## 093\_HB0701sam003

## LRB093 05499 DRJ 20296 a

- 1 AMENDMENT TO HOUSE BILL 701
- 2 AMENDMENT NO. \_\_\_\_. Amend House Bill 701 by replacing
- 3 everything after the enacting clause with the following:
- 4 "Section 5. The State Finance Act is amended by adding
- 5 Sections 5.620, 5.621, and 6z-56 and changing Section 8h as
- 6 follows:
- 7 (30 ILCS 105/5.620 new)
- 8 Sec. 5.620. The Health Care Services Trust Fund.
- 9 (30 ILCS 105/5.621 new)
- 10 <u>Sec. 5.621</u>. The Health and Human Services Medicaid Trust
- 11 <u>Fund</u>.
- 12 (30 ILCS 105/6z-56 new)
- 13 <u>Sec. 6z-56. The Health Care Services Trust Fund. The</u>
- 14 <u>Health Care Services Trust Fund is hereby created as a</u>
- 15 <u>special fund in the State treasury.</u>
- The Fund shall consist of moneys deposited, transferred,
- or appropriated into the Fund from units of local government
- other than a county with a population greater than 3,000,000,
- 19 <u>from the State, from federal matching funds, or from any</u>
- 20 <u>other legal source.</u>

Subject to appropriation, the moneys in the Fund shall be
used by the Department of Public Aid to make payments to
providers of services covered under the Medicaid or State
Children's Health Insurance programs. Payments may be made
out of the Fund only to providers located within the
geographic jurisdiction of units of local government that

8 The Department of Public Aid shall adopt rules concerning 9 application for and disbursement of the moneys in the Fund.

make deposits, transfers, or appropriations into the Fund.

## 10 (30 ILCS 105/8h)

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to 8h. Transfers General Revenue Fund. Notwithstanding any other State law to the contrary, the Director of the Governor's Office of Management and Budget Bureau--of--the-Budget may from time to time direct the State Treasurer and Comptroller to transfer a specified sum from any fund held by the State Treasurer to the General Revenue Fund in order to help defray the State's operating costs for the fiscal year. The total transfer under this Section from any fund in any fiscal year shall not exceed the lesser of 8% of the revenues to be deposited into the fund during that year or 25% of the beginning balance in the fund. transfer may be made from a fund under this Section that would have the effect of reducing the available balance in the fund to an amount less than the amount remaining unexpended and unreserved from the total appropriation from that fund for that fiscal year. This Section does not apply to any funds that are restricted by federal law to a specific use or to any funds in the Motor Fuel Tax Fund or the Hospital Provider Fund. Notwithstanding any other provision of this Section, the total transfer under this Section from the Road Fund or the State Construction Account Fund shall not exceed 5% of the revenues to be deposited into the fund during that year.

- 1 In determining the available balance in a fund, the
- 2 Director of the <u>Governor's Office of Management and Budget</u>
- 3 Bureau-of-the-Budget may include receipts, transfers into the
- 4 fund, and other resources anticipated to be available in the
- 5 fund in that fiscal year.
- 6 The State Treasurer and Comptroller shall transfer the
- 7 amounts designated under this Section as soon as may be
- 8 practicable after receiving the direction to transfer from
- 9 the Director of the <u>Governor's Office of Management and</u>
- 10 <u>Budget</u> Bureau-of-the-Budget.
- 11 (Source: P.A. 93-32, eff. 6-20-03; revised 8-21-03.)
- 12 Section 10. The Illinois Public Aid Code is amended by
- 13 changing Sections 5-5.4, 5A-1, 5A-2, 5A-3, 5A-4, 5A-5, 5A-7,
- 14 5A-8, 5A-10, and 14-1 and by adding Sections 5A-12, 5A-13,
- 15 and 5A-14 as follows:
- 16 (305 ILCS 5/5-5.4) (from Ch. 23, par. 5-5.4)
- 17 Sec. 5-5.4. Standards of Payment Department of Public
- 18 Aid. The Department of Public Aid shall develop standards of
- 19 payment of skilled nursing and intermediate care services in
- 20 facilities providing such services under this Article which:
- 21 (1) Provide for the determination of a facility's
- 22 payment for skilled nursing and intermediate care services on
- 23 a prospective basis. The amount of the payment rate for all
- 24 nursing facilities certified by the Department of Public
- 25 Health under the Nursing Home Care Act as Intermediate Care
- for the Developmentally Disabled facilities, Long Term Care
- 27 for Under Age 22 facilities, Skilled Nursing facilities, or
- 28 Intermediate Care facilities under the medical assistance
- 29 program shall be prospectively established annually on the
- 30 basis of historical, financial, and statistical data
- 31 reflecting actual costs from prior years, which shall be
- 32 applied to the current rate year and updated for inflation,

2 facilities shall be based upon projected budgets. The

3 annually established payment rate shall take effect on July 1

4 in 1984 and subsequent years. No rate increase and no update

for inflation shall be provided on or after July 1, 1994 and

before July 1, 2004, unless specifically provided for in this

7 Section.

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For facilities licensed by the Department of Public
Health under the Nursing Home Care Act as Intermediate Care
for the Developmentally Disabled facilities or Long Term Care
for Under Age 22 facilities, the rates taking effect on July
1, 1998 shall include an increase of 3%. For facilities
licensed by the Department of Public Health under the Nursing
Home Care Act as Skilled Nursing facilities or Intermediate

15 Care facilities, the rates taking effect on July 1, 1998

shall include an increase of 3% plus \$1.10 per resident-day,

17 as defined by the Department.

For facilities licensed by the Department of Public 18 Health under the Nursing Home Care Act as Intermediate Care 19 for the Developmentally Disabled facilities or Long Term Care 20 21 for Under Age 22 facilities, the rates taking effect on July 22 1999 shall include an increase of 1.6% plus \$3.00 per resident-day, as defined by the Department. For facilities 23 licensed by the Department of Public Health under the Nursing 24 25 Home Care Act as Skilled Nursing facilities or Intermediate Care facilities, the rates taking effect on July 1, 26 shall include an increase of 1.6% and, for services provided 27 on or after October 1, 1999, shall be increased by \$4.00 per 28 29 resident-day, as defined by the Department.

For facilities licensed by the Department of Public
Health under the Nursing Home Care Act as Intermediate Care
for the Developmentally Disabled facilities or Long Term Care
for Under Age 22 facilities, the rates taking effect on July
1, 2000 shall include an increase of 2.5% per resident-day,

1 as defined by the Department. For facilities licensed by the

Department of Public Health under the Nursing Home Care Act

3 as Skilled Nursing facilities or Intermediate Care

4 facilities, the rates taking effect on July 1, 2000 shall

include an increase of 2.5% per resident-day, as defined by

6 the Department.

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For facilities licensed by the Department of Public Health under the Nursing Home Care Act as skilled nursing facilities or intermediate care facilities, a new payment methodology must be implemented for the nursing component of the rate effective July 1, 2003. The Department of Public Aid shall develop the new payment methodology using the Minimum Data Set (MDS) as the instrument to collect information concerning nursing home resident condition necessary to compute the rate. The Department of Public Aid shall develop the new payment methodology to meet the unique needs of Illinois nursing home residents while remaining subject to the appropriations provided by the General Assembly. transition period from the payment methodology in effect on June 30, 2003 to the payment methodology in effect on July 1, 2003 shall be provided for a period not exceeding 2 years after implementation of the new payment methodology as follows:

- (A) For a facility that would receive a lower nursing component rate per patient day under the new system than the facility received effective on the date immediately preceding the date that the Department implements the new payment methodology, the nursing component rate per patient day for the facility shall be held at the level in effect on the date immediately preceding the date that the Department implements the new payment methodology until a higher nursing component rate of reimbursement is achieved by that facility.
- (B) For a facility that would receive a higher

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nursing component rate per patient day under the payment
methodology in effect on July 1, 2003 than the facility
received effective on the date immediately preceding the
date that the Department implements the new payment
methodology, the nursing component rate per patient day
for the facility shall be adjusted.

(C) Notwithstanding paragraphs (A) and (B), the nursing component rate per patient day for the facility shall be adjusted subject to appropriations provided by the General Assembly.

For facilities licensed by the Department of Public Health under the Nursing Home Care Act as Intermediate Care for the Developmentally Disabled facilities or Long Term Care for Under Age 22 facilities, the rates taking effect on March 1, 2001 shall include a statewide increase of 7.85%, as defined by the Department.

For facilities licensed by the Department of Public Health under the Nursing Home Care Act as Intermediate Care for the Developmentally Disabled facilities or Long Term Care for Under Age 22 facilities, the rates taking effect on April 1, 2002 shall include a statewide increase of 2.0%, as defined by the Department. This increase terminates on July 1, 2002; beginning July 1, 2002 these rates are reduced to the level of the rates in effect on March 31, 2002, as defined by the Department.

For facilities licensed by the Department of Public Health under the Nursing Home Care Act as skilled nursing facilities or intermediate care facilities, the rates taking effect on July 1, 2001 shall be computed using the most recent cost reports on file with the Department of Public Aid no later than April 1, 2000, updated for inflation to January 1, 2001. For rates effective July 1, 2001 only, rates shall be the greater of the rate computed for July 1, 2001 or the rate effective on June 30, 2001.

1 Notwithstanding any other provision of this Section, for

2 facilities licensed by the Department of Public Health under

3 the Nursing Home Care Act as skilled nursing facilities or

4 intermediate care facilities, the Illinois Department shall

determine by rule the rates taking effect on July 1, 2002,

which shall be 5.9% less than the rates in effect on June 30,

7 2002.

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8 <u>Notwithstanding any other provision of this Section, for</u>

9 <u>facilities licensed by the Department of Public Health under</u>

10 the Nursing Home Care Act as skilled nursing facilities or

intermediate care facilities, the Illinois Department shall

determine by rule the rates taking effect on July 1, 2003,

which shall be 3.0% less than the rates in effect on June 30,

2002. This rate shall take effect only upon approval and

implementation of the payment methodologies required under

16 <u>Section 5A-12.</u>

Rates established effective each July 1 shall govern 17 payment for services rendered throughout that fiscal year, 18 19 except that rates established on July 1, 1996 shall be increased by 6.8% for services provided on or after January 20 21 1, 1997. Such rates will be based upon the rates calculated for the year beginning July 1, 1990, and for subsequent years 22 thereafter until June 30, 2001 shall be based on the facility 23 cost reports for the facility fiscal year ending at any point 24 25 in time during the previous calendar year, updated to the midpoint of the rate year. The cost report shall be on file 26 with the Department no later than April 1 of the current rate 27 Should the cost report not be on file by April 1, the 28 29 Department shall base the rate on the latest cost report 30 filed by each skilled care facility and intermediate care facility, updated to the midpoint of the current rate year. 31 In determining rates for services rendered on and after July 32

1, 1985, fixed time shall not be computed at less than zero.

The Department shall not make any alterations of regulations

- 1 which would reduce any component of the Medicaid rate to a
- 2 level below what that component would have been utilizing in
- 3 the rate effective on July 1, 1984.
- 4 (2) Shall take into account the actual costs incurred by
- 5 facilities in providing services for recipients of skilled
- 6 nursing and intermediate care services under the medical
- 7 assistance program.
- 8 (3) Shall take into account the medical and
- 9 psycho-social characteristics and needs of the patients.
- 10 (4) Shall take into account the actual costs incurred by
- 11 facilities in meeting licensing and certification standards
- imposed and prescribed by the State of Illinois, any of its
- 13 political subdivisions or municipalities and by the U.S.
- 14 Department of Health and Human Services pursuant to Title XIX
- of the Social Security Act.
- 16 The Department of Public Aid shall develop precise
- 17 standards for payments to reimburse nursing facilities for
- 18 any utilization of appropriate rehabilitative personnel for
- 19 the provision of rehabilitative services which is authorized
- 20 by federal regulations, including reimbursement for services
- 21 provided by qualified therapists or qualified assistants, and
- 22 which is in accordance with accepted professional practices.
- 23 Reimbursement also may be made for utilization of other
- 24 supportive personnel under appropriate supervision.
- 25 (Source: P.A. 92-10, eff. 6-11-01; 92-31, eff. 6-28-01;
- 26 92-597, eff. 6-28-02; 92-651, eff. 7-11-02; 92-848, eff.
- 27 1-1-03; 93-20, eff. 6-20-03.)
- 28 (305 ILCS 5/5A-1) (from Ch. 23, par. 5A-1)
- Sec. 5A-1. Definitions. As used in this Article, unless
- 30 the context requires otherwise:
- 31 "Fund" means the Hospital Provider Fund.
- 32 "Hospital" means an institution, place, building, or
- 33 agency located in this State that is subject to licensure by

- 2 Licensing Act, whether public or private and whether
- 3 organized for profit or not-for-profit.
- 4 "Hospital provider" means a person licensed by the
- 5 Department of Public Health to conduct, operate, or maintain
- 6 a hospital, regardless of whether the person is a Medicaid
- 7 provider. For purposes of this paragraph, "person" means any
- 8 political subdivision of the State, municipal corporation,
- 9 individual, firm, partnership, corporation, company, limited
- 10 liability company, association, joint stock association, or
- 11 trust, or a receiver, executor, trustee, guardian, or other
- 12 representative appointed by order of any court.
- 13 "Occupied bed days" means the sum of the number of days
- 14 that each bed was occupied by a patient for all beds during
- 15 <u>calendar year 2001. Occupied bed days shall be computed</u>
- 16 <u>separately for each hospital operated or maintained by a</u>
- 17 <u>hospital provider.</u>
- 18 "Adjusted-gross-hospital-revenue"--shall-be-determined
- 19 separately--for--each--hospital---conducted,---operated,---or
- 20 maintained-by--a-hospital-provider,-and--means-the-hospital
- 21 provider's--total--gross--patient--revenues---less---Medicare
- 22 contractual--allowances,--but--does-not-include-gross-patient
- 23 revenue--(and--the--portion--of--any---Medicare---contractual
- 24 allowance--related--thereto)--from--skilled--or--intermediate
- 25 long-term--eare-services-within-the-meaning-of-Title-XVIII-or
- 26 XIX-of-the-Social-Security-Act-
- 27 "Intergovernmental-transfer-payment"-means--the--payments
- 28 established--under--Section--15-3--of-this-Code,-and-includes
- 29 without-limitation-payments-payable-under--that--Section--for
- 30 July,-August,-and-September-of-1992.
- 31 (Source: P.A. 87-861; 88-88.)
- 32 (305 ILCS 5/5A-2) (from Ch. 23, par. 5A-2)
- 33 Sec. 5A-2. Assessment; no local authorization to tax.

1 Subject to Sections 5A-3 and 5A-10, an annual assessment on inpatient services is imposed on each hospital 2 3 provider for State fiscal years 2004 and 2005 in an amount 4 equal to the hospital's occupied bed days multiplied by 5 \$84.19. The Department of Public Aid shall use the number of 6 7 occupied bed days as reported by each hospital on the Annual 8 Survey of Hospitals conducted by the Department of Public 9 Health to calculate the hospital's annual assessment. If the 10 sum of a hospital's occupied bed days is not reported on the 11 Annual Survey of Hospitals, then the Department of Public Aid 12 may obtain the sum of occupied bed days from any source 13 available, including, but not limited to, records maintained by the hospital provider, which may be inspected at all times 14 15 during business hours of the day by the Department of Public 16 Aid or its duly authorized agents and employees. For-the 17 privilege-of-engaging-in-the-occupation-of-hospital-provider, an-assessment-is-imposed-upon-each-hospital-provider-for--the 18 19 State--fiscal--year--beginning--on-July-1,-1993-and-ending-on 20 June-30,-1994,-in-an-amount-equal-to-1.88%-of-the--provider's 21 adjusted--gross-hospital-revenue-for-the-most-recent-calendar 22 year-ending-before-the-beginning-of-that-State-fiscal-year. 23 Effective-July-1,-1994-through-June-30,-1996,--an--annual 24 assessment--is--imposed--upon--each--hospital--provider-in-an 25 amount--equal--to--the--provider's--adjusted--gross--hospital 26 revenue-for-the-most-recent-calendar-year-ending--before--the 27 beginning--of--that--State--fiscal--year--multiplied--by--the 28 Provider's-Savings-Rate. 29 Effective--July--1,--1996--through--March--31,--1997,--an 30 assessment--is--imposed--upon--each--hospital--provider-in-an 31 amount-equal-to--three-fourths--of--the--provider's--adjusted gross--hospital--revenue-for-calendar-year-1995-multiplied-by 32 33 the-Provider's-Savings-Rate---No-assessment-shall-be--imposed

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on-or-after-April-1,-1997.

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1
          Before-July-1,-1995,-the-Provider's-Savings-Rate-is-1.88%
 2
      multiplied--by--a--fraction,--the--numerator--of-which-is-the
 3
      Maximum-Section-5A-2-Contribution--minus--the--Cigarette--Tax
 4
      Contribution, -- and -- the -- denominator -- of -which -is - the -Maximum
 5
      Section-5A-2--Contribution----Effective--July--1,--1995,--the
      Provider's--Savings--Rate--is-1-25%-multiplied-by-a-fraction,
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      the--numerator--of--which--is--the---Maximum---Section---5A-2
 8
      Contribution--minus--the--Cigarette-Tax-Contribution,-and-the
 9
      denominator--of---which---is---the---Maximum---Section---5A-2
10
      Contribution.
11
          The--Gigarette--Tax--Contribution-is-the-sum-of-the-total
12
      amount--deposited--in--the--Hospital--Provider--Fund--in--the
13
      previous-State-fiscal-year-pursuant-to-Section--2(a)--of--the
14
      Cigarette--Tax--Act,--plus--the-total-amount-deposited-in-the
15
      Hospital-Provider-Fund-in--the--previous--State--fiscal--year
16
      pursuant-to-Section-5A-3(c)-of-this-Code.
17
          The-Maximum-Section-5A-2-Contribution-is-the-total-amount
18
      of--tax--imposed-by-this-Section-in-the-previous-State-fiscal
19
      year-on-providers--subject--to--this--Act,--multiplied--by--a
20
      fraction--the--numerator--of-which-is-adjusted-gross-hospital
21
      revenues-reported-to-the-Department-by-providers--subject--to
22
      this---Act--for--the--previous--State--fiscal--year--and--the
23
      denominator-of-which--is--adjusted--gross--hospital--revenues
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      reported--to--the-Department-by-providers-subject-to-this-Act
25
      for-the-State-fiscal-year-immediately-preceding-the--previous
      State-fiscal-year.
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27
          The--Department--shall--notify--hospital-providers-of-the
28
      Provider's--Savings--Rate--by--mailing--a--notice---to---each
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      provider's--last-known-address-as-reflected-by-the-records-of
30
      the-Illinois-Department-
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          (b) Nothing in this amendatory Act of <a href="the-93rd">the-93rd</a> General
      Assembly 1995 shall be construed to authorize any home rule
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      unit or other unit of local government to license for revenue
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or to impose a tax or assessment upon hospital providers or

- 1 the occupation of hospital provider, or a tax or assessment
- 2 measured by the income or earnings of a hospital provider.
- 3 (c) As provided in Section 5A-14, this Section is
- 4 repealed on July 1, 2005.
- 5 (Source: P.A. 88-88; 89-21, eff. 7-1-95; 89-499, eff.
- $6 \quad 6-28-96.$
- 7 (305 ILCS 5/5A-3) (from Ch. 23, par. 5A-3)
- 8 Sec. 5A-3. Exemptions; intergovernmental-transfers.
- 9 (a) <u>Blank</u>). A-hospital-provider-which-is-a-county-with-a
- 10 population---of---more---than---3,000,000---that---makes
- intergovernmental-transfer-payments-as--provided--in--Section
- 12 15-3-of-this-Code-shall-be-exempt-from-the-assessment-imposed
- by--Section--5A-2,--unless--the--exemption--is-adjudged-to-be
- 14 unconstitutional-or-otherwise--invalid,--in-which--case--the
- 15 county--shall--pay-the-assessment-imposed-by-Section-5A-2-for
- 16 all-assessment-periods-beginning-on-or-after--July--1,--1992,
- 17 and--the--assessment--so-paid-shall-be-ereditable-against-the
- 18 intergovernmental-transfer-payments.
- 19 (b) <u>A hospital provider that is a State agency</u>, a <u>State</u>
- 20 <u>university</u>, or a county with a population of 3,000,000 or
- 21 more is exempt from the assessment imposed by Section 5A-2. A
- 22 hospital-organized-under-the-University-of-Illinois--Hospital
- 23 Act-and-exempt-from-the-assessment-imposed-by-Section-5A-2-is
- 24 hereby-authorized-to-enter-into-an-interagency-agreement-with
- 25 the--Illinois--Department--to-make-intergovernmental-transfer
- 26 payments-to-the-Illinois-Department---These-payments-shall-be
- 27 deposited-into-the-University-of-Illinois--Hospital--Services
- Fund--or,--if--that--Fund--ceases--to-exist,-into-the-General
- 29 Revenue-Fund.
- 30 (b-2) A hospital provider that is a county with a
- 31 population of less than 3,000,000 or a township,
- 32 <u>municipality</u>, <u>hospital district</u>, <u>or any other local</u>
- 33 governmental unit is exempt from the assessment imposed by

- 1 <u>Section 5A-2.</u>
- 2 (b-5) (Blank). A-hospital-operated-by-the-Department--of
- 3 Human--Services-in-the-course-of-performing-its-mental-health
- 4 and-developmental-disabilities-functions-is-exempt--from--the
- 5 assessment-imposed-by-Section-5A-2.
- 6 (b-10) A hospital provider whose hospital does not
- 7 charge for its services is exempt from the assessment imposed
- 8 by Section 5A-2, unless the exemption is adjudged to be
- 9 <u>unconstitutional or otherwise invalid, in which case the</u>
- 10 <u>hospital provider shall pay the assessment imposed by Section</u>
- 11 5A-2.
- 12 (b-15) A hospital provider whose hospital is licensed by
- 13 <u>the Department of Public Health as a psychiatric hospital is</u>
- 14 <u>exempt from the assessment imposed by Section 5A-2, unless</u>
- 15 <u>the exemption is adjudged to be unconstitutional or otherwise</u>
- 16 <u>invalid</u>, in which case the hospital provider shall pay the
- 17 <u>assessment imposed by Section 5A-2.</u>
- 18 (b-20) A hospital provider whose hospital is licensed by
- 19 <u>the Department of Public Health as a rehabilitation hospital</u>
- is exempt from the assessment imposed by Section 5A-2, unless
- 21 <u>the exemption is adjudged to be unconstitutional or otherwise</u>
- 22 <u>invalid</u>, in which case the hospital provider shall pay the
- 23 <u>assessment imposed by Section 5A-2.</u>
- 24 (b-25) A hospital provider whose hospital (i) is not a
- 25 <u>psychiatric hospital, rehabilitation hospital, or children's</u>
- 26 <u>hospital and (ii) has an average length of inpatient stay</u>
- 27 greater than 25 days is exempt from the assessment imposed by
- 28 <u>Section 5A-2, unless the exemption is adjudged to be</u>
- 29 <u>unconstitutional or otherwise invalid, in which case the</u>
- 30 <u>hospital provider shall pay the assessment imposed by Section</u>
- 31 5A-2.
- 32 (c) (Blank). The---Illinois---Department---is---hereby
- 33 authorized--to--enter--into-agreements-with-publicly-owned-or
- 34 operated--hospitals--to---make---intergovernmental---transfer

- 1 payments-to-the-Illinois-Department:--These-payments-shall-be
- 2 deposited -- into -- the -- Hospital - Provider - Fund -- except - that - any
- 3 payments-arising-under-an-agreement-with-a-hospital-organized
- 4 under-the--University--of--Illinois--Hospital--Act--shall--be
- 5 deposited--into--the-University-of-Illinois-Hospital-Services
- б Fund,-if-that-Fund-exists.

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- (Source: P.A. 88-88; 88-554, eff. 7-26-94; 89-21, 7 eff.
- 7-1-95; 89-507, eff. 7-1-97.) 8
- 9 (305 ILCS 5/5A-4) (from Ch. 23, par. 5A-4)
- 10 Sec. 5A-4. Payment of assessment; penalty.
- The annual assessment imposed by Section 5A-2 for State fiscal year 2004 shall be due and payable on June 18 of 12 the year. The assessment imposed by Section 5A-2 for a State 13
- 14 fiscal year 2005 shall be due and payable in quarterly
- 15 installments, each equalling one-fourth of the assessment for
- 16 the year, on July 19, October 19, January 18, and April 19
- 17 September-30,-December-31,-March-31,-and-May-31 of the year;
- 18 except--that--for--the--period-July-1,-1996-through-March-31,
- 19 1997,-the-assessment-imposed-by-Section-5A-2-for-that--period
- 2.0 shall-be-due-and-payable-in-3-equal-installments-on-September
- 21 30,---December-31,-and-March-31-of-that-period. No installment

payment of an assessment imposed by Section 5A-2 shall be due

and payable, however, until after: (i) the hospital provider

receives written notice from the Department of Public Aid

Section 5A-12 have been approved by the Centers for Medicare

- 25 that the payment methodologies to hospitals required under
- and Medicaid Services of the U.S. Department of Health and 2.7
- 28 Human Services and the waiver under 42 CFR 433.68 for the
- 29 assessment imposed by Section 5A-2 has been granted by the
- 30 <u>Centers for Medicare and Medicaid Services of the U.S.</u>
- 31 Department of Health and Human Services; and (ii) the
- hospital has received the payments required under Section 32
- 33 <u>5A-12.</u>

- 1 (b) The Illinois Department is authorized to establish 2 delayed payment schedules for hospital providers that are
- 3 unable to make installment payments when due under this
- 4 Section due to financial difficulties, as determined by the
- 5 Illinois Department.
- 6 (c) If a hospital provider fails to pay the full amount
- 7 of an installment when due (including any extensions granted
- 8 under subsection (b)), there shall, unless waived by the
- 9 Illinois Department for reasonable cause, be added to the
- 10 assessment imposed by Section 5A-2 a penalty assessment equal
- 11 to the lesser of (i) 5% of the amount of the installment not
- paid on or before the due date plus 5% of the portion thereof
- 13 remaining unpaid on the last day of each 30-day period month
- 14 thereafter or (ii) 100% of the installment amount not paid on
- or before the due date. For purposes of this subsection,
- 16 payments will be credited first to unpaid installment amounts
- 17 (rather than to penalty or interest), beginning with the most
- 18 delinquent installments.
- 19 (Source: P.A. 88-88; 89-499, eff. 6-28-96.)
- 20 (305 ILCS 5/5A-5) (from Ch. 23, par. 5A-5)
- 21 Sec. 5A-5. Notice Reporting; penalty; maintenance of
- 22 records.
- 23 (a) After December 31 of each year (except as otherwise
- 24 <u>provided in this subsection</u>), and on or before March 31 of
- 25 the succeeding year, the Department of Public Aid shall send
- 26 <u>a notice of assessment to</u> every hospital provider subject to
- 27 assessment under this Article shall-file-a-return-with-the
- 28 Illinois-Department. The notice of assessment shall notify
- 29 <u>the hospital of its</u> return-shall-report-the-adjusted-gross
- 30 hospital-revenue-from-the-calendar-year-just-ended-and--shall
- 31 be--utilized--by--the--Illinois--Department--to-calculate-the
- 32 assessment for the State fiscal year commencing on the next
- 33 July 1, except that the notice return for the State fiscal

- 1 year commencing July 1, 2003 1992-and-the-report--of--revenue
- 2 for--ealendar-year-1991 shall be <u>sent</u> filed on or before <u>June</u>
- $\frac{1}{1}$ ,  $\frac{2004}{1}$  September- $\frac{30}{7}$ - $\frac{1992}{1}$ . The <u>notice</u> return shall be on a
- 4 form prepared by the Illinois Department and shall state the
- 5 following:

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- 6 (1) The name of the hospital provider.
- 7 (2) The address of the hospital provider's 8 principal place of business from which the provider 9 engages in the occupation of hospital provider State, and the name and address of each hospital 10 11 operated, conducted, or maintained by the provider in this State. 12
  - (3) The <u>occupied bed days</u> adjusted-gross-hospital revenue of the hospital provider for-the-ealendar-year just-ended, the amount of assessment imposed under Section 5A-2 for the State fiscal year for which the <u>notice</u> return is <u>sent</u> filed, and the amount of each quarterly installment to be paid during the State fiscal year.
    - (4) (Blank). The-amount-of-penalty-due,-if-any.
- 21 (5) Other reasonable information <u>as determined by</u> 22 the Illinois Department requires.
  - (b) If a hospital provider conducts, operates, or maintains more than one hospital licensed by the Illinois Department of Public Health, the provider <u>shall</u> may-not-file a-single-return-covering-all-those-hospitals,-but-shall--file a-separate-return-for-each-hospital-and-shall-compute-and pay the assessment for each hospital separately.
- 29 (c) Notwithstanding any other provision in this Article,
  30 in the case of a person who ceases to conduct, operate, or
  31 maintain a hospital in respect of which the person is subject
  32 to assessment under this Article as a hospital provider, the
  33 assessment for the State fiscal year in which the cessation
  34 occurs shall be adjusted by multiplying the assessment

1 computed under Section 5A-2 by a fraction, the numerator of 2 which is the number of days months in the year during which 3 the provider conducts, operates, or maintains the hospital 4 and the denominator of which is 365 12. Immediately upon 5 ceasing to conduct, operate, or maintain a hospital, the person shall pay file--a--final,--amended--return-with-the 6 7  ${\tt Illinois-Department-not-more-than-90-days-after-the-cessation}$ 8 reflecting-the-adjustment-and-shall-pay-with-the-final-return 9 the assessment for the year as so adjusted (to the extent not 10 previously paid).

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- (d) Notwithstanding any other provision in this Article, a provider who commences conducting, operating, or maintaining a hospital, upon notice by the Illinois Department, shall-file-an-initial-return-for-the-State-fiscal year--in--which--the--commencement--occurs--within--90---days thereafter--and shall pay the assessment computed under Section 5A-2 and subsection (e) in equal installments on the due dates stated in the notice date-of-the-return and on the regular installment due dates for the State fiscal year occurring after the due dates date of the initial notice return.
- 22 (e) Notwithstanding any other provision in this Article, 23 the case of a hospital provider that did not conduct, operate, or maintain a hospital throughout the calendar year 24 25 2001 preceding--a-State-fiscal-year, the assessment for that 26 State fiscal year shall be computed on the basis 27 hypothetical occupied bed days adjusted--gross--hospital revenue for the full calendar year as determined by--rules 28 29 adopted by the Illinois Department (which-may-be-based-on 30 annualization-of-the-provider's-actual-revenues-for-a-portion 31 of-the-calendar-year,-or-revenues-of--a--comparable--hospital for-the-year,-including-revenues-realized-by-a-prior-provider 32 33 from-the-same-hospital-during-the-year).
  - (f) (Blank). In-the-case-of-a-hospital-provider-existing

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1    as--a--corporation--or-legal-entity-other-than-an-individual;
2    the-return-filed-by-it-shall--be--signed--by--its--president;
3    vice-president;--secretary;--or--treasurer-or-by-its-properly
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- (g) (Blank). If-a-hospital-provider-fails--to--file--its return--for--a-State-fiscal-year-on-or-before-the-due-date-of the-return,--there--shall,--unless--waived--by--the--Illinois Department--for--reasonable-cause,-be-added-to-the-assessment imposed-by-Section-5A-2-for-the-State-fiscal-year--a--penalty assessment--equal--to--25%--of-the-assessment-imposed-for-the year-
- 12 (Blank). Every---hospital---provider---subject---to 13 assessment--under--this-Article-shall-keep-sufficient-records to--permit--the--determination--of--adjusted--gross--hospital 14 15 revenue-on-a-calendar-year-basis---All-such-records-shall--be 16 kept--in--the-English-language-and-shall,-at-all-times-during 17 business-hours-of-the-day,-be-subject-to--inspection--by--the Illinois---Department--or--its--duly--authorized--agents--and 18 19 employees.
- 20 (Source: P.A. 87-861.)

authorized-agent-

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- 21 (305 ILCS 5/5A-7) (from Ch. 23, par. 5A-7)
- Sec. 5A-7. Administration; enforcement provisions.
- To the extent practicable, the Illinois Department 23 24 shall administer and enforce this Article and collect the 25 assessments, interest, and penalty assessments imposed under 26 this Article using procedures employed in its administration of this Code generally and, as it deems appropriate, 2.7 28 manner similar to that in which the Department of Revenue 29 administers and collects the retailers' occupation tax under 30 the Retailers' Occupation Tax Act ("ROTA"). Instead of 31 certificates of registration, the Illinois Department establish and maintain a listing of all hospital providers 32 33 appearing in the licensing records of the Department of

1 Public Health, which shall show each provider's name, 2 principal place of business, and the name and address of each hospital operated, conducted, or maintained by the provider 3 4 this State. In addition, the following specified provisions of the Retailers' Occupation 5 Tax Act are incorporated by reference into this Section except that the 6 7 Illinois Department and its Director (rather than 8 Department of Revenue and its Director) and every hospital 9 provider subject to assessment measured by occupied bed days adjusted--gross--hospital--revenue--and--to-the-return-filing 10 11 requirements-of-this-Article (rather than persons subject to retailers' occupation tax measured by gross receipts from the 12 13 sale of tangible personal property at retail and-to-the return-filing-requirements-of-ROTA) shall have the powers, 14 15 and rights specified in these ROTA provisions, as 16 modified in this Section or by the Illinois Department in a manner consistent with this Article and except as manifestly 17 inconsistent with the other provisions of this Article: 18

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- (1) ROTA, Section 4 (examination of return; notice of evidence; correction; limitations; protest and hearing), except that (i) the Illinois Department shall notices of assessment liability (rather than notices of tax liability as provided in ROTA, Section 4); (ii) in the case of a fraudulent return or in the case of an extended period agreed to by the Illinois Department and the hospital provider before the expiration of the limitation period, no notice of assessment liability shall be issued more than 3 years after the later of the due date of the return required by Section 5A-5 or date the return (or an amended return) was filed (rather within the period stated in ROTA, Section 4); and (iii) the penalty provisions of ROTA, Section 4 shall not apply.
  - (2) ROTA, Sec. 5 (failure to make return; failure

to pay assessment), except that the penalty and interest provisions of ROTA, Section 5 shall not apply.

- (3) ROTA, Section 5a (lien; attachment; termination; notice; protest; review; release of lien; status of lien).
  - (4) ROTA, Section 5b (State lien notices; State lien index; duties of recorder and registrar of titles).
- (5) ROTA, Section 5c (liens; certificate of release).
  - (6) ROTA, Section 5d (Department not required to furnish bond; claim to property attached or levied upon).
- (7) ROTA, Section 5e (foreclosure on liens; enforcement).
  - (8) ROTA, Section 5f (demand for payment; levy and sale of property; limitation).
  - (9) ROTA, Section 5g (sale of property; redemption).
  - (10) ROTA, Section 5j (sales on transfers outside usual course of business; report; payment of assessment; rights and duties of purchaser; penalty), except that notice shall be provided to the Illinois Department as specified by rule.
  - refund), provided that (i) the Illinois Department may only apply an amount otherwise subject to credit or refund to a liability arising under this Article; (ii) except in the case of an extended period agreed to by the Illinois Department and the hospital provider before the expiration of this limitation period, a claim for credit or refund must be filed no more than 3 years after the due date of the return required by Section 5A-5 (rather than the time limitation stated in ROTA, Section 6); and (iii) credits or refunds shall not bear interest.
  - (12) ROTA, Section 6a (claims for credit or

1 refund).

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- 2 (13) ROTA, Section 6b (tentative determination of claim; notice; hearing; review), provided that a hospital provider or its representative shall have 60 days (rather than 20 days) within which to file a protest and request for hearing in response to a tentative determination of claim.
- 8 (14) ROTA, Section 6c (finality of tentative determinations).
- 10 (15) ROTA, Section 8 (investigations and 11 hearings).
- 12 (16) ROTA, Section 9 (witness; immunity).
- 13 (17) ROTA, Section 10 (issuance of subpoenas;
  14 attendance of witnesses; production of books and
  15 records).
- 16 (18) ROTA, Section 11 (information confidential; 17 exceptions).
  - (19) ROTA, Section 12 (rules and regulations; hearing; appeals), except that a hospital provider shall not be required to file a bond or be subject to a lien in lieu thereof in order to seek court review under the Administrative Review Law of a final assessment or revised final assessment or the equivalent thereof issued by the Illinois Department under this Article.
- 25 (b) In addition to any other remedy provided for and
  26 without sending a notice of assessment liability, the
  27 Illinois Department may collect an unpaid assessment by
  28 withholding, as payment of the assessment, reimbursements or
  29 other amounts otherwise payable by the Illinois Department to
  30 the provider.
- 31 (Source: P.A. 87-861.)
- 32 (305 ILCS 5/5A-8) (from Ch. 23, par. 5A-8)
- 33 Sec. 5A-8. Hospital Provider Fund.

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- (a) There is created in the State Treasury the Hospital Provider Fund. Interest earned by the Fund shall be credited to the Fund. The Fund shall not be used to replace any moneys appropriated to the Medicaid program by the General
- 5 Assembly.
- 6 (b) The Fund is created for the purpose of receiving
  7 moneys in accordance with Section 5A-6 and disbursing moneys
  8 only for the following purposes, notwithstanding any other
  9 provision of law as-fellows:
  - (1) For making payments to hospitals as required under Articles V, VI, and XIV hospital--inpatient--eare, hospital--ambulatory--eare, --and--disproportionate--share hospital--distributive--expenditures-made-under-Title-XIX of-the-Social-Security-Act-and-Article-V of this Code and under the Children's Health Insurance Program Act.
  - (2) For the reimbursement of moneys collected by the Illinois Department from hospitals or hospital providers through error or mistake in performing the activities authorized under this Article and Article V of this Code and-for-making-required-payments-under-Section 14-9-of-this-Code-if-there-are-no-moneys--available--for those-payments-in-the-Hospital-Services-Trust-Fund.
  - (3) For payment of administrative expenses incurred by the Illinois Department or its agent in performing the activities authorized by this Article.
  - (4) For payments of any amounts which are reimbursable to the federal government for payments from this Fund which are required to be paid by State warrant.
  - (5) For making transfers to-the-General-Obligation Bond-Retirement-and-Interest-Fund, as those transfers are authorized in the proceedings authorizing debt under the Short Term Borrowing Act, but transfers made under this paragraph (5) shall not exceed the principal amount of debt issued in anticipation of the receipt by the State

1 of moneys to be deposited into the Fund. 2 (6) For making transfers to any other fund in the 3 State treasury, but transfers made under this paragraph (6) shall not exceed the amount transferred previously 4 from that other fund into the Hospital Provider Fund. 5 (7) For making transfers to the Health and Human 6 Services Medicaid Trust Fund, including 20% of the moneys 7 8 received from hospital providers under Section 5A-4 and 9 transferred into the Hospital Provider Fund under Section 10 5A-6. Transfers under this paragraph shall be made within 11 7 days after the payments have been received pursuant to 12 the schedule of payments provided in subsection (a) of 13 Section 5A-4. (8) For making refunds to hospital providers 14 15 pursuant to Section 5A-10. 16 Disbursements from the Fund, other than transfers authorized under paragraphs (5) and (6) of this subsection to 17 the--General--Obligation--Bond--Retirement-and-Interest-Fund, 18 shall be by warrants drawn by the State Comptroller upon 19 receipt of vouchers duly executed and certified by the 20 21 Illinois Department. (c) The Fund shall consist of the following: 22 23 (1) All moneys collected or received by Illinois Department from the hospital provider assessment 24 25 imposed by this Article. (2) All federal matching funds received by the 26

Illinois Department as a result of expenditures made by

the Illinois Department that are attributable to moneys

(3) Any interest or penalty levied in conjunction

(4) Moneys transferred from another fund in the

State treasury. Any--balance--in--the--Hospital--Services

Trust--Fund--in-the-State-Treasury---The-balance-shall-be

deposited in the Fund.

with the administration of this Article.

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         transferred--to--the--Fund--upon--certification--by---the
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          Illinois--Department-to-the-State-Comptroller-that-all-of
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         the-disbursements-required-by--Section--14-2(b)--of--this
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         Code-have-been-made-
               (5) All other moneys received for the Fund from any
 5
         other source, including interest earned thereon.
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          (d) (Blank). The-Fund-shall-cease-to-exist-on-October-17
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      1999----Any--balance--in--the--Fund--as-of-that-date-shall-be
      transferred-to-the-General-Revenue--Fund----Any--moneys--that
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      otherwise--would--be-paid-into-the-Fund-on-or-after-that-date
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      shall-be--deposited--into--the--General--Revenue--Fund----Any
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      disbursements--on--or-after-that-date-that-otherwise-would-be
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      made-from--the--Fund--may--be--appropriated--by--the--General
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      Assembly-from-the-General-Revenue-Fund.
      (Source: P.A. 89-626, eff. 8-9-96; 90-587, eff. 7-1-98.)
15
          (305 ILCS 5/5A-10) (from Ch. 23, par. 5A-10)
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         Sec. 5A-10. Applicability.
         (a) The assessment imposed by Section 5A-2 shall not
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      take effect or shall cease to be imposed, and any moneys
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      remaining in the Fund shall be refunded to hospital providers
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      in proportion to the amounts paid by them, if:
              (1) the sum of the appropriations for State fiscal
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         years 2004 and 2005 from the General Revenue Fund for
         hospital payments under the medical assistance program is
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         less than $4,500,000,000; or
               (2) the Department of Public Aid makes changes in
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         its rules that reduce the hospital inpatient or
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         outpatient payment rates, including adjustment payment
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         rates, in effect on October 1, 2003, except for hospitals
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         described in subsection (b) of Section 5A-3 and except
         for changes in outpatient payment rates made to comply
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         with the federal Health Insurance Portability and
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Accountability Act, so long as those changes do not

1 reduce aggregate expenditures below the amount expended 2 in State fiscal year 2003 for such services; or

3 (3) the payments to hospitals required under 4 Section 5A-12 are changed or are not eligible for federal matching funds under Title XIX or XXI of the Social 5 6 Security Act.

(b) The assessment imposed by Section 5A-2 shall not 7 8 take effect or shall cease to be imposed if the assessment is 9 determined to be an impermissible tax amount--of--matching federal--funds under Title XIX of the Social Security Act is 10 11 eliminated--or--significantly--reduced--on--account--of---the 12 Moneys in the Hospital Provider Fund derived assessment. 13 from assessments imposed prior thereto shall be disbursed in accordance with Section 5A-8 to the extent federal matching 14 is not reduced <u>due to the impermissibility of</u> by 15 16 assessments, and any remaining moneys assessments shall be 17 refunded to hospital providers in proportion to the amounts paid by them.

(Source: P.A. 87-861.) 19

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20 (305 ILCS 5/5A-12 new)

21 Sec. 5A-12. Hospital access improvement payments.

22 (a) To improve access to hospital services, for hospital 23 services rendered on or after June 1, 2004, the Department of 24 Public Aid shall make payments to hospitals as set forth in this Section, except for hospitals described in subsection 25 (b) of Section 5A-3. These payments shall be paid on a 26 quarterly basis. For State fiscal year 2004, the Department 27 shall pay the total amounts required under this Section; 28 these amounts shall be paid on or before June 15 of the year. 29 30 In subsequent State fiscal years, the total amounts required under this Section shall be paid in 4 equal installments on 31 or before July 15, October 15, January 14, and April 15 of 32 the year. Payments under this Section are not due and 33

2 this Section are approved by the federal government in an

3 appropriate State Plan amendment, (ii) the assessment imposed

4 <u>under this Article is determined to be a permissible tax</u>

under Title XIX of the Social Security Act, and (iii) the

6 <u>assessment is in effect.</u>

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7 (b) High volume payment. In addition to rates paid for

8 inpatient hospital services, the Department of Public Aid

9 shall pay, to each Illinois hospital that provided more than

20,000 Medicaid inpatient days of care during State fiscal

year 2001 (except for hospitals that qualify for adjustment

payments under Section 5-5.02 for the 12-month period

beginning on October 1, 2002), \$190 for each Medicaid

inpatient day of care provided during that fiscal year. A

hospital that provided less than 30,000 Medicaid inpatient

days of care during that period, however, is not entitled to

receive more than \$3,500,000 per year in such payments.

18 <u>(c) Medicaid inpatient utilization rate adjustment. In</u>

19 <u>addition to rates paid for inpatient hospital services, the</u>

Department of Public Aid shall pay each Illinois hospital

(except for hospitals described in Section 5A-3), for each

Medicaid inpatient day of care provided during State fiscal

year 2001, an amount equal to the product of \$57.25

24 <u>multiplied by the quotient of 1 divided by the greater of</u>

25 <u>1.6% or the hospital's Medicaid inpatient utilization rate</u>

26 <u>(as used to determine eligibility for adjustment payments</u>

27 <u>under Section 5-5.02 for the 12-month period beginning on</u>

October 1, 2002). The total payments under this subsection to

a hospital may not exceed \$10,500,000 annually.

(d) Psychiatric base rate adjustment.

31 (1) In addition to rates paid for inpatient

32 <u>psychiatric services, the Department of Public Aid shall</u>

pay each Illinois general acute care hospital with a

34 <u>distinct part-psychiatric unit, for each Medicaid</u>

1 inpatient psychiatric day of care provided in State 2 fiscal year 2001, an amount equal to \$400 less the 3 hospital's per-diem rate for Medicaid inpatient 4 psychiatric services as in effect on October 1, 2003. In no event, however, shall that amount be less than zero. 5 (2) For distinct part-psychiatric units of Illinois 6 7 general acute care hospitals, except for all hospitals excluded in Section 5A-3, whose inpatient per-diem rate 8 9 as in effect on October 1, 2003 is greater than \$400, the Department shall pay, in addition to any other amounts 10 authorized under this Code, \$25 for each Medicaid 11 inpatient psychiatric day of care provided in State 12 13 fiscal year 2001. (e) Supplemental tertiary care adjustment. In addition 14 to rates paid for inpatient services, the Department of 15 Public Aid shall pay to each Illinois hospital eligible for 16 17 tertiary care adjustment payments under 89 Ill. Adm. Code 148.296, as in effect for State fiscal year 2003, a 18 supplemental tertiary care adjustment payment equal to the 19 tertiary care adjustment payment required under 89 Ill. Adm. 20 2.1 Code 148.296, as in effect for State fiscal year 2003. 22 (f) Medicaid outpatient utilization rate adjustment. In 23 24 25 26

addition to rates paid for outpatient hospital services, the Department of Public Aid shall pay each Illinois hospital (except for hospitals described in Section 5A-3), an amount equal to the product of 2.45% multiplied by the hospital's Medicaid outpatient charges multiplied by the quotient of 1 divided by the greater of 1.6% or the hospital's Medicaid outpatient utilization rate. The total payments under this subsection to a hospital may not exceed \$6,750,000 annually.

For purposes of this subsection:

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"Medicaid outpatient charges" means the charges for outpatient services provided to Medicaid patients for State fiscal year 2001 as submitted by the hospital on the UB-92

- 1 billing form or under the ambulatory procedure listing and
- adjudicated by the Department of Public Aid on or before 2
- 3 September 12, 2003.
- 4 "Medicaid outpatient utilization rate" means a fraction,
- 5 the numerator of which is the hospital's Medicaid outpatient
- charges and the denominator of which is the total number of 6
- the hospital's charges for outpatient services for the 7
- 8 hospital's fiscal year ending in 2001.
- 9 (q) State outpatient service adjustment. In addition to
- 10 rates paid for outpatient hospital services, the Department
- of Public Aid shall pay each Illinois hospital an amount 11
- equal to the product of 75.5% multiplied by the hospital's 12
- 13 Medicaid outpatient services submitted to the Department on
- the UB-92 billing form for State fiscal year 2001 multiplied 14
- 15 by the hospital's outpatient access fraction.
- For purposes of this subsection, "outpatient access 16
- 17 fraction" means a fraction, the numerator of which is the
- hospital's Medicaid payments for outpatient services for 18
- 19 ambulatory procedure listing services submitted to the
- Department on the UB-92 billing form for State fiscal year 20
- 2.1 2001, and the denominator of which is the hospital's Medicaid
- 22 outpatient services submitted to the Department on the UB-92
- 23 billing form for State fiscal year 2001.
- The total payments under this subsection to a hospital 24
- 25 may not exceed \$3,000,000 annually.
- (h) Rural hospital outpatient adjustment. In addition to 26
- 27 rates paid for outpatient hospital services, the Department
- of Public Aid shall pay each Illinois rural hospital an 28
- amount equal to the product of \$14,500,000 multiplied by the 29
- rural hospital outpatient adjustment fraction. 30
- 31 For purposes of this subsection, "rural hospital
- outpatient adjustment fraction" means a fraction, the 32
- 33 numerator of which is the hospital's Medicaid visits for
- 34 outpatient services for ambulatory procedure listing services

- 1 <u>submitted to the Department on the UB-92 billing form for</u>
- 2 State fiscal year 2001, and the denominator of which is the
- 3 <u>total Medicaid visits for outpatient services for ambulatory</u>
- 4 procedure listing services for all Illinois rural hospitals
- 5 <u>submitted to the Department on the UB-92 billing form for</u>
- 6 <u>State fiscal year 2001.</u>
- 7 For purposes of this subsection, "rural hospital" has the
- 8 same meaning as in 89 Ill. Adm. Code 148.25, as in effect on
- 9 <u>September 30, 2003.</u>
- 10 <u>(i) Merged/closed hospital adjustment. If any hospital</u>
- 11 <u>files a combined Medicaid cost report with another hospital</u>
- 12 after January 1, 2001, and if that hospital subsequently
- 13 closes, then except for the payments described in subsection
- 14 (e), all payments described in the various subsections of
- 15 this Section shall, before the application of the annual
- 16 <u>limitation amount specified in each such subsection, be</u>
- 17 <u>multiplied</u> by a fraction, the numerator of which is the
- 18 <u>number of occupied bed days attributable to the open hospital</u>
- 19 and the denominator of which is the sum of the number of
- 20 <u>occupied bed days of each open hospital and each closed</u>
- 21 <u>hospital. For purposes of this subsection, "occupied bed</u>
- 22 <u>days" has the same meaning as the term is defined in</u>
- 23 <u>subsection (a) of Section 5A-2.</u>
- 24 (j) For purposes of this Section, the terms "Medicaid
- 25 <u>days", "Medicaid charges", and "Medicaid services" do not</u>
- 26 <u>include any days, charges, or services for which Medicare was</u>
- 27 <u>liable for payment.</u>
- 28 (k) As provided in Section 5A-14, this Section is
- repealed on July 1, 2005.
- 30 (305 ILCS 5/5A-13 new)
- 31 <u>Sec. 5A-13. Emergency rulemaking. The Department of</u>
- 32 Public Aid may adopt rules necessary to implement this
- 33 <u>amendatory Act of the 93rd General Assembly through the use</u>

- 2 the Illinois Administrative Procedure Act. For purposes of
- 3 that Act, the General Assembly finds that the adoption of
- 4 <u>rules to implement this amendatory Act of the 93rd General</u>
- 5 Assembly is deemed an emergency and necessary for the public
- 6 <u>interest</u>, <u>safety</u>, <u>and welfare</u>.
- 7 (305 ILCS 5/5A-14 new)
- 8 <u>Sec. 5A-14. Repeal of assessments and disbursements.</u>
- 9 (a) Section 5A-2 is repealed on July 1, 2005.
- 10 (b) Section 5A-12 is repealed on July 1, 2005.
- 11 (305 ILCS 5/14-1) (from Ch. 23, par. 14-1)
- 12 Sec. 14-1. Definitions. As used in this Article, unless
- 13 the context requires otherwise:
- 14 "Fund"-means-the-Hospital-Services-Trust-Fund.
- 15 "Estimated--Rate--Year--Utilization"-means-the-hospital's
- 16 projected-utilization-for-the-State-fiscal-year-in-which--the
- 17 fee-is-due-(for-example,-fiscal-year-1992-for-fees-imposed-in
- 18 State--fiscal-year-1992,-fiscal-year-1993-for-fees-imposed-in
- 19 State-fiscal-year-1993,-and-so-forth).
- 20 "Gross-Receipts"-means-all-payments-for-medical--services
- 21 delivered-under-Title-XIX--of--the-Social-Security-Act-and
- 22 Articles-V,-VI,-and-VII-of-this-Code-and-shall-mean--any--and
- 23 all--payments--made-by-the-Illinois-Department,-or-a-Division
- 24 thereof,-to-a-Medical-Assistance-Program--provider--certified
- 25 to--participate--in--the-Illinois-Medical-Assistance-Program,
- 26 for-services-rendered-eligible-for-Medical--Assistance--under
- 27 Articles--V,--VI--and-VII-of-this-Code,-State-regulations-and
- 28 the-federal-Medicaid-Program-as-defined-in-Title-XIX--of--the
- 29 Social-Security-Act-and-federal-regulations.
- 30 "Hospital" means any institution, place, building, or
- 31 agency, public or private, whether organized for profit or
- 32 not-for-profit, which is located in the State and is subject

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to licensure by the Illinois Department of Public Health
under the Hospital Licensing Act or any institution, place,
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- 3 building, or agency, public or private, whether organized for
- 4 profit or not-for-profit, which meets all comparable
- 5 conditions and requirements of the Hospital Licensing Act in
- 6 effect for the state in which it is located, and is required
- 7 to submit cost reports to the Illinois Department under Title
- 8 89, Part 148, of the Illinois Administrative Code, but shall
- 9 not include the University of Illinois Hospital as defined in
- 10 the University of Illinois Hospital Act or a county hospital
- in a county of over 3 million population.
- 12 "Total--Medicaid-Base-Year-Spending"-means-the-hospital's
- 13 State-fiscal-year-1991-weighted--average--payment--rates,--as
- 14 defined-by--rule,-excluding-payments-under-Section-5-5.02-of
- this-Code,-reduced-by-5%-and-multiplied-by-the-hospital's
- 16 estimated-rate-year-utilization.
- 17 (Source: P.A. 87-13.)
- 18 (305 ILCS 5/Art. V-D rep.)
- 19 (305 ILCS 5/14-2 rep.)
- 20 (305 ILCS 5/14-3 rep.)
- 21 (305 ILCS 5/14-4 rep.)
- 22 (305 ILCS 5/14-5 rep.)
- 23 (305 ILCS 5/14-6 rep.)
- 24 (305 ILCS 5/14-7 rep.)
- 25 (305 ILCS 5/14-9 rep.)
- 26 (305 ILCS 5/14-10 rep.)
- 27 Section 11. The Illinois Public Aid Code is amended by
- repealing Article V-D and Sections 14-2, 14-3, 14-4, 14-5,
- 29 14-6, 14-7, 14-9, and 14-10.
- 30 Section 99. Effective date. This Act takes effect upon
- 31 becoming law.".