

1 AMENDMENT TO SENATE BILL 161

2 AMENDMENT NO. _____. Amend Senate Bill 161, AS AMENDED,
3 by replacing everything after the enacting clause with the
4 following:

5 "Section 5. The Illinois Public Aid Code is amended by
6 changing Section 5-5.4 as follows:

7 (305 ILCS 5/5-5.4) (from Ch. 23, par. 5-5.4)

8 Sec. 5-5.4. Standards of Payment - Department of Public
9 Aid. The Department of Public Aid shall develop standards of
10 payment of skilled nursing and intermediate care services in
11 facilities providing such services under this Article which:

12 (1) Provides for the determination of a facility's
13 payment for skilled nursing and intermediate care services on
14 a prospective basis. The amount of the payment rate for all
15 nursing facilities certified under the medical assistance
16 program shall be prospectively established annually on the
17 basis of historical, financial, and statistical data
18 reflecting actual costs from prior years, which shall be
19 applied to the current rate year and updated for inflation,
20 except that the capital cost element for newly constructed
21 facilities shall be based upon projected budgets. The
22 annually established payment rate shall take effect on July 1

1 in 1984 and subsequent years. Rate increases shall be
2 provided annually thereafter on July 1 in 1984 and on each
3 subsequent July 1 in the following years, except that no rate
4 increase and no update for inflation shall be provided on or
5 after July 1, 1994 and before July 1, 2001, unless
6 specifically provided for in this Section.

7 For facilities licensed by the Department of Public
8 Health under the Nursing Home Care Act as Intermediate Care
9 for the Developmentally Disabled facilities or Long Term Care
10 for Under Age 22 facilities, the rates taking effect on July
11 1, 1998 shall include an increase of 3%. For facilities
12 licensed by the Department of Public Health under the Nursing
13 Home Care Act as Skilled Nursing facilities or Intermediate
14 Care facilities, the rates taking effect on July 1, 1998
15 shall include an increase of 3% plus \$1.10 per resident-day,
16 as defined by the Department.

17 For facilities licensed by the Department of Public
18 Health under the Nursing Home Care Act as Intermediate Care
19 for the Developmentally Disabled facilities or Long Term Care
20 for Under Age 22 facilities, the rates taking effect on July
21 1, 1999 shall include an increase of 1.6% plus \$3.00 per
22 resident-day, as defined by the Department. For facilities
23 licensed by the Department of Public Health under the Nursing
24 Home Care Act as Skilled Nursing facilities or Intermediate
25 Care facilities, the rates taking effect on July 1, 1999
26 shall include an increase of 1.6% and, for services provided
27 on or after October 1, 1999, shall be increased by \$4.00 per
28 resident-day, as defined by the Department.

29 For facilities licensed by the Department of Public
30 Health under the Nursing Home Care Act as Intermediate Care
31 for the Developmentally Disabled facilities or Long Term Care
32 for Under Age 22 facilities, the rates taking effect on July
33 1, 2000 shall include an increase of 2.5% per resident-day,
34 as defined by the Department. For facilities licensed by the

1 Department of Public Health under the Nursing Home Care Act
2 as Skilled Nursing facilities or Intermediate Care
3 facilities, the rates taking effect on July 1, 2000 shall
4 include an increase of 2.5% per resident-day, as defined by
5 the Department.

6 A Task Force on Long Term Care Funding is created for the
7 main purpose of examining new Medicaid reimbursement formulas
8 that more directly recognize the cost of care and patient
9 acuity levels for geriatric facilities, intermediate care
10 facilities for the developmentally disabled, skilled
11 pediatric facilities, and sheltered care facilities; the Task
12 Force is not limited to that purpose, however. The Task Force
13 shall make a report and recommendations to the Director of
14 Public Aid, the Secretary of Human Services, and the General
15 Assembly no later than April 1, 2002. The Task Force shall
16 consist of (i) one member appointed by the President of the
17 Senate, one member appointed by the Speaker of the House of
18 Representatives, one member appointed by the Minority Leader
19 of the Senate, and one member appointed by the Minority
20 Leader of the House of Representatives and (ii) the following
21 members appointed by the Director of Public Aid: a
22 representative designated by the Department of Public Aid, a
23 representative designated by the Department of Human
24 Services, a representative designated by the Department on
25 Aging, a representative designated by the AARP, a
26 representative designated by the Illinois Health Care
27 Association, a representative designated by the Illinois
28 Council on Long Term Care, a representative designated by
29 Life Services Network, a representative designated by the
30 County Nursing Home Association of Illinois, a representative
31 designated by the Illinois Nursing Home Administrators
32 Association, a representative designated by the Long Term
33 Care Nurses Association, and a representative from organized
34 labor that represents individuals employed in long term care

1 settings. The Director of Public Aid shall appoint the
2 representative from the Department of Public Aid as a
3 Co-Chairperson of the Task Force and shall appoint one of the
4 other members of the Task Force to serve as the other
5 Co-Chairperson. The second Co-Chairperson shall be a
6 representative from the private-sector membership on the Task
7 Force. The Department of Public Aid shall provide staff to
8 the Task Force. All Task Force members shall serve without
9 compensation but may be reimbursed for their necessary
10 expenses incurred in performing their duties. This paragraph
11 is inoperative after June 30, 2002.

12 Rates established effective each July 1 shall govern
13 payment for services rendered throughout that fiscal year,
14 except that rates established on July 1, 1996 shall be
15 increased by 6.8% for services provided on or after January
16 1, 1997. Such rates will be based upon the rates calculated
17 for the year beginning July 1, 1990, and for subsequent years
18 thereafter shall be based on the facility cost reports for
19 the facility fiscal year ending at any point in time during
20 the previous calendar year, updated to the midpoint of the
21 rate year. The cost report shall be on file with the
22 Department no later than April 1 of the current rate year.
23 Should the cost report not be on file by April 1, the
24 Department shall base the rate on the latest cost report
25 filed by each skilled care facility and intermediate care
26 facility, updated to the midpoint of the current rate year.
27 In determining rates for services rendered on and after July
28 1, 1985, fixed time shall not be computed at less than zero.
29 The Department shall not make any alterations of regulations
30 which would reduce any component of the Medicaid rate to a
31 level below what that component would have been utilizing in
32 the rate effective on July 1, 1984.

33 (2) Shall take into account the actual costs incurred by
34 facilities in providing services for recipients of skilled

1 nursing and intermediate care services under the medical
2 assistance program.

3 (3) Shall take into account the medical and
4 psycho-social characteristics and needs of the patients.

5 (4) Shall take into account the actual costs incurred by
6 facilities in meeting licensing and certification standards
7 imposed and prescribed by the State of Illinois, any of its
8 political subdivisions or municipalities and by the U.S.
9 Department of Health and Human Services pursuant to Title XIX
10 of the Social Security Act.

11 The Department of Public Aid shall develop precise
12 standards for payments to reimburse nursing facilities for
13 any utilization of appropriate rehabilitative personnel for
14 the provision of rehabilitative services which is authorized
15 by federal regulations, including reimbursement for services
16 provided by qualified therapists or qualified assistants, and
17 which is in accordance with accepted professional practices.
18 Reimbursement also may be made for utilization of other
19 supportive personnel under appropriate supervision.

20 (Source: P.A. 90-9, eff. 7-1-97; 90-588, eff. 7-1-98; 91-24,
21 eff. 7-1-99; 91-712, eff. 7-1-00.)

22 Section 99. Effective date. This Act takes effect on
23 July 1, 2001."