



101ST GENERAL ASSEMBLY

State of Illinois

2019 and 2020

HB3245

by Rep. Mary E. Flowers

SYNOPSIS AS INTRODUCED:

See Index

Amends the Illinois Public Aid Code. Provides that on and after January 1, 2020 no recipient of medical assistance shall be required to enroll or transition to the State's managed care medical assistance program. Provides that any recipient enrolled in a managed care health plan on January 1, 2020 shall be given the option to disenroll from the State's managed care medical assistance program and receive coverage under the State's fee-for-service program. Provides that on and after January 1, 2020, the Department of Healthcare and Family Services shall not enter into any new contract or agreement with a managed care organization (MCO) to provide services where payment for medical services is made on a capitated basis. Provides that the Department shall not renew, reenter, renegotiate, change orders, or amend any contract or agreement it entered with a MCO that was solicited under the State of Illinois Medicaid Managed Care Organization Request for Proposals (2018-24-001) (Request for Proposals (2018-24-001)). Provides that any recipient who is enrolled in a managed care health plan administered by a MCO that entered a contract with the Department under the Request for Proposals (2018-24-001) shall be transitioned to the State's fee-for-service program upon the expiration of the MCO's contract with the Department. Requires the Department to establish, by rule, an appeals and grievance process that includes: (i) an expedited internal review of an appeal involving an adverse determination; (ii) a final adverse determination; and (iii) a standard external review. Requires the Department to notify a recipient in writing of the recipient's right to request an external review. Repeals a provision concerning procurement requirements for MCO contracts.

LRB101 08838 KTG 53927 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

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 Sections 5-36 and 5-37 as follows:

6 (305 ILCS 5/5-36 new)

7 Sec. 5-36. Termination of managed care.

8 (a) On and after January 1, 2020, no recipient of medical
9 assistance shall be required to enroll or transition to the
10 State's managed care medical assistance program. Any recipient
11 of medical assistance who is enrolled in a managed care health
12 plan on January 1, 2020 shall be given the option to disenroll
13 from the State's managed care medical assistance program and
14 receive medical assistance coverage under the State's
15 fee-for-service medical assistance program.

16 (b) On and after January 1, 2020, the Department of
17 Healthcare and Family Services shall not enter into any new
18 contract or agreement with a managed care organization as
19 defined in Section 5-30.1 or with any other entity to provide
20 services where payment for medical services is made on a
21 capitated basis. The Department of Healthcare and Family
22 Services shall not renew, reenter, renegotiate, change orders,
23 or amend any contract or agreement it entered with a managed

1 care organization, as defined in Section 5-30.1, that was
2 solicited under the State of Illinois Medicaid Managed Care
3 Organization Request for Proposals (2018-24-001). Any
4 recipient of medical assistance who is enrolled in a managed
5 care health plan administered by a managed care organization
6 that entered a contract with the Department under the State of
7 Illinois Medicaid Managed Care Organization Request for
8 Proposals (2018-24-001) shall be transitioned to the State's
9 fee-for-service medical assistance program upon the expiration
10 of the managed care organization's contract with the
11 Department.

12 (305 ILCS 5/5-37 new)

13 Sec. 5-37. External review and appeal process.

14 (a) Notwithstanding any other provision of this Code, the
15 Department shall establish, by rule, an appeals and grievance
16 process that includes:

17 (1) an expedited internal review of an appeal involving
18 an adverse determination;

19 (2) a final adverse determination; and

20 (3) a standard external review.

21 (b) At the same time the Department sends written notice of
22 a recipient's right to appeal a coverage decision upon an
23 adverse determination or a final adverse determination, the
24 Department shall notify a recipient and the recipient's
25 authorized representative, if any, in writing of the

1 recipient's right to request an external review as prescribed
2 by the Department.

3 (305 ILCS 5/5-30.6 rep.)

4 Section 10. Illinois Public Aid Code is amended by
5 repealing Section 5-30.6.

1 INDEX

2 Statutes amended in order of appearance

3 305 ILCS 5/5-36 new

4 305 ILCS 5/5-37 new

5 305 ILCS 5/5-30.6 rep.