



Sen. Jeffrey M. Schoenberg

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09600HB1027sam001

LRB096 10844 RCE 22106 a

1 AMENDMENT TO HOUSE BILL 1027

2 AMENDMENT NO. \_\_\_\_\_. Amend House Bill 1027 by replacing  
3 everything after the enacting clause with the following:

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

1 totals:

2 General Obligation Bond Retirement  
 3 and Interest Fund ..... \$335,000,000  
 4 State Employees' Retirement System Fund ..... \$175,000,000

5 (b) On and after the effective date of this Act of the 96th  
 6 General Assembly through April 14, 2009, if either the General  
 7 Obligation Bond Retirement and Interest Fund or the State  
 8 Employees' Retirement System Fund has insufficient cash from  
 9 which the State Comptroller may make expenditures properly  
 10 supported by appropriations from the fund, then the State  
 11 Treasurer and State Comptroller shall transfer from the General  
 12 Revenue Fund to the fund only such amount as is immediately  
 13 necessary to satisfy outstanding expenditure obligations on a  
 14 timely basis, subject to the provisions of the State Prompt  
 15 Payment Act. All or a portion of the amounts transferred from  
 16 the General Revenue Fund to a fund pursuant to this subsection  
 17 (b) from time to time may be re-transferred by the State  
 18 Comptroller and the State Treasurer from the receiving fund  
 19 into the General Revenue Fund as soon as and to the extent that  
 20 deposits are made into or receipts are collected by the  
 21 receiving fund.

22 (c) As soon as practical upon receipt of assessment  
 23 payments to the Hospital Provider Fund pursuant to 305 ILCS  
 24 5/5A-2 and 5/5A-4, but under no circumstance later than April

1 14, 2009, any amounts transferred to the Hospital Provider Fund  
2 under the authority of this Section shall be transferred back  
3 and receipted by the specific fund of origin, with the General  
4 Obligation Bond Retirement and Interest Fund first being repaid  
5 in full. These transfers back to the funds of origin shall be  
6 made and receipted notwithstanding any other State law to the  
7 contrary. If, as of April 14, 2009, there is insufficient money  
8 in the Hospital Provider Fund to make the transfers as provided  
9 in this Section, then those transfers shall instead be made  
10 from the General Revenue Fund. Transfers must be made from the  
11 Hospital Provider Fund to the General Revenue Fund to replace  
12 any such transfers made as soon as there is sufficient money in  
13 the Hospital Provider Fund to do so.

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

1 Fund and the State Employees' Retirement System Fund.

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

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

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

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

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

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

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

22 (2) For the reimbursement of moneys collected by the  
23 Illinois Department from hospitals or hospital providers

1 through error or mistake in performing the activities  
2 authorized under this Article and Article V of this Code.

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

6 (4) For payments of any amounts which are reimbursable  
7 to the federal government for payments from this Fund which  
8 are required to be paid by State warrant.

9 (5) For making transfers, as those transfers are  
10 authorized in the proceedings authorizing debt under the  
11 Short Term Borrowing Act, but transfers made under this  
12 paragraph (5) shall not exceed the principal amount of debt  
13 issued in anticipation of the receipt by the State of  
14 moneys to be deposited into the Fund.

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

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

6 (7.5) For State fiscal year 2007 for making transfers  
 7 of the moneys received from hospital providers under  
 8 Section 5A-4 and transferred into the Hospital Provider  
 9 Fund under Section 5A-6 to the designated funds not  
 10 exceeding the following amounts in that State fiscal year:

11 Health and Human Services

12 Medicaid Trust Fund .....	\$20,000,000
13 Long-Term Care Provider Fund .....	\$30,000,000
14 General Revenue Fund .....	\$80,000,000.

15 Transfers under this paragraph shall be made within 7  
 16 days after the payments have been received pursuant to the  
 17 schedule of payments provided in subsection (a) of Section  
 18 5A-4.

19 (7.8) For State fiscal year 2008, for making transfers  
 20 of the moneys received from hospital providers under  
 21 Section 5A-4 and transferred into the Hospital Provider  
 22 Fund under Section 5A-6 to the designated funds not  
 23 exceeding the following amounts in that State fiscal year:

24 Health and Human Services

25 Medicaid Trust Fund .....	\$40,000,000
26 Long-Term Care Provider Fund .....	\$60,000,000

1           General Revenue Fund ..... \$160,000,000.

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

6           (7.9) For State fiscal years 2009 through 2013, for  
7 making transfers of the moneys received from hospital  
8 providers under Section 5A-4 and transferred into the  
9 Hospital Provider Fund under Section 5A-6 to the designated  
10 funds not exceeding the following amounts in that State  
11 fiscal year:

12	Health and Human Services	
13	Medicaid Trust Fund .....	\$20,000,000
14	Long Term Care Provider Fund .....	\$30,000,000
15	General Revenue Fund .....	\$80,000,000.

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

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

1 Disbursements from the Fund, other than transfers  
2 authorized under paragraphs (5) and (6) of this subsection,  
3 shall be by warrants drawn by the State Comptroller upon  
4 receipt of vouchers duly executed and certified by the Illinois  
5 Department.

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

7 (1) All moneys collected or received by the Illinois  
8 Department from the hospital provider assessment imposed  
9 by this Article.

10 (2) All federal matching funds received by the Illinois  
11 Department as a result of expenditures made by the Illinois  
12 Department that are attributable to moneys deposited in the  
13 Fund.

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

16 (4) Moneys transferred from another fund in the State  
17 treasury.

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

20 (d) (Blank).

21 (Source: P.A. 94-242, eff. 7-18-05; 94-839, eff. 6-6-06;  
22 95-707, eff. 1-11-08; 95-859, eff. 8-19-08.)

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



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