

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 adding Section 12-4.40 as follows:

(305 ILCS 5/12-4.40 new)

Sec. 12-4.40. Payment Recapture Audits. The Department of Healthcare and Family Services is authorized to contract with third-party entities to conduct Payment Recapture Audits to detect and recapture payments made in error or as a result of fraud or abuse. Payment Recapture Audits under this Section may be performed in conjunction with similar audits performed under federal authorization.

A Payment Recapture Audit shall include the process of identifying improper payments paid to providers or other entities whereby accounting specialists and fraud examination specialists examine payment records and uncover such problems as duplicate payments, payments for services not rendered, overpayments, payments for unauthorized services, and fictitious vendors. This audit may include the use of professional and specialized auditors on a contingency basis, with compensation tied to the identification of misspent funds.

The use of Payment Recapture Audits does not preclude the

Public Act 096-0942

HB5242 Enrolled

LRB096 18832 KTG 34218 b

Office of the Inspector General or any other authorized agency employee from performing activities to identify and prevent improper payments.

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