

**103RD GENERAL ASSEMBLY****State of Illinois****2023 and 2024****SB3268**

Introduced 2/6/2024, by Sen. Ann Gillespie

SYNOPSIS AS INTRODUCED:

See Index

Amends the Illinois Public Aid Code. Provides that on January 1, 2025, or as soon thereafter as practical, the State Comptroller shall direct and the State Treasurer shall transfer the remaining balance from the Electronic Health Record Incentive Fund into the Public Aid Recoveries Trust Fund. Provides that upon completion of the transfer, the Electronic Health Record Incentive Fund is dissolved, and any future deposits due to that Fund and any outstanding obligations or liabilities of that Fund shall pass to the Public Aid Recoveries Trust Fund. Provides that on January 1, 2026, or as soon thereafter as practical, the State Comptroller shall direct and the State Treasurer shall transfer the remaining balance from the Juvenile Rehabilitation Services Medicaid Matching Fund into the Public Aid Recoveries Trust Fund. Provides that upon completion of the transfer, the Juvenile Rehabilitation Services Medicaid Matching Fund is dissolved, and any future deposits due to that Fund and any outstanding obligations or liabilities of that Fund shall pass to the Public Aid Recoveries Trust Fund. Repeals a provision requiring the Department of Healthcare and Family Services to conduct annual audits of the County Provider Trust Fund to determine that amounts received from or paid to county providers were correct. Amends the State Finance Act. Provides that on January 1, 2025, or as soon thereafter as practical, the State Comptroller shall direct and the State Treasurer shall transfer the remaining balance from the Provider Inquiry Trust Fund into the Healthcare Provider Relief Fund. Provides that upon completion of the transfer, the Provider Inquiry Trust Fund is dissolved, and any future deposits due to that Fund and any outstanding obligations or liabilities of that Fund shall pass to the Healthcare Provider Relief Fund. Repeals provisions in the Illinois Public Aid Code concerning the Medicaid Research and Education Support Fund and enhancement payments for Medicaid research and education. Repeals the Supportive Living Facility Funding Article and the Supportive Living Facility Fund. Effective immediately.

LRB103 39338 KTG 69500 b

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 Article 1.

5 (305 ILCS 5/15-6 rep.)

6 Section 1-5. The Illinois Public Aid Code is amended by
7 repealing Section 15-6.

8 Article 5.

9 Section 5-5. The State Finance Act is amended by changing
10 Section 5.797 as follows:

11 (30 ILCS 105/5.797)

12 Sec. 5.797. The Electronic Health Record Incentive Fund.
13 This Section is repealed on January 1, 2025.

14 (Source: P.A. 97-169, eff. 7-22-11; 97-813, eff. 7-13-12.)

15 Section 5-10. The Illinois Public Aid Code is amended by
16 changing Section 12-10.6a as follows:

17 (305 ILCS 5/12-10.6a)

18 Sec. 12-10.6a. The Electronic Health Record Incentive

1 Fund.

2 (a) The Electronic Health Record Incentive Fund is a
3 special fund created in the State treasury. All federal moneys
4 received by the Department of Healthcare and Family Services
5 for payments to qualifying health care providers to encourage
6 the adoption and use of certified electronic health records
7 technology pursuant to paragraph 1903(t)(1) of the Social
8 Security Act, shall be deposited into the Fund.

9 (b) Disbursements from the Fund shall be made at the
10 direction of the Director of Healthcare and Family Services to
11 qualifying health care providers, in amounts established under
12 applicable federal regulation (42 CFR 495 et seq.), in order
13 to encourage the adoption and use of certified electronic
14 health records technology.

15 (c) On January 1, 2025, or as soon thereafter as
16 practical, the State Comptroller shall direct and the State
17 Treasurer shall transfer the remaining balance from the
18 Electronic Health Record Incentive Fund into the Public Aid
19 Recoveries Trust Fund. Upon completion of the transfer, the
20 Electronic Health Record Incentive Fund is dissolved, and any
21 future deposits due to that Fund and any outstanding
22 obligations or liabilities of that Fund shall pass to the
23 Public Aid Recoveries Trust Fund.

24 (Source: P.A. 97-169, eff. 7-22-11.)

25

Article 10.

1 (30 ILCS 105/5.836 rep.)

2 Section 10-5. The State Finance Act is amended by
3 repealing Section 5.836.

4 (305 ILCS 5/5-31 rep.)

5 (305 ILCS 5/5-32 rep.)

6 Section 10-15. The Illinois Public Aid Code is amended by
7 repealing Sections 5-31 and 5-32.

8 Article 15.

9 Section 15-5. The State Finance Act is amended by changing
10 Section 5.481 as follows:

11 (30 ILCS 105/5.481)

12 Sec. 5.481. The Juvenile Rehabilitation Services Medicaid
13 Matching Fund. This Section is repealed on January 1, 2026.

14 (Source: P.A. 90-587, eff. 7-1-98.)

15 Section 15-10. The Illinois Public Aid Code is amended by
16 changing Sections 12-9 and 12-10.4 as follows:

17 (305 ILCS 5/12-9) (from Ch. 23, par. 12-9)

18 Sec. 12-9. Public Aid Recoveries Trust Fund; uses. The
19 Public Aid Recoveries Trust Fund shall consist of (1)

1 recoveries by the Department of Healthcare and Family Services
2 (formerly Illinois Department of Public Aid) authorized by
3 this Code in respect to applicants or recipients under
4 Articles III, IV, V, and VI, including recoveries made by the
5 Department of Healthcare and Family Services (formerly
6 Illinois Department of Public Aid) from the estates of
7 deceased recipients, (2) recoveries made by the Department of
8 Healthcare and Family Services (formerly Illinois Department
9 of Public Aid) in respect to applicants and recipients under
10 the Children's Health Insurance Program Act, and the Covering
11 ALL KIDS Health Insurance Act, (2.5) recoveries made by the
12 Department of Healthcare and Family Services in connection
13 with the imposition of an administrative penalty as provided
14 under Section 12-4.45, (3) federal funds received on behalf of
15 and earned by State universities, other State agencies or
16 departments, and local governmental entities for services
17 provided to applicants or recipients covered under this Code,
18 the Children's Health Insurance Program Act, and the Covering
19 ALL KIDS Health Insurance Act, (3.5) federal financial
20 participation revenue related to eligible disbursements made
21 by the Department of Healthcare and Family Services from
22 appropriations required by this Section, and (4) all other
23 moneys received to the Fund, including interest thereon. The
24 Fund shall be held as a special fund in the State Treasury.

25 Disbursements from this Fund shall be only (1) for the
26 reimbursement of claims collected by the Department of

1 Healthcare and Family Services (formerly Illinois Department
2 of Public Aid) through error or mistake, (2) for payment to
3 persons or agencies designated as payees or co-payees on any
4 instrument, whether or not negotiable, delivered to the
5 Department of Healthcare and Family Services (formerly
6 Illinois Department of Public Aid) as a recovery under this
7 Section, such payment to be in proportion to the respective
8 interests of the payees in the amount so collected, (3) for
9 payments to the Department of Human Services for collections
10 made by the Department of Healthcare and Family Services
11 (formerly Illinois Department of Public Aid) on behalf of the
12 Department of Human Services under this Code, the Children's
13 Health Insurance Program Act, and the Covering ALL KIDS Health
14 Insurance Act, (4) for payment of administrative expenses
15 incurred in performing the activities authorized under this
16 Code, the Children's Health Insurance Program Act, and the
17 Covering ALL KIDS Health Insurance Act, (5) for payment of
18 fees to persons or agencies in the performance of activities
19 pursuant to the collection of monies owed the State that are
20 collected under this Code, the Children's Health Insurance
21 Program Act, and the Covering ALL KIDS Health Insurance Act,
22 (6) for payments of any amounts which are reimbursable to the
23 federal government which are required to be paid by State
24 warrant by either the State or federal government, and (7) for
25 payments to State universities, other State agencies or
26 departments, and local governmental entities of federal funds

1 for services provided to applicants or recipients covered
2 under this Code, the Children's Health Insurance Program Act,
3 and the Covering ALL KIDS Health Insurance Act. Disbursements
4 from this Fund for purposes of items (4) and (5) of this
5 paragraph shall be subject to appropriations from the Fund to
6 the Department of Healthcare and Family Services (formerly
7 Illinois Department of Public Aid).

8 The balance in this Fund after payment therefrom of any
9 amounts reimbursable to the federal government, and minus the
10 amount ~~reasonably~~ anticipated to be needed to make the
11 disbursements authorized by this Section ~~during the current~~
12 ~~and following 3 calendar months~~, shall be certified by the
13 Director of Healthcare and Family Services and transferred by
14 the State Comptroller to the Drug Rebate Fund or the
15 Healthcare Provider Relief Fund in the State Treasury, as
16 appropriate, on at least an annual basis by June 30th of each
17 fiscal year. The Director of Healthcare and Family Services
18 may certify and the State Comptroller shall transfer to the
19 Drug Rebate Fund or the Healthcare Provider Relief Fund
20 amounts on a more frequent basis.

21 ~~On July 1, 1999, the State Comptroller shall transfer the~~
22 ~~sum of \$5,000,000 from the Public Aid Recoveries Trust Fund~~
23 ~~(formerly the Public Assistance Recoveries Trust Fund) into~~
24 ~~the DHS Recoveries Trust Fund.~~

25 (Source: P.A. 97-647, eff. 1-1-12; 97-689, eff. 6-14-12;
26 98-130, eff. 8-2-13; 98-651, eff. 6-16-14.)

1 (305 ILCS 5/12-10.4)

2 Sec. 12-10.4. Juvenile Rehabilitation Services Medicaid
3 Matching Fund. There is created in the State Treasury the
4 Juvenile Rehabilitation Services Medicaid Matching Fund.
5 Deposits to this Fund shall consist of all moneys received
6 from the federal government for behavioral health services
7 secured by counties pursuant to an agreement with the
8 Department of Healthcare and Family Services with respect to
9 Title XIX of the Social Security Act or under the Children's
10 Health Insurance Program pursuant to the Children's Health
11 Insurance Program Act and Title XXI of the Social Security Act
12 for minors who are committed to mental health facilities by
13 the Illinois court system and for residential placements
14 secured by the Department of Juvenile Justice for minors as a
15 condition of their aftercare release.

16 Disbursements from the Fund shall be made, subject to
17 appropriation, by the Department of Healthcare and Family
18 Services for grants to the Department of Juvenile Justice and
19 those counties which secure behavioral health services ordered
20 by the courts and which have an interagency agreement with the
21 Department and submit detailed bills according to standards
22 determined by the Department.

23 On January 1, 2026, or as soon thereafter as practical,
24 the State Comptroller shall direct and the State Treasurer
25 shall transfer the remaining balance from the Juvenile

1 Rehabilitation Services Medicaid Matching Fund into the Public
2 Aid Recoveries Trust Fund. Upon completion of the transfer,
3 the Juvenile Rehabilitation Services Medicaid Matching Fund is
4 dissolved, and any future deposits due to that Fund and any
5 outstanding obligations or liabilities of that Fund shall pass
6 to the Public Aid Recoveries Trust Fund.

7 (Source: P.A. 98-558, eff. 1-1-14.)

8 Article 20.

9 (30 ILCS 105/5.856 rep.)

10 Section 20-5. The State Finance Act is amended by
11 repealing Section 5.856.

12 (305 ILCS 5/Art. V-G rep.)

13 Section 20-10. The Illinois Public Aid Code is amended by
14 repealing Article V-G.

15 Article 25.

16 Section 25-5. The State Finance Act is amended by changing
17 Sections 5.409 and 6z-40 as follows:

18 (30 ILCS 105/5.409)

19 Sec. 5.409. The Provider Inquiry Trust Fund. This Section
20 is repealed on January 1, 2025.

1 (Source: P.A. 89-21, eff. 7-1-95.)

2 (30 ILCS 105/6z-40)

3 Sec. 6z-40. Provider Inquiry Trust Fund. The Provider
4 Inquiry Trust Fund is created as a special fund in the State
5 treasury. Payments into the fund shall consist of fees or
6 other moneys owed by providers of services or their agents,
7 including other State agencies, for access to and utilization
8 of Illinois Department of Healthcare and Family Services
9 ~~Public Aid~~ eligibility files to verify eligibility of clients,
10 bills for services, or other similar, related uses.
11 Disbursements from the fund shall consist of payments to the
12 Department of Innovation and Technology ~~Central Management~~
13 ~~Services~~ for communication and statistical services and for
14 payments for administrative expenses incurred by the Illinois
15 Department of Healthcare and Family Services ~~Public Aid~~ in the
16 operation of the fund.

17 On January 1, 2025, or as soon thereafter as practical,
18 the State Comptroller shall direct and the State Treasurer
19 shall transfer the remaining balance from the Provider Inquiry
20 Trust Fund into the Healthcare Provider Relief Fund. Upon
21 completion of the transfer, the Provider Inquiry Trust Fund is
22 dissolved, and any future deposits due to that Fund and any
23 outstanding obligations or liabilities of that Fund shall pass
24 to the Healthcare Provider Relief Fund.

25 (Source: P.A. 94-91, eff. 7-1-05.)

1 Article 999.

2 Section 999-99. Effective date. This Act takes effect upon
3 becoming law.

1 INDEX

2 Statutes amended in order of appearance

3 305 ILCS 5/15-6 rep.

4 30 ILCS 105/5.797

5 305 ILCS 5/12-10.6a

6 30 ILCS 105/5.836 rep.

7 305 ILCS 5/5-31 rep.

8 305 ILCS 5/5-32 rep.

9 30 ILCS 105/5.481

10 305 ILCS 5/12-9 from Ch. 23, par. 12-9

11 305 ILCS 5/12-10.4

12 30 ILCS 105/5.856 rep.

13 305 ILCS 5/Art. V-G rep.

14 30 ILCS 105/5.409

15 30 ILCS 105/6z-40