



Sen. Terry Link

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1 AMENDMENT TO SENATE BILL 935

2 AMENDMENT NO. _____. Amend Senate Bill 935 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The State Employees Group Insurance Act of 1971
5 is amended by changing Section 6.11 as follows:

6 (5 ILCS 375/6.11)

7 Sec. 6.11. Required health benefits; Illinois Insurance
8 Code requirements. The program of health benefits shall provide
9 the post-mastectomy care benefits required to be covered by a
10 policy of accident and health insurance under Section 356t of
11 the Illinois Insurance Code. The program of health benefits
12 shall provide the coverage required under Sections 356u, 356w,
13 356x, 356z.2, 356z.4, ~~and~~ 356z.6, and 356z.9 of the Illinois
14 Insurance Code. The program of health benefits must comply with
15 Section 155.37 of the Illinois Insurance Code.

16 (Source: P.A. 92-440, eff. 8-17-01; 92-764, eff. 1-1-03;

1 93-102, eff. 1-1-04; 93-853, eff. 1-1-05.)

2 Section 10. The Counties Code is amended by changing
3 Section 5-1069.3 as follows:

4 (55 ILCS 5/5-1069.3)

5 Sec. 5-1069.3. Required health benefits. If a county,
6 including a home rule county, is a self-insurer for purposes of
7 providing health insurance coverage for its employees, the
8 coverage shall include coverage for the post-mastectomy care
9 benefits required to be covered by a policy of accident and
10 health insurance under Section 356t and the coverage required
11 under Sections 356u, 356w, 356x, ~~and~~ 356z.6, and 356z.9 of the
12 Illinois Insurance Code. The requirement that health benefits
13 be covered as provided in this Section is an exclusive power
14 and function of the State and is a denial and limitation under
15 Article VII, Section 6, subsection (h) of the Illinois
16 Constitution. A home rule county to which this Section applies
17 must comply with every provision of this Section.

18 (Source: P.A. 93-853, eff. 1-1-05.)

19 Section 15. The Illinois Municipal Code is amended by
20 changing Section 10-4-2.3 as follows:

21 (65 ILCS 5/10-4-2.3)

22 Sec. 10-4-2.3. Required health benefits. If a

1 municipality, including a home rule municipality, is a
2 self-insurer for purposes of providing health insurance
3 coverage for its employees, the coverage shall include coverage
4 for the post-mastectomy care benefits required to be covered by
5 a policy of accident and health insurance under Section 356t
6 and the coverage required under Sections 356u, 356w, 356x, ~~and~~
7 356z.6, and 356z.9 of the Illinois Insurance Code. The
8 requirement that health benefits be covered as provided in this
9 is an exclusive power and function of the State and is a denial
10 and limitation under Article VII, Section 6, subsection (h) of
11 the Illinois Constitution. A home rule municipality to which
12 this Section applies must comply with every provision of this
13 Section.

14 (Source: P.A. 93-853, eff. 1-1-05.)

15 Section 20. The Illinois Insurance Code is amended by
16 adding Section 365z.9 as follows:

17 (215 ILCS 5/365z.9 new)

18 Sec. 365z.9. Amino acid-based elemental formulas.

19 (a) A group or individual policy of accident and health
20 insurance or managed care plan amended, delivered, issued, or
21 renewed after the effective date of this amendatory Act of the
22 95th General Assembly must provide coverage for
23 nonprescription amino acid-based elemental formulas,
24 regardless of delivery method, for the diagnosis and treatment

1 of (i) milk protein allergies and intolerances, (ii)
2 eosinophilic disorders, and (iii) impaired absorption of
3 nutrients caused by disorders affecting the absorptive
4 surface, functional length, and motility of the
5 gastrointestinal tract, when the prescribing physician has
6 issued a written order stating that the amino acid-based
7 elemental formula is medically necessary for the treatment of a
8 disease or disorder and is the least restrictive and most
9 cost-effective means for meeting the needs of the patient.

10 (b) A group or individual policy of accident and health
11 insurance or managed care plan amended, delivered, issued, or
12 renewed after the effective date of this amendatory Act of the
13 95th General Assembly must provide coverage for specialized
14 amino acid-based elemental formulas, regardless of delivery
15 method, when the prescribing physician has issued a written
16 order stating that such specialized amino acid-based elemental
17 formula is medically necessary for the treatment of a disease
18 or disorder and is the least restrictive and most
19 cost-effective means for meeting the needs of the patient.

20 Section 25. The Health Maintenance Organization Act is
21 amended by changing Section 5-3 as follows:

22 (215 ILCS 125/5-3) (from Ch. 111 1/2, par. 1411.2)

23 Sec. 5-3. Insurance Code provisions.

24 (a) Health Maintenance Organizations shall be subject to

1 the provisions of Sections 133, 134, 137, 140, 141.1, 141.2,
2 141.3, 143, 143c, 147, 148, 149, 151, 152, 153, 154, 154.5,
3 154.6, 154.7, 154.8, 155.04, 355.2, 356m, 356v, 356w, 356x,
4 356y, 356z.2, 356z.4, 356z.5, 356z.6, 356z.8, 356z.9, 364.01,
5 367.2, 367.2-5, 367i, 368a, 368b, 368c, 368d, 368e, 370c, 401,
6 401.1, 402, 403, 403A, 408, 408.2, 409, 412, 444, and 444.1,
7 paragraph (c) of subsection (2) of Section 367, and Articles
8 IIA, VIII 1/2, XII, XII 1/2, XIII, XIII 1/2, XXV, and XXVI of
9 the Illinois Insurance Code.

10 (b) For purposes of the Illinois Insurance Code, except for
11 Sections 444 and 444.1 and Articles XIII and XIII 1/2, Health
12 Maintenance Organizations in the following categories are
13 deemed to be "domestic companies":

14 (1) a corporation authorized under the Dental Service
15 Plan Act or the Voluntary Health Services Plans Act;

16 (2) a corporation organized under the laws of this
17 State; or

18 (3) a corporation organized under the laws of another
19 state, 30% or more of the enrollees of which are residents
20 of this State, except a corporation subject to
21 substantially the same requirements in its state of
22 organization as is a "domestic company" under Article VIII
23 1/2 of the Illinois Insurance Code.

24 (c) In considering the merger, consolidation, or other
25 acquisition of control of a Health Maintenance Organization
26 pursuant to Article VIII 1/2 of the Illinois Insurance Code,

1 (1) the Director shall give primary consideration to
2 the continuation of benefits to enrollees and the financial
3 conditions of the acquired Health Maintenance Organization
4 after the merger, consolidation, or other acquisition of
5 control takes effect;

6 (2) (i) the criteria specified in subsection (1)(b) of
7 Section 131.8 of the Illinois Insurance Code shall not
8 apply and (ii) the Director, in making his determination
9 with respect to the merger, consolidation, or other
10 acquisition of control, need not take into account the
11 effect on competition of the merger, consolidation, or
12 other acquisition of control;

13 (3) the Director shall have the power to require the
14 following information:

15 (A) certification by an independent actuary of the
16 adequacy of the reserves of the Health Maintenance
17 Organization sought to be acquired;

18 (B) pro forma financial statements reflecting the
19 combined balance sheets of the acquiring company and
20 the Health Maintenance Organization sought to be
21 acquired as of the end of the preceding year and as of
22 a date 90 days prior to the acquisition, as well as pro
23 forma financial statements reflecting projected
24 combined operation for a period of 2 years;

25 (C) a pro forma business plan detailing an
26 acquiring party's plans with respect to the operation

1 of the Health Maintenance Organization sought to be
2 acquired for a period of not less than 3 years; and

3 (D) such other information as the Director shall
4 require.

5 (d) The provisions of Article VIII 1/2 of the Illinois
6 Insurance Code and this Section 5-3 shall apply to the sale by
7 any health maintenance organization of greater than 10% of its
8 enrollee population (including without limitation the health
9 maintenance organization's right, title, and interest in and to
10 its health care certificates).

11 (e) In considering any management contract or service
12 agreement subject to Section 141.1 of the Illinois Insurance
13 Code, the Director (i) shall, in addition to the criteria
14 specified in Section 141.2 of the Illinois Insurance Code, take
15 into account the effect of the management contract or service
16 agreement on the continuation of benefits to enrollees and the
17 financial condition of the health maintenance organization to
18 be managed or serviced, and (ii) need not take into account the
19 effect of the management contract or service agreement on
20 competition.

21 (f) Except for small employer groups as defined in the
22 Small Employer Rating, Renewability and Portability Health
23 Insurance Act and except for medicare supplement policies as
24 defined in Section 363 of the Illinois Insurance Code, a Health
25 Maintenance Organization may by contract agree with a group or
26 other enrollment unit to effect refunds or charge additional

1 premiums under the following terms and conditions:

2 (i) the amount of, and other terms and conditions with
3 respect to, the refund or additional premium are set forth
4 in the group or enrollment unit contract agreed in advance
5 of the period for which a refund is to be paid or
6 additional premium is to be charged (which period shall not
7 be less than one year); and

8 (ii) the amount of the refund or additional premium
9 shall not exceed 20% of the Health Maintenance
10 Organization's profitable or unprofitable experience with
11 respect to the group or other enrollment unit for the
12 period (and, for purposes of a refund or additional
13 premium, the profitable or unprofitable experience shall
14 be calculated taking into account a pro rata share of the
15 Health Maintenance Organization's administrative and
16 marketing expenses, but shall not include any refund to be
17 made or additional premium to be paid pursuant to this
18 subsection (f)). The Health Maintenance Organization and
19 the group or enrollment unit may agree that the profitable
20 or unprofitable experience may be calculated taking into
21 account the refund period and the immediately preceding 2
22 plan years.

23 The Health Maintenance Organization shall include a
24 statement in the evidence of coverage issued to each enrollee
25 describing the possibility of a refund or additional premium,
26 and upon request of any group or enrollment unit, provide to

1 the group or enrollment unit a description of the method used
2 to calculate (1) the Health Maintenance Organization's
3 profitable experience with respect to the group or enrollment
4 unit and the resulting refund to the group or enrollment unit
5 or (2) the Health Maintenance Organization's unprofitable
6 experience with respect to the group or enrollment unit and the
7 resulting additional premium to be paid by the group or
8 enrollment unit.

9 In no event shall the Illinois Health Maintenance
10 Organization Guaranty Association be liable to pay any
11 contractual obligation of an insolvent organization to pay any
12 refund authorized under this Section.

13 (Source: P.A. 93-102, eff. 1-1-04; 93-261, eff. 1-1-04; 93-477,
14 eff. 8-8-03; 93-529, eff. 8-14-03; 93-853, eff. 1-1-05;
15 93-1000, eff. 1-1-05; 94-906, eff. 1-1-07; 94-1076, eff.
16 12-29-06; revised 1-5-07.)

17 Section 30. The Limited Health Service Organization Act is
18 amended by changing Section 4003 as follows:

19 (215 ILCS 130/4003) (from Ch. 73, par. 1504-3)

20 Sec. 4003. Illinois Insurance Code provisions. Limited
21 health service organizations shall be subject to the provisions
22 of Sections 133, 134, 137, 140, 141.1, 141.2, 141.3, 143, 143c,
23 147, 148, 149, 151, 152, 153, 154, 154.5, 154.6, 154.7, 154.8,
24 155.04, 155.37, 355.2, 356v, 356z.9, 368a, 401, 401.1, 402,

1 403, 403A, 408, 408.2, 409, 412, 444, and 444.1 and Articles
2 IIA, VIII 1/2, XII, XII 1/2, XIII, XIII 1/2, XXV, and XXVI of
3 the Illinois Insurance Code. For purposes of the Illinois
4 Insurance Code, except for Sections 444 and 444.1 and Articles
5 XIII and XIII 1/2, limited health service organizations in the
6 following categories are deemed to be domestic companies:

7 (1) a corporation under the laws of this State; or

8 (2) a corporation organized under the laws of another
9 state, 30% of more of the enrollees of which are residents
10 of this State, except a corporation subject to
11 substantially the same requirements in its state of
12 organization as is a domestic company under Article VIII
13 1/2 of the Illinois Insurance Code.

14 (Source: P.A. 91-549, eff. 8-14-99; 91-605, eff. 12-14-99;
15 91-788, eff. 6-9-00; 92-440, eff. 8-17-01.)

16 Section 35. The Voluntary Health Services Plans Act is
17 amended by changing Section 10 as follows:

18 (215 ILCS 165/10) (from Ch. 32, par. 604)

19 Sec. 10. Application of Insurance Code provisions. Health
20 services plan corporations and all persons interested therein
21 or dealing therewith shall be subject to the provisions of
22 Articles IIA and XII 1/2 and Sections 3.1, 133, 140, 143, 143c,
23 149, 155.37, 354, 355.2, 356r, 356t, 356u, 356v, 356w, 356x,
24 356y, 356z.1, 356z.2, 356z.4, 356z.5, 356z.6, 356z.8, 356z.9,

1 364.01, 367.2, 368a, 401, 401.1, 402, 403, 403A, 408, 408.2,
2 and 412, and paragraphs (7) and (15) of Section 367 of the
3 Illinois Insurance Code.

4 (Source: P.A. 93-102, eff. 1-1-04; 93-529, eff. 8-14-03;
5 93-853, eff. 1-1-05; 93-1000, eff. 1-1-05; 94-1076, eff.
6 12-29-06.)

7 Section 40. The Illinois Public Aid Code is amended by
8 changing Section 5-5 as follows:

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

10 Sec. 5-5. Medical services. The Illinois Department, by
11 rule, shall determine the quantity and quality of and the rate
12 of reimbursement for the medical assistance for which payment
13 will be authorized, and the medical services to be provided,
14 which may include all or part of the following: (1) inpatient
15 hospital services; (2) outpatient hospital services; (3) other
16 laboratory and X-ray services; (4) skilled nursing home
17 services; (5) physicians' services whether furnished in the
18 office, the patient's home, a hospital, a skilled nursing home,
19 or elsewhere; (6) medical care, or any other type of remedial
20 care furnished by licensed practitioners; (7) home health care
21 services; (8) private duty nursing service; (9) clinic
22 services; (10) dental services, including prevention and
23 treatment of periodontal disease and dental caries disease for
24 pregnant women; (11) physical therapy and related services;

1 (12) prescribed drugs, dentures, and prosthetic devices; and
2 eyeglasses prescribed by a physician skilled in the diseases of
3 the eye, or by an optometrist, whichever the person may select;
4 (13) other diagnostic, screening, preventive, and
5 rehabilitative services; (14) transportation and such other
6 expenses as may be necessary; (15) medical treatment of sexual
7 assault survivors, as defined in Section 1a of the Sexual
8 Assault Survivors Emergency Treatment Act, for injuries
9 sustained as a result of the sexual assault, including
10 examinations and laboratory tests to discover evidence which
11 may be used in criminal proceedings arising from the sexual
12 assault; (16) the diagnosis and treatment of sickle cell
13 anemia; and (17) any other medical care, and any other type of
14 remedial care recognized under the laws of this State, but not
15 including abortions, or induced miscarriages or premature
16 births, unless, in the opinion of a physician, such procedures
17 are necessary for the preservation of the life of the woman
18 seeking such treatment, or except an induced premature birth
19 intended to produce a live viable child and such procedure is
20 necessary for the health of the mother or her unborn child. The
21 Illinois Department, by rule, shall prohibit any physician from
22 providing medical assistance to anyone eligible therefor under
23 this Code where such physician has been found guilty of
24 performing an abortion procedure in a wilful and wanton manner
25 upon a woman who was not pregnant at the time such abortion
26 procedure was performed. The term "any other type of remedial

1 care" shall include nursing care and nursing home service for
2 persons who rely on treatment by spiritual means alone through
3 prayer for healing.

4 Notwithstanding any other provision of this Section, a
5 comprehensive tobacco use cessation program that includes
6 purchasing prescription drugs or prescription medical devices
7 approved by the Food and Drug administration shall be covered
8 under the medical assistance program under this Article for
9 persons who are otherwise eligible for assistance under this
10 Article.

11 Notwithstanding any other provision of this Code, the
12 Illinois Department may not require, as a condition of payment
13 for any laboratory test authorized under this Article, that a
14 physician's handwritten signature appear on the laboratory
15 test order form. The Illinois Department may, however, impose
16 other appropriate requirements regarding laboratory test order
17 documentation.

18 The ~~Illinois~~ Department of Healthcare and Family Services
19 ~~Public Aid~~ shall provide the following services to persons
20 eligible for assistance under this Article who are
21 participating in education, training or employment programs
22 operated by the Department of Human Services as successor to
23 the Department of Public Aid:

24 (1) dental services, which shall include but not be
25 limited to prosthodontics; and

26 (2) eyeglasses prescribed by a physician skilled in the

1 diseases of the eye, or by an optometrist, whichever the
2 person may select.

3 The Illinois Department, by rule, may distinguish and
4 classify the medical services to be provided only in accordance
5 with the classes of persons designated in Section 5-2.

6 The Department of Healthcare and Family Services must
7 provide coverage for nonprescription amino acid-based
8 elemental formulas, regardless of delivery method, for the
9 diagnosis and treatment of (i) milk protein allergies and
10 intolerances, (ii) eosinophilic disorders, and (iii) impaired
11 absorption of nutrients caused by disorders affecting the
12 absorptive surface, functional length, and motility of the
13 gastrointestinal tract, when the prescribing physician has
14 issued a written order stating that the amino acid-based
15 elemental formula is medically necessary for the treatment of a
16 disease or disorder and is the least restrictive and most
17 cost-effective means for meeting the needs of the patient.

18 The Department of Healthcare and Family Services must
19 provide coverage for specialized amino acid-based elemental
20 formulas, regardless of delivery method, when the prescribing
21 physician has issued a written order stating that such
22 specialized amino acid-based elemental formula is medically
23 necessary for the treatment of a disease or disorder and is the
24 least restrictive and most cost-effective means for meeting the
25 needs of the patient.

26 The Illinois Department shall authorize the provision of,

1 and shall authorize payment for, screening by low-dose
2 mammography for the presence of occult breast cancer for women
3 35 years of age or older who are eligible for medical
4 assistance under this Article, as follows: a baseline mammogram
5 for women 35 to 39 years of age and an annual mammogram for
6 women 40 years of age or older. All screenings shall include a
7 physical breast exam, instruction on self-examination and
8 information regarding the frequency of self-examination and
9 its value as a preventative tool. As used in this Section,
10 "low-dose mammography" means the x-ray examination of the
11 breast using equipment dedicated specifically for mammography,
12 including the x-ray tube, filter, compression device, image
13 receptor, and cassettes, with an average radiation exposure
14 delivery of less than one rad mid-breast, with 2 views for each
15 breast.

16 Any medical or health care provider shall immediately
17 recommend, to any pregnant woman who is being provided prenatal
18 services and is suspected of drug abuse or is addicted as
19 defined in the Alcoholism and Other Drug Abuse and Dependency
20 Act, referral to a local substance abuse treatment provider
21 licensed by the Department of Human Services or to a licensed
22 hospital which provides substance abuse treatment services.
23 The Department of Healthcare and Family Services ~~Public Aid~~
24 shall assure coverage for the cost of treatment of the drug
25 abuse or addiction for pregnant recipients in accordance with
26 the Illinois Medicaid Program in conjunction with the

1 Department of Human Services.

2 All medical providers providing medical assistance to
3 pregnant women under this Code shall receive information from
4 the Department on the availability of services under the Drug
5 Free Families with a Future or any comparable program providing
6 case management services for addicted women, including
7 information on appropriate referrals for other social services
8 that may be needed by addicted women in addition to treatment
9 for addiction.

10 The Illinois Department, in cooperation with the
11 Departments of Human Services (as successor to the Department
12 of Alcoholism and Substance Abuse) and Public Health, through a
13 public awareness campaign, may provide information concerning
14 treatment for alcoholism and drug abuse and addiction, prenatal
15 health care, and other pertinent programs directed at reducing
16 the number of drug-affected infants born to recipients of
17 medical assistance.

18 Neither the ~~Illinois~~ Department of Healthcare and Family
19 Services ~~Public Aid~~ nor the Department of Human Services shall
20 sanction the recipient solely on the basis of her substance
21 abuse.

22 The Illinois Department shall establish such regulations
23 governing the dispensing of health services under this Article
24 as it shall deem appropriate. The Department should seek the
25 advice of formal professional advisory committees appointed by
26 the Director of the Illinois Department for the purpose of

1 providing regular advice on policy and administrative matters,
2 information dissemination and educational activities for
3 medical and health care providers, and consistency in
4 procedures to the Illinois Department.

5 The Illinois Department may develop and contract with
6 Partnerships of medical providers to arrange medical services
7 for persons eligible under Section 5-2 of this Code.
8 Implementation of this Section may be by demonstration projects
9 in certain geographic areas. The Partnership shall be
10 represented by a sponsor organization. The Department, by rule,
11 shall develop qualifications for sponsors of Partnerships.
12 Nothing in this Section shall be construed to require that the
13 sponsor organization be a medical organization.

14 The sponsor must negotiate formal written contracts with
15 medical providers for physician services, inpatient and
16 outpatient hospital care, home health services, treatment for
17 alcoholism and substance abuse, and other services determined
18 necessary by the Illinois Department by rule for delivery by
19 Partnerships. Physician services must include prenatal and
20 obstetrical care. The Illinois Department shall reimburse
21 medical services delivered by Partnership providers to clients
22 in target areas according to provisions of this Article and the
23 Illinois Health Finance Reform Act, except that:

24 (1) Physicians participating in a Partnership and
25 providing certain services, which shall be determined by
26 the Illinois Department, to persons in areas covered by the

1 Partnership may receive an additional surcharge for such
2 services.

3 (2) The Department may elect to consider and negotiate
4 financial incentives to encourage the development of
5 Partnerships and the efficient delivery of medical care.

6 (3) Persons receiving medical services through
7 Partnerships may receive medical and case management
8 services above the level usually offered through the
9 medical assistance program.

10 Medical providers shall be required to meet certain
11 qualifications to participate in Partnerships to ensure the
12 delivery of high quality medical services. These
13 qualifications shall be determined by rule of the Illinois
14 Department and may be higher than qualifications for
15 participation in the medical assistance program. Partnership
16 sponsors may prescribe reasonable additional qualifications
17 for participation by medical providers, only with the prior
18 written approval of the Illinois Department.

19 Nothing in this Section shall limit the free choice of
20 practitioners, hospitals, and other providers of medical
21 services by clients. In order to ensure patient freedom of
22 choice, the Illinois Department shall immediately promulgate
23 all rules and take all other necessary actions so that provided
24 services may be accessed from therapeutically certified
25 optometrists to the full extent of the Illinois Optometric
26 Practice Act of 1987 without discriminating between service

1 providers.

2 The Department shall apply for a waiver from the United
3 States Health Care Financing Administration to allow for the
4 implementation of Partnerships under this Section.

5 The Illinois Department shall require health care
6 providers to maintain records that document the medical care
7 and services provided to recipients of Medical Assistance under
8 this Article. The Illinois Department shall require health care
9 providers to make available, when authorized by the patient, in
10 writing, the medical records in a timely fashion to other
11 health care providers who are treating or serving persons
12 eligible for Medical Assistance under this Article. All
13 dispensers of medical services shall be required to maintain
14 and retain business and professional records sufficient to
15 fully and accurately document the nature, scope, details and
16 receipt of the health care provided to persons eligible for
17 medical assistance under this Code, in accordance with
18 regulations promulgated by the Illinois Department. The rules
19 and regulations shall require that proof of the receipt of
20 prescription drugs, dentures, prosthetic devices and
21 eyeglasses by eligible persons under this Section accompany
22 each claim for reimbursement submitted by the dispenser of such
23 medical services. No such claims for reimbursement shall be
24 approved for payment by the Illinois Department without such
25 proof of receipt, unless the Illinois Department shall have put
26 into effect and shall be operating a system of post-payment

1 audit and review which shall, on a sampling basis, be deemed
2 adequate by the Illinois Department to assure that such drugs,
3 dentures, prosthetic devices and eyeglasses for which payment
4 is being made are actually being received by eligible
5 recipients. Within 90 days after the effective date of this
6 amendatory Act of 1984, the Illinois Department shall establish
7 a current list of acquisition costs for all prosthetic devices
8 and any other items recognized as medical equipment and
9 supplies reimbursable under this Article and shall update such
10 list on a quarterly basis, except that the acquisition costs of
11 all prescription drugs shall be updated no less frequently than
12 every 30 days as required by Section 5-5.12.

13 The rules and regulations of the Illinois Department shall
14 require that a written statement including the required opinion
15 of a physician shall accompany any claim for reimbursement for
16 abortions, or induced miscarriages or premature births. This
17 statement shall indicate what procedures were used in providing
18 such medical services.

19 The Illinois Department shall require all dispensers of
20 medical services, other than an individual practitioner or
21 group of practitioners, desiring to participate in the Medical
22 Assistance program established under this Article to disclose
23 all financial, beneficial, ownership, equity, surety or other
24 interests in any and all firms, corporations, partnerships,
25 associations, business enterprises, joint ventures, agencies,
26 institutions or other legal entities providing any form of

1 health care services in this State under this Article.

2 The Illinois Department may require that all dispensers of
3 medical services desiring to participate in the medical
4 assistance program established under this Article disclose,
5 under such terms and conditions as the Illinois Department may
6 by rule establish, all inquiries from clients and attorneys
7 regarding medical bills paid by the Illinois Department, which
8 inquiries could indicate potential existence of claims or liens
9 for the Illinois Department.

10 Enrollment of a vendor that provides non-emergency medical
11 transportation, defined by the Department by rule, shall be
12 conditional for 180 days. During that time, the Department of
13 Healthcare and Family Services ~~Public Aid~~ may terminate the
14 vendor's eligibility to participate in the medical assistance
15 program without cause. That termination of eligibility is not
16 subject to the Department's hearing process.

17 The Illinois Department shall establish policies,
18 procedures, standards and criteria by rule for the acquisition,
19 repair and replacement of orthotic and prosthetic devices and
20 durable medical equipment. Such rules shall provide, but not be
21 limited to, the following services: (1) immediate repair or
22 replacement of such devices by recipients without medical
23 authorization; and (2) rental, lease, purchase or
24 lease-purchase of durable medical equipment in a
25 cost-effective manner, taking into consideration the
26 recipient's medical prognosis, the extent of the recipient's

1 needs, and the requirements and costs for maintaining such
2 equipment. Such rules shall enable a recipient to temporarily
3 acquire and use alternative or substitute devices or equipment
4 pending repairs or replacements of any device or equipment
5 previously authorized for such recipient by the Department.

6 The Department shall execute, relative to the nursing home
7 prescreening project, written inter-agency agreements with the
8 Department of Human Services and the Department on Aging, to
9 effect the following: (i) intake procedures and common
10 eligibility criteria for those persons who are receiving
11 non-institutional services; and (ii) the establishment and
12 development of non-institutional services in areas of the State
13 where they are not currently available or are undeveloped.

14 The Illinois Department shall develop and operate, in
15 cooperation with other State Departments and agencies and in
16 compliance with applicable federal laws and regulations,
17 appropriate and effective systems of health care evaluation and
18 programs for monitoring of utilization of health care services
19 and facilities, as it affects persons eligible for medical
20 assistance under this Code.

21 The Illinois Department shall report annually to the
22 General Assembly, no later than the second Friday in April of
23 1979 and each year thereafter, in regard to:

24 (a) actual statistics and trends in utilization of
25 medical services by public aid recipients;

26 (b) actual statistics and trends in the provision of

1 the various medical services by medical vendors;

2 (c) current rate structures and proposed changes in
3 those rate structures for the various medical vendors; and

4 (d) efforts at utilization review and control by the
5 Illinois Department.

6 The period covered by each report shall be the 3 years
7 ending on the June 30 prior to the report. The report shall
8 include suggested legislation for consideration by the General
9 Assembly. The filing of one copy of the report with the
10 Speaker, one copy with the Minority Leader and one copy with
11 the Clerk of the House of Representatives, one copy with the
12 President, one copy with the Minority Leader and one copy with
13 the Secretary of the Senate, one copy with the Legislative
14 Research Unit, and such additional copies with the State
15 Government Report Distribution Center for the General Assembly
16 as is required under paragraph (t) of Section 7 of the State
17 Library Act shall be deemed sufficient to comply with this
18 Section.

19 (Source: P.A. 92-16, eff. 6-28-01; 92-651, eff. 7-11-02;
20 92-789, eff. 8-6-02; 93-632, eff. 2-1-04; 93-841, eff. 7-30-04;
21 93-981, eff. 8-23-04; revised 12-15-05.)

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