payments to reduce potentially preventable hospital readmissions, inpatient complications, and unnecessary emergency room visits. In doing so, the Department shall consider items, including, but not limited to, historic and current acuity of care and historic and current trends in readmission. The Department shall publish provider-specific historical readmission data and anticipated

potentially preventable targets 60 days prior to the start of the program. In the instance of readmissions, the Department shall adopt policies and rates of reimbursement for services and other payments provided under this Code to ensure that, by June 30, 2013, expenditures to hospitals are reduced by, at a minimum, $40,000,000.

(1) In the event hospitals are deemed not to have reached the $40,000,000 in reduced expenditures, then for any individual hospital not meeting its established threshold, the Department of Public Health shall assess a penalty payment equal to one-half the amount of the differential between the hospital's actual liability related to readmissions and that of the threshold amount. These penalty payments shall be deposited into the Healthcare Provider Relief Fund.

(2) In the event the Centers for Medicare and Medicaid Services finds that the penalty payments are an impermissible healthcare-related tax, the penalty payments calculated above shall be doubled.

(3) For purposes of this subsection, expenditures are defined as General Revenue Fund-based expenditures.

(e) The Department shall establish utilization controls for the hospice program such that it shall not pay for other care services when an individual is in hospice.

(f) For home health services, the Department shall require Medicare certification of providers participating in the

program, implement the Medicare face-to-face encounter rule, and limit services to post-hospitalization. The Department shall require providers to implement auditable electronic service verification based on global positioning systems or other cost-effective technology.

(g) For the Home Services Program operated by the Department of Human Services and the Community Care Program operated by the Department on Aging, the Department of Human Services, in cooperation with the Department on Aging, shall implement an electronic service verification based on global positioning systems or other cost-effective technology.

(h) The Department shall not pay for hospital admissions when the claim indicates a hospital acquired condition that would cause Medicare to reduce its payment on the claim had the claim been submitted to Medicare, nor shall the Department pay for hospital admissions where a Medicare identified "never event" occurred.

(i) The Department shall implement cost savings initiatives for advanced imaging services, cardiac imaging services, pain management services, and back surgery. Such initiatives shall be designed to achieve annual costs savings.

(Source: P.A. 97-689, eff. 6-14-12.)

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