



July 23, 2015

FOR IMMEDIATE RELEASE

Contact:

[Michelle Nicolet](mailto:mnicolet@povertylaw.org) 312.368.2675, mnicolet@povertylaw.org

Jill Wohl, (312) 605-1980, jill@aidlegal.org

Illinois Must Pay Health Care Providers for Services Rendered to Cook County Medicaid Beneficiaries, Despite Budget Impasse

A federal court has ordered the Illinois Department of Health Care and Family Services (DHFS) to pay health care providers for services rendered to Medicaid beneficiaries in Cook County pending resolution of the state budget. Children whose health care needs are covered by the Medicaid program, represented by the Shriver Center and AIDS Legal Council of Chicago, with pro bono assistance from the Chicago law firm, Goldberg Kohn, brought this legal action seeking to enforce the guarantee of access to health care services that the children secured in a landmark lawsuit in 2005.

On July 10, 2015, the director of DHFS notified health care providers that the agency would discontinue payments to them pending passage of a fiscal year 2016 budget. Although the director encouraged health care providers to continue to provide services to Medicaid beneficiaries, DHFS has not reimbursed providers for services rendered to beneficiaries since July 1, 2015.

The children claim in their motion that DHFS's decision to delay these payments imperils their access to health care in violation of the 2005 consent decree in *Memisowski v. Maram*. That decree requires DHFS to administer the Medicaid program so ensure that children receive preventive care and treatment as needed. Approximately 700,000 children are covered under Medicaid in Cook County alone.

The state's failure to pay Medicaid reimbursements on time will force providers to shut down or limit the services that they provide. For example, Roseland Community Hospital, which serves a low-income and medically underserved community, will lose anticipated Medicaid payments of \$2 million in July 2015, which will force it to suspend operations on July 31.

"The court's order today averts a disastrous loss of access to care that the children would have suffered. As the budget impasse continues, increasing numbers of Medicaid-funded providers would have been affected by DHFS's decision not to pay them. ," said John Bouman, President of the Shriver Center. "Now poor children and other Medicaid beneficiaries will be able to get the healthcare they need, even as Illinois officials continue to fail to arrive at a state budget."

Among the services most at risk if no action had been taken was Early Intervention, the federally mandated early childhood development program that bridges the gaps for the most vulnerable

infants and toddlers. Tom Yates, Executive Director of AIDS Legal Council, notes, “If our youngest children cannot receive health care services and therapies because no one is being paid to carry out their service plans, then the state is denying them a benefit they are entitled to under federal law. We cannot stand by as the budget crisis lingers and children lose necessary care. Babies can’t wait.”

In making her ruling, Judge Joan Lefkow noted that, “Nothing has changed that would allow the state to violate the law.” The court’s order enjoins DHFS from failing to reimburse health care providers for services rendered to Medicaid beneficiaries retroactive to July 1.

####

The Sargent Shriver National Center on Poverty Law provides national leadership in advancing laws and policies that secure justice to improve the lives and opportunities of people living in poverty. We specialize in practical solutions. We advocate for and serve clients directly, while also building the capacity of the nation’s legal aid providers to advance justice and opportunity for their clients. www.povertylaw.org.

The Chicago-Medical Legal Partnership for Children is a legal care project of AIDS Legal Council of Chicago, which uses the power of the law to secure dignity, opportunity, and well-being for people facing barriers due to illness and disability. In 2015, the agency is changing its name to Legal Council for Health Justice. www.legalcouncil.org