

AN ACT concerning health.

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

Section 2. The Department of Human Services Act is amended by adding Section 1-40 as follows:

(20 ILCS 1305/1-40 new)

Sec. 1-40. Alcoholism and Substance Abuse; Mental Health; provider payments. For authorized Medicaid services to enrolled individuals, Division of Alcoholism and Substance Abuse and Division of Mental Health providers shall receive payment for such authorized services, with payment occurring no later than in the next fiscal year.

Section 5. The Community Services Act is amended by changing Section 4 as follows:

(405 ILCS 30/4) (from Ch. 91 1/2, par. 904)

Sec. 4. Financing for Community Services.

(a) The Department of Human Services is authorized to provide financial reimbursement to eligible private service providers, corporations, local government entities or voluntary associations for the provision of services to persons with mental illness, persons with a developmental disability

and alcohol and drug dependent persons living in the community for the purpose of achieving the goals of this Act.

The Department shall utilize the following funding mechanisms for community services:

(1) Purchase of Care Contracts: services purchased on a predetermined fee per unit of service basis from private providers or governmental entities. Fee per service rates are set by an established formula which covers some portion of personnel, supplies, and other allowable costs, and which makes some allowance for geographic variations in costs as well as for additional program components.

(2) Grants: sums of money which the Department grants to private providers or governmental entities pursuant to the grant recipient's agreement to provide certain services, as defined by departmental grant guidelines, to an approximate number of service recipients. Grant levels are set through consideration of personnel, supply and other allowable costs, as well as other funds available to the program.

(3) Other Funding Arrangements: funding mechanisms may be established on a pilot basis in order to examine the feasibility of alternative financing arrangements for the provision of community services.

The Department shall establish and maintain an equitable system of payment which allows providers to improve persons with disabilities' capabilities for independence and reduces

their reliance on State-operated services.

For services classified as entitlement services under federal law or guidelines, caps may not be placed on the total amount of payment a provider may receive in a fiscal year and the Department shall not require that a portion of the payments due be made in a subsequent fiscal year based on a yearly payment cap.

(b) The Governor shall create a commission by September 1, 2009, or as soon thereafter as possible, to review funding methodologies, identify gaps in funding, identify revenue, and prioritize use of that revenue for community developmental disability services, mental health services, alcohol and substance abuse services, rehabilitation services, and early intervention services. The Office of the Governor shall provide staff support for the commission.

(c) The first meeting of the commission shall be held within the first month after the creation and appointment of the commission, and a final report summarizing the commission's recommendations must be issued within 12 months after the first meeting, and no later than September 1, 2010, to the Governor and the General Assembly.

(d) The commission shall have the following 13 voting members:

(A) one member of the House of Representatives, appointed by the Speaker of the House of Representatives;

(B) one member of the House of Representatives,

appointed by the House Minority Leader;

(C) one member of the Senate, appointed by the President of the Senate;

(D) one member of the Senate, appointed by the Senate Minority Leader;

(E) one person with a developmental disability, or a family member or guardian of such a person, appointed by the Governor;

(F) one person with a mental illness, or a family member or guardian of such a person, appointed by the Governor;

(G) two persons from unions that represent employees of community providers that serve people with developmental disabilities, mental illness, and alcohol and substance abuse disorders, appointed by the Governor; and

(H) five persons from statewide associations that represent community providers that provide residential, day training, and other developmental disability services, mental health services, alcohol and substance abuse services, rehabilitation services, or early intervention services, or any combination of those, appointed by the Governor.

The commission shall also have the following ex-officio, nonvoting members:

(I) the Director of the Governor's Office of Management and Budget or his or her designee;

(J) the Chief Financial Officer of the Department of Human Services or his or her designee;

(K) the Administrator of the Department of Healthcare and Family Services Division of Finance or his or her designee;

(L) the Director of the Department of Human Services Division of Developmental Disabilities or his or her designee;

(M) the Director of the Department of Human Services Division of Mental Health or his or her designee; and

(N) the Director of the Department of Human Services Division of Alcohol and Substance Abuse or his or her designee.

(e) The funding methodologies must reflect economic factors inherent in providing services and supports, recognize individual disability needs, and consider geographic differences, transportation costs, required staffing ratios, and mandates not currently funded.

(f) In accepting Department funds, providers shall recognize their responsibility to be accountable to the Department and the State for the delivery of services which are consistent with the philosophies and goals of this Act and the rules and regulations promulgated under it.

(Source: P.A. 95-682, eff. 10-11-07; 96-652, eff. 8-24-09.)

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