



We are The Health and Human Services Coalition of Illinois.

Support the Community Partner Fair Contracting Act SB3457/HB5064

The Community Partner Fair Contracting Act (CPFCA) will rectify structural inequities in the state’s contracting, payment, and court of claims systems to ensure that health and human service providers can better meet the needs of their communities.

The Community Partner Fair Contracting Act will:



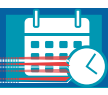
Ensure Timely Contracts and Payments: Amends the Prompt Payment Act (PPA) to require agencies to issue contracts within 30 days of the start of the grant term, and approve bills or invoices within 30 days. It also shortens the time frame between when bill is approved and when interest begins accruing from 90 to 45 days.



Expand and Clarify Advanced Payment Eligibility: Amends the PPA to expand list of critical services in statute and requires state contracts to identify a date of payment and whether a contract is eligible for PPA and advanced payment.



Promote Flexible Contracts that cover the full cost of services: Amends the Grant Accountability and Transparency Act (GATA) to remove arbitrary caps on fringe benefits and prevents state agencies from limiting indirect costs in contracts or grant agreements to less than 20%.



Expedite and Simplify Court of Claims Process: Amends the Court of Claims Act (CCA) to divert undisputed lapsed appropriation claims of less than \$2500 and allow state agencies to pay claims from any appropriated funding source.

Community based Health and Human Service providers face undue administrative burden when contracting with the State of Illinois, which results in an inequitable distribution of state resources. **Passage of the CPFCA will:**

- Reduce confusion and create administrative efficiencies for state agencies, contractors and grantees;
- Alleviate undue administrative burden for community-based providers with State contracts;
- Help rectify issues with state contracting and payment systems most impacting organizations with the smallest budgets and serving Black, Indigenous, and Communities of Color (BIPOC) throughout the State.





To inform the CPFCA, the Health and Human Service Coalition of Illinois conducted a statewide survey in the spring of 2023 to assess ongoing challenges and pain points. See page 2 for key findings.

Sign on to support the Community Partner Fair Contracting Act today!

Questions? Holly Ambuehl, Director of Policy and Government Affairs, Forefront, hambuehl@myforefront.org
Contact: Lauren Wright, Executive Director of IL Partners for Human Service, lauren@illinoispartners.org

Statewide Contracting Survey Results

The Health and Human Services Coalition of Illinois conducted a statewide survey to assess government contracting challenges and inform an appropriate policy response that prioritizes:

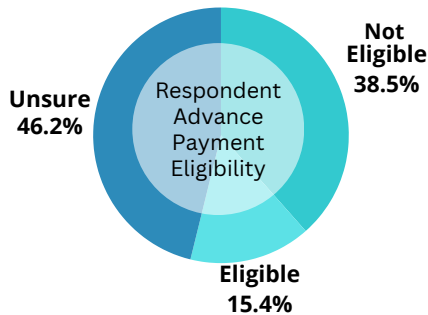
-  Timely Contracts and Payments
-  Advanced Payment Eligibility Expansion and Clarity
-  Flexible Contracts that cover the full cost of services
-  Expedited and Simplified Court of Claims Processes

Key Findings from the Survey:



Advance Payments

Fewer than half of surveyed contractors are eligible for advance payments. Those with the smallest budgets and those with BIPOC leadership are the least likely to receive them.



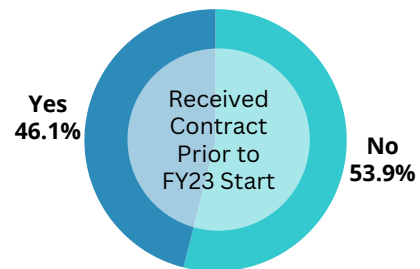
Prompt Payment Act

Almost half of all respondents were unclear how the Prompt Payment Act applies to their contracts. Services for rural populations, people living with disabilities, and led by BIPOC leaders were less likely to be eligible.



Contract Delays

The State issued late contracts more than 50% of the time, which disproportionately and negatively impacted services in Cook County, services in rural areas, and organizations with the smallest budgets.

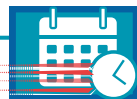


Timely Payments

At least 25% of state contracts are not paid on a timely ongoing basis. Organizations with the smallest budgets and those serving BIPOC communities are more likely to be paid late.

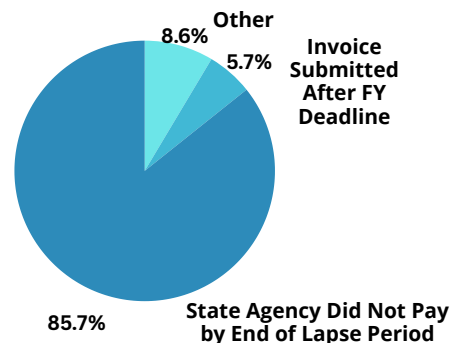
Accruing Receivables

At any given time, the State owes millions of dollars to HHS contractors; the average receivable is almost \$350,000 and over 6 months old and more than half of receivables reported are owed to BIPOC-led/serving organizations.



Court of Claims

Over 85% of the pending Court of Claims reported resulted from the State not paying invoice(s) before the end of the lapse period. Claims ranged from ~\$1,000 to ~\$600,000 and the oldest claim is almost seven years old.



Questions? Holly Ambuehl, Director of Policy and Government Affairs, Forefront, hambuehl@myforefront.org
Contact: Lauren Wright, Executive Director of IL Partners for Human Service, lauren@illinoispartners.org