



100TH GENERAL ASSEMBLY

State of Illinois

2017 and 2018

SB3290

Introduced 2/15/2018, by Sen. David Koehler

SYNOPSIS AS INTRODUCED:

305 ILCS 5/Art. V-F heading
305 ILCS 5/5F-1
305 ILCS 5/5F-2.5 new
305 ILCS 5/5F-10
305 ILCS 5/5F-15

Amends the Illinois Public Aid Code. Changes the heading of Article V-F to the Nursing Home Residents' Managed Care Rights Law (rather than the Medicare-Medicaid Alignment Initiative (MMAI) Nursing Home Residents' Managed Care Rights Law). Expands the scope of the Article to apply to policies and contracts for the nursing home component of any Medicaid managed care program established by statute, rule, or contract, including, but not limited to, the Medicare-Medicaid Alignment Initiative Program, the Integrated Care Program, the HealthChoices Program, the Managed Long-Term Services and Support Program, and any and all successor programs. Grants the Department of Healthcare and Family Services rulemaking authority to implement this provision. Makes changes to the definitions for "enrollee", "managed care organization", and "transition period". Effective immediately.

LRB100 19856 KTG 35134 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 changing the heading of Article V-F and Sections 5F-1, 5F-10,
6 and 5F-15 and by adding Sections 5F-2.5 and 5F-17 as follows:

7 (305 ILCS 5/Art. V-F heading)

8 ARTICLE V-F. ~~MEDICARE-MEDICAID ALIGNMENT~~

9 ~~INITIATIVE (MMAI) NURSING HOME~~

10 RESIDENTS' MANAGED CARE RIGHTS LAW

11 (Source: P.A. 98-651, eff. 6-16-14.)

12 (305 ILCS 5/5F-1)

13 Sec. 5F-1. Short title. This Article may be referred to as
14 the ~~Medicare Medicaid Alignment Initiative (MMAI)~~ Nursing Home
15 Residents' Managed Care Rights Law.

16 (Source: P.A. 98-651, eff. 6-16-14.)

17 (305 ILCS 5/5F-2.5 new)

18 Sec. 5F-2.5. Declaration. The General Assembly declares it
19 is in the best interest of the citizenry of the State of
20 Illinois for the Department of Healthcare and Family Services
21 to maintain strict oversight of all Medicaid managed care

1 programs covering nursing home residents to ensure that medical
2 care and services are delivered in a manner consistent with the
3 unique needs and circumstances of nursing home residents and
4 that providers are appropriately and promptly paid in full for
5 all services rendered in good faith. Further, the General
6 Assembly expressly prohibits the Department of Healthcare and
7 Family Services from delegating to a third party authority and
8 responsibility for ensuring that provider agreements issued by
9 managed care organizations under contract with the Department
10 are in compliance with all federal and State laws and
11 regulations and the master contract and directs the Department
12 to review all provider agreements and intervene to ensure full
13 compliance. The General Assembly also expressly prohibits
14 managed care organizations under contract with the Department
15 of Healthcare and Family Services to subcontract to a third
16 party any and all care, services, supports, and functions that
17 the managed care organization is required by law or contract to
18 provide to Medicaid beneficiaries residing in nursing homes,
19 including, but not limited to, case coordination, care
20 management, prior authorizations, and claims processing.

21 (305 ILCS 5/5F-10)

22 Sec. 5F-10. Scope. This Article applies to policies and
23 contracts amended, delivered, issued, or renewed on or after
24 the effective date of this amendatory Act of the 98th General
25 Assembly for the nursing home component of any Medicaid managed

1 care program established by statute, rule, or contract
2 including, but not limited to, the Medicare-Medicaid Alignment
3 Initiative Program, the Integrated Care Program, the
4 HealthChoices Program, and the Managed Long-Term Services and
5 Support Program, and any and all successor programs. This
6 Article does not diminish a managed care organization's duties
7 and responsibilities under other federal or State laws or rules
8 adopted under those laws and the 3-way Medicare-Medicaid
9 Alignment Initiative contract, the Integrated Care Program
10 contract, the HealthChoices Program contract, and the Managed
11 Long-Term Services and Support Program contract, and
12 contracts, statutes, or rules specific to any and all successor
13 programs.

14 On or after the effective date of this amendatory Act of
15 the 100th General Assembly, the Department shall review the
16 requirements and make all policy changes, adopt administrative
17 rules, modify existing contracts with managed care
18 organizations, and direct the issuance of revised provider
19 agreements necessary to achieve the full implementation of this
20 amendatory Act of the 100th General Assembly.

21 (Source: P.A. 98-651, eff. 6-16-14; 99-719, eff. 1-1-17.)

22 (305 ILCS 5/5F-15)

23 Sec. 5F-15. Definitions. As used in this Article:

24 "Appeal" means any of the procedures that deal with the
25 review of adverse organization determinations on the health

1 care services the enrollee believes he or she is entitled to
2 receive, including delay in providing, arranging for, or
3 approving the health care services, such that a delay would
4 adversely affect the health of the enrollee or on any amounts
5 the enrollee must pay for a service, as defined under 42 CFR
6 422.566(b). These procedures include reconsiderations by the
7 managed care organization and, if necessary, an independent
8 review entity as provided by the Health Carrier External Review
9 Act, hearings before administrative law judges, review by the
10 Medicare Appeals Council, and judicial review.

11 "Demonstration Project" means the nursing home component
12 of the Medicare-Medicaid Alignment Initiative Demonstration
13 Project.

14 "Department" means the Department of Healthcare and Family
15 Services.

16 "Enrollee" means an individual who resides in a nursing
17 home or is qualified to be admitted to a nursing home and is
18 enrolled or is a prospective enrollee with a Medicaid managed
19 care organization participating in the Demonstration Project.

20 "Health care services" means the diagnosis, treatment, and
21 prevention of disease and includes medication, primary care,
22 nursing or medical care, mental health treatment, psychiatric
23 rehabilitation, memory loss services, physical, occupational,
24 and speech rehabilitation, enhanced care, medical supplies and
25 equipment and the repair of such equipment, and assistance with
26 activities of daily living.

1 "Managed care organization" or "MCO" means an entity that
2 meets the definition of health maintenance organization as
3 defined in the Health Maintenance Organization Act, is
4 licensed, regulated and in good standing with the Department of
5 Insurance, and is authorized to participate in the nursing home
6 component of the Medicare-Medicaid Alignment Initiative
7 Demonstration Project by a 3-way contract with the Department
8 of Healthcare and Family Services and the Centers for Medicare
9 and Medicaid Services or is under contract with the Department
10 to participate in the Integrated Care Program, the Managed
11 Long-Term Services and Support Program, the HealthChoices
12 Program, and any and all successor programs.

13 "Medical professional" means a physician, physician
14 assistant, or nurse practitioner.

15 "Medically necessary" means health care services that a
16 medical professional, exercising prudent clinical judgment,
17 would provide to a patient for the purpose of preventing,
18 evaluating, diagnosing, or treating an illness, injury, or
19 disease or its symptoms, and that are: (i) in accordance with
20 the generally accepted standards of medical practice; (ii)
21 clinically appropriate, in terms of type, frequency, extent,
22 site, and duration, and considered effective for the patient's
23 illness, injury, or disease; and (iii) not primarily for the
24 convenience of the patient, a medical professional, other
25 health care provider, caregiver, family member, or other
26 interested party.

1 "Nursing home" means a facility licensed under the Nursing
2 Home Care Act.

3 "Nurse practitioner" means an individual properly licensed
4 as a nurse practitioner under the Nurse Practice Act.

5 "Physician" means an individual licensed to practice in all
6 branches of medicine under the Medical Practice Act of 1987.

7 "Physician assistant" means an individual properly
8 licensed under the Physician Assistant Practice Act of 1987.

9 "Resident" means an enrollee who is receiving personal or
10 medical care, including, but not limited to, mental health
11 treatment, psychiatric rehabilitation, physical
12 rehabilitation, and assistance with activities of daily
13 living, from a nursing home.

14 "RAI Manual" means the most recent Resident Assessment
15 Instrument Manual, published by the Centers for Medicare and
16 Medicaid Services.

17 "Resident's representative" means a person designated in
18 writing by a resident to be the resident's representative or
19 the resident's guardian, as described by the Nursing Home Care
20 Act.

21 "SNFist" means a medical professional specializing in the
22 care of individuals residing in nursing homes employed by or
23 under contract with a MCO.

24 "Transition period" means a period of time immediately
25 following enrollment into a managed care organization ~~the~~
26 ~~Demonstration Project~~ or an enrollee's movement from one

1 managed care organization to another managed care organization
2 or one care setting to another care setting.

3 (Source: P.A. 98-651, eff. 6-16-14.)

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