



97TH GENERAL ASSEMBLY

State of Illinois

2011 and 2012

HB3978

Introduced 1/18/2012, by Rep. Kelly M. Cassidy

SYNOPSIS AS INTRODUCED:

305 ILCS 5/12-13.1

Amends the Administration Article of the Illinois Public Aid Code. Provides that the Department of Healthcare and Family Services' Inspector General shall oversee the Department's integrity functions, which include, but are not limited to, the monitoring of quality assurance programs administered by the Department (rather than monitoring of quality assurance programs generally related to the medical assistance program and specifically related to any managed care program). Adds the offices of the Centers for Medicare and Medicaid Services that administer the Medicare and Medicaid integrity programs to the list of agencies the Inspector General shall liaison with on behalf of the Department. Makes other changes.

LRB097 14549 KTG 59404 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning public aid.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Illinois Public Aid Code is amended by
5 changing Section 12-13.1 as follows:

6 (305 ILCS 5/12-13.1)

7 Sec. 12-13.1. Inspector General.

8 (a) The Governor shall appoint, and the Senate shall
9 confirm, an Inspector General who shall function within the
10 Illinois Department of Public Aid (now Healthcare and Family
11 Services) and report to the Governor. The term of the Inspector
12 General shall expire on the third Monday of January, 1997 and
13 every 4 years thereafter.

14 (b) In order to prevent, detect, and eliminate fraud,
15 waste, abuse, mismanagement, and misconduct, the Inspector
16 General shall oversee the Department of Healthcare and Family
17 Services' integrity functions, which include, but are not
18 limited to, the following:

19 (1) Investigation of misconduct by employees, vendors,
20 contractors and medical providers, except for allegations
21 of violations of the State Officials and Employees Ethics
22 Act which shall be referred to the Office of the Governor's
23 Executive Inspector General for investigation.

1 (2) Audits of medical providers related to ensuring
2 that appropriate payments are made for services rendered
3 and to the recovery of overpayments.

4 (3) Monitoring of quality assurance programs
5 administered by the Department of Healthcare and Family
6 Services ~~generally related to the medical assistance~~
7 ~~program and specifically related to any managed care~~
8 ~~program.~~

9 (4) Quality control measurements of the programs
10 administered by the Department of Healthcare and Family
11 Services.

12 (5) Investigations of fraud or intentional program
13 violations committed by clients of the Department of
14 Healthcare and Family Services.

15 (6) Actions initiated against contractors, vendors, or
16 medical providers for any of the following reasons:

17 (A) Violations of the medical assistance program.

18 (B) Sanctions against providers brought in
19 conjunction with the Department of Public Health or the
20 Department of Human Services (as successor to the
21 Department of Mental Health and Developmental
22 Disabilities).

23 (C) Recoveries of assessments against hospitals
24 and long-term care facilities.

25 (D) Sanctions mandated by the United States
26 Department of Health and Human Services against

1 medical providers.

2 (E) Violations of contracts related to any
3 programs administered by the Department of Healthcare
4 and Family Services ~~managed care programs~~.

5 (7) Representation of the Department of Healthcare and
6 Family Services at hearings with the Illinois Department of
7 Financial and Professional Regulation in actions taken
8 against professional licenses held by persons who are in
9 violation of orders for child support payments.

10 (b-5) At the request of the Secretary of Human Services,
11 the Inspector General shall, in relation to any function
12 performed by the Department of Human Services as successor to
13 the Department of Public Aid, exercise one or more of the
14 powers provided under this Section as if those powers related
15 to the Department of Human Services; in such matters, the
16 Inspector General shall report his or her findings to the
17 Secretary of Human Services.

18 (c) The Inspector General shall have access to all
19 information, personnel and facilities of the Department of
20 Healthcare and Family Services and the Department of Human
21 Services (as successor to the Department of Public Aid), their
22 employees, vendors, contractors and medical providers and any
23 federal, State or local governmental agency that are necessary
24 to perform the duties of the Office as directly related to
25 public assistance programs administered by those departments.
26 No medical provider shall be compelled, however, to provide

1 individual medical records of patients who are not clients of
2 the programs administered by the Department of Healthcare and
3 Family Services Medical Assistance Program. State and local
4 governmental agencies are authorized and directed to provide
5 the requested information, assistance or cooperation.

6 (d) The Inspector General shall serve as the Department of
7 Healthcare and Family Services' primary liaison with law
8 enforcement, investigatory and prosecutorial agencies,
9 including but not limited to the following:

10 (1) The Department of State Police.

11 (2) The Federal Bureau of Investigation and other
12 federal law enforcement agencies.

13 (3) The various Inspectors General of federal agencies
14 overseeing the programs administered by the Department of
15 Healthcare and Family Services.

16 (4) The various Inspectors General of any other State
17 agencies with responsibilities for portions of programs
18 primarily administered by the Department of Healthcare and
19 Family Services.

20 (5) The Offices of the several United States Attorneys
21 in Illinois.

22 (6) The several State's Attorneys.

23 (7) The offices of the Centers for Medicare and
24 Medicaid Services that administer the Medicare and
25 Medicaid integrity programs.

26 The Inspector General shall meet on a regular basis with

1 these entities to share information regarding possible
2 misconduct by any persons or entities involved with the public
3 aid programs administered by the Department of Healthcare and
4 Family Services.

5 (e) All investigations conducted by the Inspector General
6 shall be conducted in a manner that ensures the preservation of
7 evidence for use in criminal prosecutions. If the Inspector
8 General determines that a possible criminal act relating to
9 fraud in the provision or administration of the medical
10 assistance program has been committed, the Inspector General
11 shall immediately notify the Medicaid Fraud Control Unit. If
12 the Inspector General determines that a possible criminal act
13 has been committed within the jurisdiction of the Office, the
14 Inspector General may request the special expertise of the
15 Department of State Police. The Inspector General may present
16 for prosecution the findings of any criminal investigation to
17 the Office of the Attorney General, the Offices of the several
18 United States Attorneys in Illinois or the several State's
19 Attorneys.

20 (f) To carry out his or her duties as described in this
21 Section, the Inspector General and his or her designees shall
22 have the power to compel by subpoena the attendance and
23 testimony of witnesses and the production of books, electronic
24 records and papers as directly related to public assistance
25 programs administered by the Department of Healthcare and
26 Family Services or the Department of Human Services (as

1 successor to the Department of Public Aid). No medical provider
2 shall be compelled, however, to provide individual medical
3 records of patients who are not clients of the Medical
4 Assistance Program.

5 (g) The Inspector General shall report all convictions,
6 terminations, and suspensions taken against vendors,
7 contractors and medical providers to the Department of
8 Healthcare and Family Services and to any agency responsible
9 for licensing or regulating those persons or entities.

10 (h) The Inspector General shall make annual reports,
11 findings, and recommendations regarding the Office's
12 investigations into reports of fraud, waste, abuse,
13 mismanagement, or misconduct relating to any ~~public-aid~~
14 programs administered by the Department of Healthcare and
15 Family Services or the Department of Human Services (as
16 successor to the Department of Public Aid) to the General
17 Assembly and the Governor. These reports shall include, but not
18 be limited to, the following information:

19 (1) Aggregate provider billing and payment
20 information, including the number of providers at various
21 Medicaid earning levels.

22 (2) The number of audits of the medical assistance
23 program and the dollar savings resulting from those audits.

24 (3) The number of prescriptions rejected annually
25 under the Department of Healthcare and Family Services'
26 Refill Too Soon program and the dollar savings resulting

1 from that program.

2 (4) Provider sanctions, in the aggregate, including
3 terminations and suspensions.

4 (5) A detailed summary of the investigations
5 undertaken in the previous fiscal year. These summaries
6 shall comply with all laws and rules regarding maintaining
7 confidentiality in the public aid programs.

8 (i) Nothing in this Section shall limit investigations by
9 the Department of Healthcare and Family Services or the
10 Department of Human Services that may otherwise be required by
11 law or that may be necessary in their capacity as the central
12 administrative authorities responsible for administration of
13 their agency's public aid programs in this State.

14 (j) The Inspector General may issue shields or other
15 distinctive identification to his or her employees not
16 exercising the powers of a peace officer if the Inspector
17 General determines that a shield or distinctive identification
18 is needed by an employee to carry out his or her
19 responsibilities.

20 (Source: P.A. 95-331, eff. 8-21-07; 96-555, eff. 8-18-09;
21 96-1316, eff. 1-1-11.)