

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 1. Short title. This Act may be cited as the
5 Interfund Borrowing Act of 2009.

6 Section 5. Interfund transfers.

7 (a) Notwithstanding any other provision of State law to the
8 contrary, on the effective date of this Act, or as soon
9 thereafter as practical, for the purpose of making hospital
10 access payments as set forth in the Title XIX State plan
11 amendments 08-06 and 08-07 submitted by the Department of
12 Healthcare and Family Services and approved by the Center for
13 Medicaid and State Operations as required in 305 ILCS
14 5/5A-12.2, the State Comptroller shall direct and the State
15 Treasurer shall transfer amounts into the Hospital Provider
16 Fund from the designated funds not exceeding the following
17 totals:

18	General Obligation Bond Retirement	
19	and Interest Fund	\$335,000,000
20	State Employees' Retirement System Fund	\$175,000,000

21 (b) On and after the effective date of this Act of the 96th

1 General Assembly through April 14, 2009, if either the General
2 Obligation Bond Retirement and Interest Fund or the State
3 Employees' Retirement System Fund has insufficient cash from
4 which the State Comptroller may make expenditures properly
5 supported by appropriations from the fund, then the State
6 Treasurer and State Comptroller shall transfer from the General
7 Revenue Fund to the fund only such amount as is immediately
8 necessary to satisfy outstanding expenditure obligations on a
9 timely basis, subject to the provisions of the State Prompt
10 Payment Act. All or a portion of the amounts transferred from
11 the General Revenue Fund to a fund pursuant to this subsection
12 (b) from time to time may be re-transferred by the State
13 Comptroller and the State Treasurer from the receiving fund
14 into the General Revenue Fund as soon as and to the extent that
15 deposits are made into or receipts are collected by the
16 receiving fund.

17 (c) As soon as practical upon receipt of assessment
18 payments to the Hospital Provider Fund pursuant to 305 ILCS
19 5/5A-2 and 5/5A-4, but under no circumstance later than April
20 14, 2009, any amounts transferred to the Hospital Provider Fund
21 under the authority of this Section shall be transferred back
22 and receipted by the specific fund of origin, with the General
23 Obligation Bond Retirement and Interest Fund first being repaid
24 in full. These transfers back to the funds of origin shall be
25 made and receipted notwithstanding any other State law to the
26 contrary. If, as of April 14, 2009, there is insufficient money

1 in the Hospital Provider Fund to make the transfers as provided
2 in this Section, then those transfers shall instead be made
3 from the General Revenue Fund. Transfers must be made from the
4 Hospital Provider Fund to the General Revenue Fund to replace
5 any such transfers made as soon as there is sufficient money in
6 the Hospital Provider Fund to do so.

7 Section 10. Interest payable to the General Obligation Bond
8 Retirement and Interest Fund and the State Employees'
9 Retirement System Fund. As soon as practical after all amounts
10 initially transferred from the General Obligation Bond
11 Retirement and Interest Fund and the State Employees'
12 Retirement System Fund have been transferred back pursuant to
13 Section 5 of this Act, the State Treasurer shall calculate the
14 amounts of interest that would have accrued to both the General
15 Obligation Bond Retirement and Interest Fund and the State
16 Employees' Retirement System Fund if those transfers had not
17 occurred and transfer those amounts from the Hospital Provider
18 Fund to the General Obligation Bond Retirement and Interest
19 Fund and the State Employees' Retirement System Fund.

20 Section 15. Prohibition on payments to contractors. No fees
21 or expenses shall be paid by the State to any contractual legal
22 counsel, financial advisor, or other consultant or contractor
23 in relation to the actions authorized pursuant to this Act.

1 Section 90. The Illinois Public Aid Code is amended by
2 changing Section 5A-8 as follows:

3 (305 ILCS 5/5A-8) (from Ch. 23, par. 5A-8)

4 Sec. 5A-8. Hospital Provider Fund.

5 (a) There is created in the State Treasury the Hospital
6 Provider Fund. Interest earned by the Fund shall be credited to
7 the Fund. The Fund shall not be used to replace any moneys
8 appropriated to the Medicaid program by the General Assembly.

9 (b) The Fund is created for the purpose of receiving moneys
10 in accordance with Section 5A-6 and disbursing moneys only for
11 the following purposes, notwithstanding any other provision of
12 law:

13 (1) For making payments to hospitals as required under
14 Articles V, VI, and XIV of this Code, under the Children's
15 Health Insurance Program Act, and under the Covering ALL
16 KIDS Health Insurance Act.

17 (2) For the reimbursement of moneys collected by the
18 Illinois Department from hospitals or hospital providers
19 through error or mistake in performing the activities
20 authorized under this Article and Article V of this Code.

21 (3) For payment of administrative expenses incurred by
22 the Illinois Department or its agent in performing the
23 activities authorized by this Article.

24 (4) For payments of any amounts which are reimbursable
25 to the federal government for payments from this Fund which

1 are required to be paid by State warrant.

2 (5) For making transfers, as those transfers are
3 authorized in the proceedings authorizing debt under the
4 Short Term Borrowing Act, but transfers made under this
5 paragraph (5) shall not exceed the principal amount of debt
6 issued in anticipation of the receipt by the State of
7 moneys to be deposited into the Fund.

8 (6) For making transfers to any other fund in the State
9 treasury, but transfers made under this paragraph (6) shall
10 not exceed the amount transferred previously from that
11 other fund into the Hospital Provider Fund.

12 (7) For State fiscal years 2004 and 2005 for making
13 transfers to the Health and Human Services Medicaid Trust
14 Fund, including 20% of the moneys received from hospital
15 providers under Section 5A-4 and transferred into the
16 Hospital Provider Fund under Section 5A-6. For State fiscal
17 year 2006 for making transfers to the Health and Human
18 Services Medicaid Trust Fund of up to \$130,000,000 per year
19 of the moneys received from hospital providers under
20 Section 5A-4 and transferred into the Hospital Provider
21 Fund under Section 5A-6. Transfers under this paragraph
22 shall be made within 7 days after the payments have been
23 received pursuant to the schedule of payments provided in
24 subsection (a) of Section 5A-4.

25 (7.5) For State fiscal year 2007 for making transfers
26 of the moneys received from hospital providers under

1 Section 5A-4 and transferred into the Hospital Provider
 2 Fund under Section 5A-6 to the designated funds not
 3 exceeding the following amounts in that State fiscal year:

4 Health and Human Services

5 Medicaid Trust Fund	\$20,000,000
6 Long-Term Care Provider Fund	\$30,000,000
7 General Revenue Fund	\$80,000,000.

8 Transfers under this paragraph shall be made within 7
 9 days after the payments have been received pursuant to the
 10 schedule of payments provided in subsection (a) of Section
 11 5A-4.

12 (7.8) For State fiscal year 2008, for making transfers
 13 of the moneys received from hospital providers under
 14 Section 5A-4 and transferred into the Hospital Provider
 15 Fund under Section 5A-6 to the designated funds not
 16 exceeding the following amounts in that State fiscal year:

17 Health and Human Services

18 Medicaid Trust Fund	\$40,000,000
19 Long-Term Care Provider Fund	\$60,000,000
20 General Revenue Fund	\$160,000,000.

21 Transfers under this paragraph shall be made within 7
 22 days after the payments have been received pursuant to the
 23 schedule of payments provided in subsection (a) of Section
 24 5A-4.

25 (7.9) For State fiscal years 2009 through 2013, for
 26 making transfers of the moneys received from hospital

1 providers under Section 5A-4 and transferred into the
 2 Hospital Provider Fund under Section 5A-6 to the designated
 3 funds not exceeding the following amounts in that State
 4 fiscal year:

5 Health and Human Services

6 Medicaid Trust Fund	\$20,000,000
7 Long Term Care Provider Fund	\$30,000,000
8 General Revenue Fund	\$80,000,000.

9 Except as provided under this paragraph, transfers
 10 ~~Transfers~~ under this paragraph shall be made within 7
 11 business days after the payments have been received
 12 pursuant to the schedule of payments provided in subsection
 13 (a) of Section 5A-4. For State fiscal year 2009, transfers
 14 to the General Revenue Fund under this paragraph shall be
 15 made on or before June 30, 2009, as sufficient funds become
 16 available in the Hospital Provider Fund to both make the
 17 transfers and continue hospital payments.

18 (8) For making refunds to hospital providers pursuant
 19 to Section 5A-10.

20 Disbursements from the Fund, other than transfers
 21 authorized under paragraphs (5) and (6) of this subsection,
 22 shall be by warrants drawn by the State Comptroller upon
 23 receipt of vouchers duly executed and certified by the Illinois
 24 Department.

25 (c) The Fund shall consist of the following:

26 (1) All moneys collected or received by the Illinois

1 Department from the hospital provider assessment imposed
2 by this Article.

3 (2) All federal matching funds received by the Illinois
4 Department as a result of expenditures made by the Illinois
5 Department that are attributable to moneys deposited in the
6 Fund.

7 (3) Any interest or penalty levied in conjunction with
8 the administration of this Article.

9 (4) Moneys transferred from another fund in the State
10 treasury.

11 (5) All other moneys received for the Fund from any
12 other source, including interest earned thereon.

13 (d) (Blank).

14 (Source: P.A. 94-242, eff. 7-18-05; 94-839, eff. 6-6-06;
15 95-707, eff. 1-11-08; 95-859, eff. 8-19-08.)

16 Section 95. Repeal. The Interfund Borrowing Act of 2009 is
17 repealed on July 1, 2009.

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