

201 South Grand Avenue East  
Springfield, Illinois 62763-0002

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## MEMORANDUM

DATE: January 15, 2008

TO: Members of the Medicaid Advisory Committee

FROM: Theresa A. Eagleson, Administrator  
Division of Medical Programs

RE: Medicaid Advisory Committee (MAC) Meeting

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The next meeting of the Medicaid Advisory Committee is scheduled for January 18, 2008. The meeting will be held via videoconference from 10 a.m. to 12 p.m. Those attending in Springfield will meet at 201 South Grand Avenue East, 3rd floor Video-conference Room B. Those attending in Chicago will meet at 401 South Clinton, 7th floor Video-conference Room.

The following meeting material has been posted to the department's Web site: the agenda for the January 18, 2008 meeting, the draft minutes and attachments from the November 16, 2007 meeting, the Public Education Subcommittee Charge, a schedule of the 2008 meeting dates and the Ethics Training for Appointees and Employees of State of Illinois Boards packet. **MAC members are asked to read the ethics-training document and bring the signed "Acknowledgment of Participation Form" to the meeting on the 18<sup>th</sup> or return by facsimile to the attention of Carla Lawson at 217-558-1317.**

The current meeting material has been sent to the committee members electronically. Interested parties can access the meeting information by going to: <http://www.hfs.illinois.gov/mac/> or <http://www.hfs.illinois.gov/mac/news/index.html>

In order to receive information on future MAC meetings, you will need to register to receive e-mail notification when information is posted to the MAC Web page. To register to receive the MAC e-mail notifications go to: <http://www.hfs.illinois.gov/mac/notify.html>

If you have any questions, or need to be reached during the meeting, please call 217-782-2570.

## **MEDICAID ADVISORY COMMITTEE**

401 S. Clinton, 7th Floor Video-conference Room  
Chicago, Illinois  
and  
201 South Grand Avenue East  
3rd Floor Video-conference Room  
Springfield, Illinois

January 18, 2008  
10 a.m. - 12 p.m.

### **AGENDA**

- I. Call to Order
- II. Introductions
- III. Review of November 16, 2007 Meeting Minutes
- IV. Administrator's Report
  - 2008 Budget Update
  - Illinois Covered
  - Status of SCHIP
- V. Old Business
  - All Kids and FamilyCare Update
  - PCCM Update
  - DM Update
  - Medicare Part D Update
  - Veterans Care Update
  - Access to Benefits and Services Task Force Update
- VI. New Business
  - Ethics Training
  - Open to Committee
- VII. Subcommittee Reports
  - Long Term Care (LTC) Subcommittee – Report.
  - Dental Policy Review (DPR) Committee – No report.
  - Public Education Subcommittee – No report.
  - Pharmacy Subcommittee – Report.
- VIII. Adjournment

**Illinois Department of Healthcare and Family Services  
Medicaid Advisory Committee  
November 16, 2007**

401 S. Clinton Street, Chicago, Illinois  
201 S. Grand Avenue East, Springfield, Illinois

**Members Present**

Eli Pick, Chairman  
Nancy Crossman, DHS  
Jill Fraggos for Susan Hayes Gordon  
Richard Perry, D.D.S  
John Schlofrock, Barton Mgt.  
Robyn Gabel, IMCHC  
David Carvalho - IDPH

**Members Absent**

Robert Anselmo, R.Ph.  
Pedro A. Poma, M.D.  
Diane Coleman, PCIL  
Kim Mitroka – Christopher Rural Health  
Neil Winston, M.D.  
Myrtis Sullivan, DHS  
Debra Kinsey –DCFS

**HFS Staff**

James Parker  
Jacquetta Ellinger  
Lynne Thomas  
Stephen Saunders, M.D.  
Sinead Madigan  
Kelly Cunningham  
Aundrea Hendricks  
James Monk

**Interested Parties**

Mary Driscoll – DPH  
Kevin McFadden –Astra Zeneca  
Dennis Penning - Hemophilia Foundation of Illinois  
Roy Pura – GlaxoSmithKline  
Citseko Staples – Harmony HMO  
Esther Morales – Harmony HMO  
George Hovanec-Consultant  
Gerri Clark – DSCC  
Marsha Hurn - CBDC

**Illinois Department of Healthcare and Family Services  
Medicaid Advisory Committee  
November 16, 2007**

**I. Call to Order**

Chairman Pick called the meeting to order at 10:12 a.m.

**II. Introductions**

Attendees in Chicago and Springfield introduced themselves.

**III. Review of the Minutes**

The September 2007 minutes were approved.

**IV. Administrator's Report**

James Parker, Deputy Administrator for Operations, provided the report.

- 1) The Illinois Breast and Cervical Cancer Program has expanded to provide free mammograms, breast exams, pelvic exams and Pap tests for all uninsured women in Illinois. We have 800 persons actively enrolled. Public Health (IDPH) continues to work to expand the number of screening sites. Primarily public health sites do screening with payment from HFS.

Women interested in screenings may be referred to the Illinois Women's Health Line (888-522-1282) or website [www.cancerscreening.illinois.gov/](http://www.cancerscreening.illinois.gov/). In Cook County, interested parties may call Access Community Health Network or Mercy Hospital and Medical Center.

Robyn Gabel asked if DPH and HFS are monitoring the program. Mary Driscoll shared that DPH has certain parameters to monitor such as getting the screening within 60 days and getting reports back. There are two ways in which applications may be initiated. When a public health contractor does the screening and follow up is needed, the contractor will assist with the application to HFS. For women already determined to need follow up, then a referral is made from the medical provider to the screening agent that ensures an application is completed.

The program doesn't cover treatment of uterine cancer. Only, if the cancer metastasized from the cervix or breast to another site, may we cover treatment.

- 2) Mr. Parker reported that the Governor expanded FamilyCare income eligibility to include families up to 400% FPL by filing an emergency rule.
- 3) Jacquetta Ellinger, Deputy Administrator for Policy Coordination, provided an update on efforts to reauthorize the SCHIP (State Children's Health Insurance Program) and Illinois' waiver that allows for coverage of adults under the FamilyCare program.

**Illinois Department of Healthcare and Family Services  
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The FamilyCare waiver ended on September 30<sup>th</sup>. Despite our work with the federal CMS, we did not receive an extension of the waiver.

For the last federal fiscal year, Illinois' allotment under SCHIP was about \$210 million. In fiscal year 2007, Illinois drew in \$450 million. Additional money came from the special shortfall appropriation by Congress and from redistribution of funds from other states that didn't use their allotment. The federal CMS never agreed to let us draft a waiver renewal budget for over \$210 million.

The outlook for SCHIP reauthorization is uncertain. Services to 185% FPL parents are not federally reimbursable under SCHIP as of October 1<sup>st</sup>. We may pursue Medicaid for FamilyCare through a state plan amendment. We can go back to October 1<sup>st</sup> if we file by December 31<sup>st</sup>. Under Medicaid we will receive \$60 - \$70 million less in federal match. With no amendment, we would be down \$200 million in federal matching funds. Although the waiver has ended, FamilyCare recipients continue to receive coverage.

A question was raised regarding the 2008 budget and rate increases for Long Term Care (LTC). If the budget had not been signed by November 15<sup>th</sup>, is it true that the new LTC rates would not go into effect on January 1, 2008? Mr. Parker stated that there is a 30-day time frame for notification required by the feds, and then it becomes a match issue.

**V. Old Business**

**1) All Kids and FamilyCare update.** Enrollment statistics through September 30, 2007 were provided. Lynne Thomas, Bureau of All Kids Chief, stated that about 1.4 million children and over 500,000 adults are covered. The numbers continue to grow. The central All Kids Unit is processing at less than two weeks. We have been moving resources to process application renewals.

Ms. Thomas stated that about half of the applications are received from families and about half are from All Kids Application Agents (AKAA). She added that about half the applications are received via mail and about half via the web-based application.

**2) Primary Care Case Management (PCCM) activity** Mr. Parker reported on the Illinois Health Connect program. The statewide rollout is done with about 1.7 million eligible persons enrolled. We have notified all mandatory participants although the number in the program is a little less as new enrollees have 60 days to make a decision. The 60-day period for downstate enrollees is over and the auto-assignments are done. Next week we should have the number of enrollees that were auto-assigned.

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The provider network has adequate capacity with most counties having twice the capacity needed. The exception is Massac County on the border with Kentucky. We have 21 counties with 100 to 200% capacity and 80 counties with greater than 200% capacity.

Now begins the hard work of ensuring that care is given in these medical homes. We will monitor the number of well child visits, preventive screenings and immunizations. We want to achieve the goals set forth for PCCM.

Mr. Parker advised that we are not currently rejecting claims if a person goes to a location other than the assigned medical home. We won't begin the required referral process until early in 2008. Some providers are trying to reinforce that patients come only with a referral and if a patient wishes, they may change to a new PCP. Looking at Cook county data, 70% of physician services are received from the assigned PCP. We take this as a good sign.

**3) Disease Management (DM).** Dr. Stephen Saunders, Division of Medical Programs Medical Advisor, provided the report. He stated that about 18,000 patients are actively engaged in DM. These are high-risk patients. We are working with persons with mental health diagnoses to better coordinate mental health and non-mental health services. The goal is to ensure coordination of care for those at highest risk.

Chairman Pick asked how many of the 18,000 are in Long Term Care (LTC). Dr. Saunders stated about 4%, or 700; of the 18,000 actively engaged patients are targeted LTC participants. He added that McKesson, the DM contractor, has about 4,000 patients in LTC.

**4) Medicare Part D.** Sinead Madigan, Chief of the Bureau of Pharmacy Services, provided the update on Medicare Part D and Illinois Cares Rx. She advised that on November 15<sup>th</sup> and through the end of the year, people may choose a new Part D provider. This is leading into the third year of the Part D program and we expect about 28% of persons to move to a new prescription drug plan.

The federal average premium benchmark for a coordinating Medicare drug plan is \$30.26. If the cost is \$1.00 over, Medicare will move the enrollee to another plan in the company or to a new plan. Illinois has 2 plans above the benchmark. These are United Healthcare - AARP and the WellCare Signature plan. The state will pay the difference to allowed persons to remain enrolled in these health plans.

We will double the number of state coordinating plans to 6 from 3. The new stand-alone plans are Humana PDP Standard, SilverScript and First Health Part D Premium. There are also 3 new Medicare Advantage plans. These are Essence Healthcare, Humana and PersonalCare.

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There are about 210,000 members in Illinois Cares Rx and 99% of them are in a Medicare plan.

**5) Veterans Care.** Ms. Ellinger reported that the enrollment numbers are fairly stable at about 80 veterans. She noted that the income threshold is pretty high at 300 to 400% poverty and that the specific amount varies by county. We continue to work with the Department of Veteran Affairs to determine eligibility and promote the program.

In July, the Governor announced a program to screen Illinois Veterans for traumatic brain injury (TBI) and Post Traumatic Stress Disorder (PTSD). HFS is working with DVA on that initiative.

**6) Access to Benefits and Services Task Force.** Nancy Cross shared that a draft report had been completed. The next step is for state agencies to respond to the report and a final report would be issued to the state legislature. The recommendations primarily relate to DHS.

Ms. Crossman suggested that DHS and HFS will share the agency responses with the task force before releasing the report to the legislature and Governor.

**VI. New Business**

No new business for this period.

**VII. Subcommittee Reports**

**Long Term Care (LTC).** Kelly Cunningham with the Bureau of Long Term Care provided the report. She stated the subcommittee has standing topics for discussion.

- The Supportive Living Program has 84 operational sites and another 63 applications for sites to approve.
- Illinois Care Rx discussed as reviewed earlier.
- The disease management program, “Your Healthcare Plus” is working with long term care facilities and have nurse practitioners at 12 sites in the Chicago area. We hope to expand to suburban areas.
- Illinois has 9 Home and Community Based Services (HCBS) Medicaid Waiver Programs. This includes 2 new waivers for children.
- The Dept on Aging reported on the Cash and Counseling demonstration project, available in four areas in the state that allows clients to manage their budget and services.
- The “Money Follows the Person” demonstration project was awarded to Illinois in May 2007 for a five-year grant period. The program transitions person to an appropriate community setting. The eligibility criteria require that a person be in long term care for a minimum of 6 months. The community setting may be a

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home or residential setting of 4 or more beds. This is not a grant program but an opportunity to get 75% federal match up to a year following the transition. The project is geared to system rebalancing with issues of nursing home diversion, conversion, closure of beds and better screening of patients.

The next meeting is December 21st.

**Dental Policy Review (DPR).** Dr. Richard Perry provided the report. The subcommittee met on November 7<sup>th</sup>.

The Dentist Office Reference Manual was updated. The workgroup focused on a review of the changes.

Dr. Perry reported that the number of Illinois dental providers enrolled in the Medicaid program has gone up slightly to about 1900. The increases were seen in the southern and central parts of the state. He added that Doral Dental has people enrolling new dentists.

The next meeting is March 12th.

**Pharmacy Subcommittee Charge.** No report for this period

**Public Education Subcommittee** Ms. Ellinger reported that there has not been much interest in this subcommittee. There was a staff person who has left and the staffing has not been reassigned.

Robyn Gabel asked if the subcommittee would ever meet again. Ms. Ellinger stated that if Ms. Gabel would help with developing the agenda, we could bring people together in person or via a conference call.

Ms. Ellinger advised that she would include the charge of the subcommittee with the mailing for the next MAC meeting.

**VIII.** The meeting was adjourned at 11:20 a.m. The next MAC meeting is scheduled for January 18, 2008. The Department will provide the annual meeting schedule at the next meeting.



**Medicaid Advisory Committee**  
**November 16, 2007**  
**All Kids/FamilyCare Report**

**Enrollment**

- Enrollment data is attached. Enrollment data as of 09/30/07:
  - a. 1,315,838 All Kids Assist (Up to 133% of FPL)
  - b. 70,068 All Kids Rebate, Share, Premium Level 1 (133% to 200% of FPL)
  - c. 59,029 All Kids expansion children
  - d. 5,890 Moms and babies expansion (133% to 200% of FPL)
  - e. 370,628 Pre-expansion parents (up to approx. 35% of FPL)
  - f. 156,905 FamilyCare expansion parents

**Web-based application capability**

We implemented our web-based application statewide on August 11, 2005. Since then, we have received a total 112,849 web apps: 74,898 from the general public and 37,951 from AKAA's.

	4/30/2007		5/31/2007		6/30/2007		7/31/2007		8/31/2007	9/30/2007
	Previous	Current	Previous	Current	Previous	Current	Previous	Current	Current	Current
	Numbers	Numbers	Numbers	Numbers	Numbers	Numbers	Numbers	Numbers	Numbers	Numbers
Pre-expansion children	1,191,757	1,194,980	1,193,440	1,199,518	1,202,947	1,206,321	1,206,194	1,212,445	1,219,991	1,221,195
All Kids Phase I	86,550	86,847	87,818	88,388	90,024	90,332	91,449	92,004	93,485	94,643
All Kids Phase II	59,792	59,798	61,108	61,073	62,124	62,124	62,740	62,680	62,682	62,759
All Kids Phase III	5,693	5,688	6,198	6,191	6,623	6,619	6,963	6,946	7,061	7,309
All Kids Expansion	49,887	50,083	52,185	52,615	54,928	55,118	56,262	56,653	58,015	59,029
Moms and Babies Exp	5,519	5,596	5,518	5,657	5,653	5,723	5,693	5,835	5,924	5,890
Pre-expansion parents	365,129	367,160	363,162	367,193	366,618	368,609	366,648	370,447	371,580	370,628
FamilyCase Phase I	36,507	36,601	36,551	36,702	36,769	36,864	36,561	36,714	36,956	36,817
FamilyCare Phase II	38,898	39,079	39,065	39,378	39,425	39,603	39,285	39,584	39,986	39,641
FamilyCare Phase III	56,712	56,997	57,609	58,114	59,008	59,297	59,326	59,850	60,613	60,673
FamilyCare Phase IV	17,462	17,471	18,226	18,244	19,003	19,027	19,438	19,459	19,607	19,774
<b>TOTAL</b>	<b>1,913,906</b>	<b>1,920,300</b>	<b>1,920,880</b>	<b>1,933,073</b>	<b>1,943,122</b>	<b>1,949,637</b>	<b>1,950,559</b>	<b>1,962,617</b>	<b>1,975,900</b>	<b>1,978,358</b>

Children	1,393,679	1,397,396	1,400,749	1,407,785	1,416,646	1,420,514	1,423,608	1,430,728	1,441,234	1,444,935
Parents	520,227	522,904	520,131	525,288	526,476	529,123	526,951	531,889	534,666	533,423

	4/30/2007		5/31/2007		6/30/2007		7/31/2007		8/31/2007	9/30/2007
	Previous	Current	Previous	Current	Previous	Current	Previous	Current	Current	Current
	Numbers	Numbers	Numbers	Numbers	Numbers	Numbers	Numbers	Numbers	Numbers	Numbers
All Kids Assist	1,278,307	1,281,827	1,281,258	1,287,906	1,292,971	1,296,653	1,297,643	1,304,449	1,313,476	1,315,838
All Kids Rebate, Share, Premium Level 1	65,485	65,486	67,306	67,264	68,747	68,743	69,703	69,626	69,743	70,068
All Kids Expansion	49,887	50,083	52,185	52,615	54,928	55,118	56,262	56,653	58,015	59,029
Moms and Babies Expansion	5,519	5,596	5,518	5,657	5,653	5,723	5,693	5,835	5,924	5,890
Pre-expansion Parents	365,129	367,160	363,162	367,193	366,618	368,609	366,648	370,447	371,580	370,628
FamilyCare Parent Expansion	149,579	150,148	151,451	152,438	154,205	154,791	154,610	155,607	157,162	156,905
<b>Total</b>	<b>1,913,906</b>	<b>1,920,300</b>	<b>1,920,880</b>	<b>1,933,073</b>	<b>1,943,122</b>	<b>1,949,637</b>	<b>1,950,559</b>	<b>1,962,617</b>	<b>1,975,900</b>	<b>1,978,358</b>

## **Public Education Subcommittee Charge**

November 2003

The Public Education Subcommittee is established to advise the Medicaid Advisory Committee concerning materials and methods for informing individuals about health benefits available under the Department of Public Aid's medical programs including, but not limited to, KidCare, FamilyCare, AABD medical, SeniorCare and Illinois Healthy Women. The subcommittee will 1) review brochures, pamphlets and other written materials prepared by the department, 2) review informational projects designed to inform the general public about medical programs, 3) serve as a conduit for informing the Medicaid Advisory Committee and the department concerning education needed or gaps in public understanding of the medical programs, and 4) propose additional means of communicating information about medical programs.



### **Medicaid Advisory Committee 2008 Meeting Dates**

Meetings take place bimonthly on the third Friday of the month. All meetings are held from 10:00 a.m. to 12 Noon in the department's videoconference rooms located at 401 S. Clinton, 7<sup>th</sup> Floor, in Chicago and at 201 S. Grand Avenue East, 3<sup>rd</sup> Floor, in Springfield. MAC meetings are open to the public. The 2008 meeting dates are:

January 18, 2008  
March 21, 2008  
May 16, 2008  
July 18, 2008  
September 19, 2008  
November 21, 2008

Information regarding the MAC can be found on the HFS Web site at:  
<http://www.hfs.illinois.gov/mac/>



# ETHICS TRAINING

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for Appointees and Employees of State of Illinois Boards

January 2006

(Not for use by other than State of Illinois employees, appointees or officials without the prior consent of the Office of Executive Inspector General for the Agencies of the Illinois Governor)

Office of Executive Inspector General  
for the Agencies of the Illinois Governor

32 West Randolph Street  
Suite 1900  
Chicago, Illinois 60601

[www.inspectorgeneral.illinois.gov](http://www.inspectorgeneral.illinois.gov)

# Introduction/General Principles

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All state employees and elected officials are expected to work on behalf of the state in a manner that always complies with laws, rules, regulations and policies. By doing so and by always acting with honesty and integrity they allow established values to guide their actions and decisions. That is what it means to follow the principles of *ethics*.

The actions and conduct of state employees and officials are essential to maintaining the public's trust in state government. Therefore, in addition to acting with honesty and integrity, state employees must always use state provided resources in the most productive and efficient way possible and only in support of the work of state government. They must avoid placing their personal or financial interests in conflict with those of the state. Furthermore, it is their duty to report any violation of laws, rules, regulations and policies that they become aware of as a state worker.

These same expectations apply to you as an employee or appointee of a state board, commission, authority or task force (i.e., a "state board"). The appointees to state boards and the state employees that support them are often called upon to make decisions with far-reaching economic and social consequences for the citizens of Illinois. As a result, it is essential that you become aware of laws, rules, regulations and policies that apply to your conduct as a state board employee or appointee.

Among the laws and rules that apply to you is the State Officials and Employees Ethics Act (5 ILCS 430), which became law in December 2003. The Ethics Act applies to full-time, part-time, temporary and seasonal employees, as well as to appointees and state officials. It also applies to contract workers. For purposes of the Ethics Act, the term "state employee" is defined to include all appointees.

The Ethics Act contains rules to guide the conduct of state employees, appointees and officials. For example, as a state employee, you are restricted from accepting certain gifts from certain specific "prohibited" sources. There are also restrictions that prevent you from participating in specific political activities during your state workday, unless you use your vacation or personal leave time. In addition, the Ethics Act prohibits you from using state property or resources to conduct or support certain specific political activities. The text of the entire Ethics Act, is available at [www.inspectorgeneral.illinois.gov](http://www.inspectorgeneral.illinois.gov)

The information that follows is intended to make you aware of selected elements of the Ethics Act and other laws and rules that relate to the ethical conduct of state employees and appointees. In addition to becoming familiar with this material, it is important that you review the rules that may be specific to your state board. If you have questions concerning ethics-related matters, each state board has an Ethics Officer who can provide answers to you and who, by law, is there to provide guidance to you in the interpretation and implementation of the Ethics Act.

## Executive Ethics Commission

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Established in 2004, the Executive Ethics Commission, in conjunction with the Executive Inspectors General and the Attorney General, is responsible for the oversight of compliance, implementation and enforcement of the State Officials and Employees Ethics Act. The commission consists of nine commissioners, appointed on a bipartisan basis, and it exercises jurisdiction over all officers and employees of state agencies under the control of the five constitutional officers of the state. For further information about the Executive Ethics Commission, visit its website at [www.eec.illinois.gov](http://www.eec.illinois.gov)

## Ethics Training (from Ethics Act, Section 5-10)

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Like other state officials and employees, state board employees and appointees must complete ethics training on an annual basis. *Your state board will notify you and provide instructions to you concerning when and how to participate in annual ethics training (by carefully reading and reviewing the material in this package and signing the attached Acknowledgement form you are completing this training for the current year).*

All new state board employees and appointees must complete ethics training within six months of their first day of employment or appointment.

## Personnel Policies (from Ethics Act, Section 5-5)

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State employees are required to follow the personnel policies of their state agency or state board. These policies must include requirements related to:

- Work time.
- Documentation of time worked/time sheets.
- Documentation for reimbursement for travel on official state business.
- Compensation.
- Earning and accrual of state benefits for those state employees eligible for benefits.

*As a state board employee or appointee, you are expected to adhere to applicable board personnel policies.*

## Time Sheets (from Ethics Act, Section 5-5)

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Each state agency, including each state board, shall require all employees to periodically submit time sheets. An employee's time sheet must document, to the nearest quarter hour, the time spent each day on official state business. Time sheets may be maintained on paper or in electronic format. *As a state board employee or appointee, you are expected to accurately report the hours that you work for the state, on a timely basis, as directed by your state board.*

## Conflicts of Interest

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It is unethical for a state board employee or appointee to place his or her interests or those of a friend, relative or business associate, above those of the state. This is what is meant by a conflict of interest. *Because of the importance of the functions of state boards, it is important that state board employees and appointees avoid even the appearance of a conflict of interest.*

Preexisting, potential or real conflicts of interest should be disclosed to the state by state board employees and appointees during the hiring/appointment process. *For example, a prospective appointee to a state board with responsibility for regulating a certain industry should disclose current or prior relationships with a business that is subject to the board's regulation. Specifically, for example, it would be unethical for a prospective board appointee to not disclose a financial interest in a business subject to the board's oversight.*

Potential or real conflicts of interest that arise or become known during the course of an individual's employment or appointment should be disclosed to the board's Ethics Officer, chairperson and "Executive Director" at the earliest opportunity, in order to determine the most appropriate course of action. This may include, for example, the need for a board appointee to recuse him or herself from certain board activities that are related to the conflict.

It is unethical for board employees and appointees to use information made available to them through their official duties and which is not generally known to the public, to benefit themselves, their friends, their family, or business associates. *For example it would be inappropriate for a board member to provide confidential information concerning a competitive bidding process for a state contract to a company owned by a personal friend that plans to submit a contract bid.*

All state business decisions, regulatory findings and rulemaking, granting of licenses, etc., made by state boards must be made in the best interests of the state and must be made in a manner that is consistent with applicable laws, rules, regulations and policies. *The personal interests of state board employees and appointees, or those of their family, friends or business associates must not be a consideration in such decisions.*

# Prohibited Political Activities (from Ethics Act, Section 5-15)

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A state board employee or appointee cannot participate in any of the following activities while acting, or appearing to act, in their capacity as a board employee or appointee or while conducting state business. If a state employee elects to take part in any of these activities during normal work hours, then he or she must use vacation, personal or compensatory time off. A state board employee or appointee may never engage in any of these activities using work facilities (such as state office telephones, state cell phones, photocopiers, or computers):

- Prepare for, organize, or participate in any political meeting, political rally, political demonstration, or other political event. *For example, a board employee cannot send an email to fellow workers during work hours and/or using a state email account, encouraging them to attend a rally for a candidate for public office.*
- Solicit contributions, including but not limited to purchasing, selling, distributing, or receiving payment for tickets for any political fundraiser, political meeting, or other political event. *For example, it is unlawful for a state board employee to ask coworkers, during the workday, for donations in support of someone running for political office.*
- Solicit, plan the solicitation of, or prepare any document or report regarding any thing of value intended as a campaign contribution.
- Plan, conduct, or participate in a public opinion poll in connection with a campaign for elective office, on behalf of a political organization for political purposes, or for or against a referendum.
- Survey or gather information from potential or actual voters in an election to determine probable vote outcome in connection with a campaign for elective office, on behalf of a political organization, or for or against a referendum. *For example, it is unlawful for a state board employee, during his or her workday, to call potential voters on behalf of a candidate to find out whom they might vote for in an upcoming election.*
- Assist at the polls on Election Day on behalf of any political organization, political candidate, or referendum question.
- Solicit votes on behalf of a candidate, political organization, or for or against a referendum, or help in an effort to get voters to the polls or participate in a vote recount on behalf of a candidate or political organization.
- Initiate, prepare, circulate, review or file a petition on behalf of a candidate for elective office or for or against any referendum question.
- Make a contribution on behalf of any candidate for elective office. *For example, it is unlawful for a state board employee to donate money, during work hours, to a coworker who is running for elective office.*
- Prepare or review responses to candidates' questionnaires.
- Distribute or prepare campaign literature, campaign signs, or other campaign material on behalf of any candidate for elective office or for or against any referendum question.
- Campaign for an elective office or for or against a referendum.
- Manage or work on a campaign for elective office or for or against a referendum.
- Perform work related to serving as a delegate, alternate, or proxy to a political party convention.



## Political Contributions on State Property (from Ethics Act, Section 5-35)

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Political campaign contributions cannot be intentionally solicited, accepted, offered or made on state property. *State property includes, for example, buildings or portions thereof that are owned or exclusively leased by the state. Therefore, it is unlawful for a state board employee or appointee to give or receive money for a candidate for public office while in state owned or leased office space or on state property.*

## Ban on Gifts from Prohibited Sources (from Ethics Act, Section 10-10, 10-15 and 10-30)

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*In many instances, it is unlawful for a state board employee or appointee to accept gifts that are offered to them in their capacity as a state board employee or appointee or in the conduct of state business. Gifts may include, but are not limited to such things as free tickets to sporting events, cash, special discounted merchandise or services, food, drink and travel expenses.*

A state board employee or appointee cannot solicit or accept a gift from certain individuals or entities that are defined by law as a “prohibited source”. It is also unlawful for an employee or appointee’s spouse or immediate family member living with them, to accept a gift from a prohibited source. The following are prohibited sources and thus, a state board employee or appointee cannot generally accept a gift from:

- A person or entity (*a business, for example*) seeking official action from the state board employee/appointee or the employee/appointee’s state board.
- A person or entity that does business or seeks to do business with the state board.
- A person or entity that conducts activities that are regulated by the employee/appointee of the state board.
- A person or entity that has interests that may be substantially affected by the performance or non-performance of the state board employee or appointee.
- A person or entity that is a registered lobbyist.

There are 12 specific exceptions to this ban on gifts from prohibited sources, including:

- Opportunities, benefits and services available to the general public on the same terms.
- Anything for which the employee paid market value.
- A lawful contribution under the Election Code.
- Educational materials and missions.
- Travel expenses for a meeting to discuss state business.
- A gift from a relative.
- Anything provided on the basis of personal friendship.
- Food or drink that does not exceed \$75 per calendar day.
- Food, drink, lodging and transportation related to outside business, employment or activities, if the benefits are customarily provided to others in similar circumstances.
- Intra-governmental or inter-governmental gifts (e.g. gifts between agency employees or between government employees).
- Bequests, inheritances, and other transfers at death.
- Any item or items from any one prohibited source during any calendar year that has a cumulative total value of less than \$100.

If a state board employee or appointee receives an improper gift from a prohibited source, she or he can correct the situation and not be in violation of the ban if she or he immediately does any of the following:

- Returns the gift to the giver.
- Gives the gift to a not-for-profit organization, a 501(c)(3) organization.
- Gives an amount of equal value to a not-for-profit organization, 501(c)(3) organization.

*Any gift that is intended to improperly influence an employee or appointee's official conduct must not be accepted. Questions that a state board employee or appointee may have related to gifts received in their capacity as a board employee/appointee or while conducting state business, should be referred to their board's Ethics Officer.*

## Prohibited Offer or Promise (from Ethics Act, Section 5-30)

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A state board employee or appointee cannot promise anything of value related to state government in exchange for a contribution to a political committee, political party or a candidate for political office.

*For example, it is unlawful for a state board employee or appointee to offer an action by the state board, or to offer someone a state job or to offer an appointment to a state board, or to offer the award of a contract, in exchange for a political campaign donation. It is also unlawful, for example, for a state board employee or appointee, to offer a salary increase or promotion to another state employee in exchange for such a donation.*

## Revolving Door Restrictions (from Ethics Act, Section 5-45)

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### Contract Decision-makers

If within one year before leaving state service, a state employee or appointee participated personally and substantially in the decision to award state contracts with a cumulative value of over \$25,000 to a person, entity, its parent or subsidiary, that state employee or appointee cannot knowingly accept employment or receive compensation or fees for services from that person, entity, or parent or subsidiary for one year.

### Regulatory or Licensing Decisions

If, within one year before leaving state service, a state employee or appointee made a regulatory or licensing decision that directly applied to a person, entity, its parent or subsidiary, that state employee or appointee cannot knowingly accept employment or receive compensation or fees for services from that person, entity, or parent or subsidiary for one year.

### Application for Waiver of Revolving Door Restrictions

The Executive Ethics Commission ("EEC") may waive the revolving door restriction upon written request showing that the prospective employment or relationship did not affect the employee or appointee's prior regulatory or licensing decisions. EEC Rule 1620.610 provides instructions concerning the waiver application process.

## Whistleblower Protection (from Ethics Act, Section 15-10)

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An officer, state employee (or appointee), or state agency cannot lawfully take any retaliatory action (such as reprimanding, firing, demoting or suspending) against a state employee for doing any of the following:

- Disclosing or threatening to disclose any practice or action that the state employee reasonably believes is in violation of the law.
- Providing information or testifying about any violation of the law by any officer, member, state employee, or state agency.
- Assisting or participating in a proceeding to enforce the State Officials and Employees Ethics Act.

*If someone does retaliate against a state employee for reporting a violation of law or assisting in an investigation, for example, then the employee could file a lawsuit seeking compensation and other remedies as provided by law.*

## Appointments to Boards, Commissions, Authorities or Task Forces (from Ethics Act, Section 5-55)

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Appointees to state boards, commissions, authorities and task forces have specific additional laws and rules that apply to them.

## Registered Lobbyists (from Lobbyist Registration Act, 25 ILCS 170/3.1)

*A lobbyist is any person who communicates with an official of the executive or legislative branch of state government for the purpose of influencing executive, legislative or administrative action. Registered lobbyists are those individuals that meet certain criteria under the Lobbyist Registration Act and are therefore required to register with the Illinois Secretary of State.*

A person required to register as a lobbyist cannot serve on a state board, commission, authority or task force authorized or created by state law or by executive order of the governor unless the individual falls under one of the following exceptions:

- The registered lobbyist is serving in an elective public office, whether elected or appointed to fill a vacancy.
- The registered lobbyist is serving on an advisory body that makes nonbinding recommendations to an agency of state government, but does not make binding recommendations or determinations or take any other substantive action.

Any registered lobbyist who serves on a board, commission, authority or task force under one of these exceptions must not take part in any decision that may affect one of his or her clients.

Spouses and immediate family members who are living with a person required to register as a lobbyist also cannot be appointed to a board, commission, authority or task force unless they fall under one of the exceptions above.

## Holders of State Contracts (from Ethics Act, Section 5-55)

A person, his or her spouse, or any immediate family member living with that person, cannot serve on a board, commission, authority or task force if he or she meets any of the following criteria:

- The person has more than a 7 ½ percent interest in a state contract;
- The person, together with his or her spouse and immediate family members living with them, has more than a 15 percent interest in a state contract.

This ban does not apply if one of the following exceptions occurs:

- The contract in question is an employment contract.
- The person, the spouse, or the immediate family member is serving in an elective public office.
- The person, the spouse, or the immediate family member is serving on an advisory body that makes non-binding recommendations.

Any person who serves on a board, commission, authority or task force under one of these exceptions must not take part in any decision that may affect the contract in question.

Any individual appointed to a board, commission, authority or task force must disclose all contracts the individual has with the state.

## State Contract-related Conflicts of Interest

An appointee to a board, commission, authority or task force cannot have or acquire a contract or a direct financial interest in a contract with the State that is related to the board, commission, authority or task force on which they sit.

# Duty to Report Violations of Law, Rule, Regulation or Policy (from Administrative Order 6)

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The Office of Executive Inspector General for the Agencies of the Illinois Governor (“OEIG”) acts as an independent state agency whose function is to investigate fraud and abuse in state government. Specifically, the OEIG receives and investigates complaints of violations of law, rule or regulation or abuse of authority or other forms of misconduct by state employees or those doing business with the state.

Although, by law, the OEIG cannot accept anonymous complaints, the identity of a complainant shall be kept confidential unless disclosure is otherwise required by law, or unless the individual complainant consents to disclosure.

All state employees have a duty to report violations of laws, rules, regulations or policies that they become aware of in the course of their work for the state. By law, every state officer or employee in a state agency must promptly report to the Executive Inspector General any information concerning waste, fraud, conflicts of interest or abuse by another state officer, employee or vendor relating to his or her employment. The knowing failure of any officer or employee to so report shall be cause for discipline, up to and including discharge. The knowing provision of false information to the Executive Inspector General by any officer or employee shall be cause for discipline, up to and including discharge. These requirements are contained in Administrative Order 6, issued December 11, 2003.

All state employees, including those of state boards, have a duty to report violations of laws, rules, regulations or policies that they become aware of in the course of their work for the state. *Appointees to state boards are also expected to report these same matters.*

Report work-related non-emergency violations of law, rule or regulation, to the Office of Executive Inspector General for the Agencies of the Illinois Governor (OEIG) at its toll-free hotline: **866-814-1113**.

The OEIG's website is: [www.inspectorgeneral.illinois.gov](http://www.inspectorgeneral.illinois.gov)

## Duty to Cooperate (from Ethics Act, Section 20-70 & Administrative Order 6)

State board employees and appointees who become involved in an investigation conducted by the Office of Executive Inspector General, have a duty to cooperate. This means, among other things, that employees and appointees must participate in interviews as requested, tell the truth, not withhold information and respect the confidentiality of any investigation.

By law, every state agency, officer and employee, shall cooperate with, and provide assistance to, the Executive Inspector General and her or his staff in the performance of any investigation. In particular, each state agency shall make its premises, equipment, personnel, books, records, and papers readily available to the Executive Inspector General. The Executive Inspector General or his/her staff may enter upon the premises of any state agency at any time, without prior announcement, if necessary to the successful completion of an investigation. In the course of an investigation, the Executive Inspector General may question any officer or employee serving in, and any other person transacting business with the state agency, and may inspect and copy any books, records, or papers in the possession of the state agency, including those made confidential by law, taking care to preserve the confidentiality of information contained in responses to questions or books, records, or papers that is made confidential by law.

The Executive Inspector General may compel any employee in a state agency to truthfully answer questions concerning any matter related to the performance of his or her official duties. If so compelled, no statement or other evidence derived there from may be used against such employee in any subsequent criminal prosecution other than for perjury or contempt arising from such testimony. The refusal of any employee to answer questions if compelled to do so shall be cause for discipline, up to and including discharge.

*Law requires state board employees and appointees to cooperate with investigations of the OEIG. Failure to do so may result in disciplinary action, up to and including termination of employment/appointment.*

## Ex Parte Communications

Ex Parte Communications in Rulemaking (from Administrative Procedures Act, 5 ILCS 100, Section 5-165)

Under the Illinois Administrative Procedures Act, an ex parte communication is defined as any written or oral communication by any person, during the rulemaking period, that provides or requests information of a material nature or makes a material argument regarding potential action concerning an agency's (or board's) general, emergency or peremptory rulemaking that is communicated to the head of the agency or an employee of the agency, and is:

- not made in a public forum
- not a statement limited to matters of procedure and practice
- not a statement made by a state employee to fellow employees of the same board or agency

An ex parte communication received by any agency or board, its head, or its employee must be immediately reported to the agency or board’s Ethics Officer. The Ethics Officer must require that the communication be made a part of the record for the rulemaking proceeding and shall promptly file the communication with the Executive Ethics Commission.

These requirements under the Illinois Administrative Procedures Act apply to all state agencies and boards.

*The intent of this section of the Administrative Procedures Act is to ensure that all parties who are interested in administrative rules under consideration by a state agency or board are made aware of communication that may occur outside of a public forum between the agency or board and other interested parties. Should you have any questions concerning whether or not a communication is subject to these ex parte rules, please contact your state board’s Ethics Officer.*

## Ex Parte Communications on Regulatory, Quasi-Adjudicatory, Investment and Licensing Matters (from Ethics Act, Section 5-50)

These requirements of the Ethics Act that are related to ex parte communications apply to the following state agencies and boards:

Executive Ethics Commission	Merit Commission for the Secretary of State
Illinois Commerce Commission	Merit Commission for the Office of the Comptroller
Educational Labor Relations Board	Court of Claims
State Board of Elections	Board of Review of the Department of Employment Security
Illinois Gaming Board	Civil Service Commission
Health Facilities Planning Board	Department of Financial Professional Regulation and its Boards
Industrial Commission	Department of Public Health and its Licensing Boards
Illinois Labor Relations Board	Pollution Control Board
Illinois Liquor Control Board	State Employees’ Retirement System Board of Trustees
Property Tax Appeal Board	Judge’s Retirement System Board of Trustees
Illinois Racing Board	General Assembly Retirement System Board of Trustees
Illinois Purchased Care Review Board	Illinois Board of Investment
Department of State Police Merit Board	State Universities Retirement System Board of Trustees
Motor Vehicle Review Board	Teachers’ Retirement System Officers Board of Trustees
Prisoner Review Board	Personnel Review Board for the Treasurer

Under the Ethics Act, an ex parte communication is defined as any written or oral communication by any person that provides or requests information of a material nature or makes a material argument concerning regulatory, quasi-adjudicatory, investment or licensing matters being considered by a state agency or board, that is:

- not made in a public forum
- not a statement limited to matters of procedure and practice
- not a statement made by a state employee to fellow employees of the same board or agency

An ex parte communication received by an agency or board, its head or an agency or board employee/appointee from an interested party or their representative, must be promptly made a part of the related official record. “Interested party,” means a person or entity whose rights, privileges or interest are a subject of the matter under consideration by the agency or board.

An ex parte communication received by other parties must be reported to the agency or board’s Ethics Officer. The Ethics Officer shall promptly require the communication to become a part of the record and will promptly file the communication with the Executive Ethics Commission.

*The intent of this section of the Ethics Act is to ensure that all parties who are interested in certain matters under consideration by these boards are made aware of communication that may occur outside of a public forum between a board and other interested parties. Should you have any questions concerning whether or not a communication is subject to these ex parte rules, please contact your state agency or board's Ethics Officer.*

## Penalties

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Penalties for violations of ethics-related laws, rules and policies by state employees and appointees are dependent upon the specific circumstances. Penalties may include administrative action up to and including termination of employment or appointment. In addition, the Executive Ethics Commission may levy administrative fines -- and illegal acts, such as bribery or theft, may result in criminal prosecution.

## Ethics Questions or Concerns

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State board employees and appointees who have questions or concerns about a work-related ethics issue should contact their board's Ethics Officer.

# Ethical Obligations

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*The following are examples of actions or situations that must be avoided. Each represents unethical conduct:*

1. An administrative assistant to a state board's Executive Director is instructed by his supervisor to run a personal errand for her during the workday.

*It is wrong to engage in personal business that is contrary to state or board policy during scheduled work times.*

2. A state board member accepts a gift of travel expenses in exchange for a favorable vote concerning a regulatory matter for which the board is responsible.

*It is unethical and a violation of the law to accept a favor (monetary or other) in exchange for an official action. Such conduct may result in criminal prosecution.*

3. During a meeting, a state board member votes in favor of a proposal to grant a state contract to a company owned by one of his/her close personal friends.

*It is wrong for any state employee or appointee to take any official action that could be seen as placing personal interests or those of a family member, friend or business associate above those of the state.*

4. A state board employee takes a 2-hour personal lunch break, however only reports a ½ hour break on his/her official time report.

*It is unethical and unlawful to provide false information in a time report used as a basis for compensating a state board employee.*

5. A temporary state board employee is directed by his/her supervisor to distribute political campaign literature to his state coworkers during the workday.

*The State Officials and Employees Ethics Act prohibits this and certain other political activity from being done during a state employee's paid workday and/or using state facilities. The Ethics Act applies to full-time, part-time, temporary, seasonal and contract workers, including those of state boards.*

6. A state board member uses his/her position as a board member to influence an applicant for a state license to do business with an associate of the board member -- as a condition for the board member's approval of the applicant's license.

*It is unethical and unlawful for state board employees and appointees to exchange favors for an official action. Such conduct will result in discipline up to and including termination of employment/appointment and possible criminal prosecution.*

7. The college-age son of a state board member receives a pair of tickets to a professional football game from an employee of a business that recently submitted an application requiring approval by his father's state board.

*Acceptance of such a gift has the potential to represent either a real or perceived unethical act and thus should be strictly avoided or corrected, preferably by returning the gift.*

8. A state board employee, who is responsible for performing analysis of information provided to a state board as part of a rulemaking process, accepts travel and lodging expenses for an out-of-town golf outing from a corporation that is a party to the rulemaking.

*Acceptance of such a gift has the potential to be perceived as unethical and may in fact represent a violation of state law and board policy.*



## Acknowledgement of Participation in:

### Ethics Training for Appointees and Employees of State of Illinois Boards

I have carefully read and reviewed the content of Ethics Training for  
Appointees and Employees of State of Illinois Boards,  
and I understand its subject matter.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
(print: first, middle initial, last) Name

\_\_\_\_\_  
Month and Day of Birth  
(i.e., birth date, excluding year)

\_\_\_\_\_  
Date

\_\_\_\_\_  
State Board Name

(To be properly credited for participating in Ethics Training, please submit this form as directed by your state board)

January 2006