HB1322 Enrolled

AN ACT concerning regulation.

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

Section 1. The Emergency Medical Services (EMS) Systems Act is amended by changing Section 3.190 as follows:

(210 ILCS 50/3.190)

Sec. 3.190. Emergency Department Classifications. The Department shall have the authority and responsibility to:

(a) Establish criteria for classifying the emergency departments of all hospitals within the State as Comprehensive, Basic, or Standby. In establishing such criteria, the Department may consult with the Illinois Hospital Licensing Board and incorporate by reference all or part of existing standards adopted as rules pursuant to the Hospital Licensing Act or Emergency Medical Treatment Act;

(b) Classify the emergency departments of all hospitals within the State in accordance with this Section;

(c) Annually publish, and distribute to all EMS Systems, a list reflecting the classification of all emergency departments.

For the purposes of paragraphs (a) and (b) of this Section, long-term acute care hospitals <u>and rehabilitation hospitals</u>,

as defined under the Hospital Emergency Service Act, are not required to provide hospital emergency services. Long-term acute care hospitals and rehabilitation hospitals with no emergency department and shall be classified as not available. (Source: P.A. 97-667, eff. 1-13-12; 98-463, eff. 8-16-13.)

Section 3. The Hospital Emergency Service Act is amended by changing Sections 1 and 1.3 as follows:

(210 ILCS 80/1) (from Ch. 111 1/2, par. 86)

Sec. 1. Every hospital required to be licensed by the Department of Public Health pursuant to the Hospital Licensing Act which provides general medical and surgical hospital services, except long-term acute care hospitals and rehabilitation hospitals identified in Section 1.3 of this Act, shall provide a hospital emergency service in accordance with rules and regulations adopted by the Department of Public Health and shall furnish such hospital emergency services to any applicant who applies for the same in case of injury or acute medical condition where the same is liable to cause death or severe injury or serious illness. For purposes of this Act, "applicant" includes any person who is brought to a hospital by ambulance or specialized emergency medical services vehicle as defined in the Emergency Medical Services (EMS) Systems Act. (Source: P.A. 97-667, eff. 1-13-12.)

LRB098 07917 DRJ 38003 b

(210 ILCS 80/1.3)

Sec. 1.3. Long-term acute care hospitals <u>and</u> <u>rehabilitation hospitals</u>. For the purpose of this Act, general acute care hospitals designated by Medicare as long-term acute care hospitals <u>and rehabilitation hospitals</u> are not required to provide hospital emergency services described in Section 1 of this Act. Hospitals defined in this Section may provide hospital emergency services at their option.

Any <u>long-term acute care</u> hospital defined in this Section that opts to discontinue <u>or otherwise not provide</u> emergency services described in Section 1 shall:

(1) comply with all provisions of the federal Emergency Medical Treatment and \pounds Labor Act (EMTALA);

(2) comply with all provisions required under the Social Security Act;

(3) provide annual notice to communities in the hospital's service area about available emergency medical services; and

(4) make educational materials available to individuals who are present at the hospital concerning the availability of medical services within the hospital's service area.

Long-term acute care hospitals that operate standby emergency services as of January 1, 2011 may discontinue hospital emergency services by notifying the Department of Public Health. Long-term acute care hospitals that operate basic or comprehensive emergency services must notify the Health Facilities and Services Review Board and follow the appropriate procedures.

Any rehabilitation hospital that opts to discontinue or otherwise not provide emergency services described in Section 1 shall:

(1) comply with all provisions of the federal Emergency Medical Treatment and Active Labor Act (EMTALA);

(2) comply with all provisions required under the Social Security Act;

(3) provide annual notice to communities in the hospital's service area about available emergency medical services;

(4) make educational materials available to individuals who are present at the hospital concerning the availability of medical services within the hospital's service area;

(5) not use the term "hospital" in its name or on any signage; and

(6) notify in writing the Department and the Health Facilities and Services Review Board of the discontinuation.

(Source: P.A. 97-667, eff. 1-13-12; revised 9-11-13.)

Section 5. The Hospital Licensing Act is amended by changing Sections 5 and 6 and by adding Section 14.5 as

HB1322 Enrolled

LRB098 07917 DRJ 38003 b

follows:

(210 ILCS 85/5) (from Ch. 111 1/2, par. 146)

Sec. 5. (a) An application for a permit to establish a hospital shall be made to the Department upon forms provided by it. This application shall contain such information as the Department reasonably requires, which shall include affirmative evidence on which the Director may make the findings required under Section 6a of this Act.

(b) An application for a license to open, conduct, operate, and maintain a hospital shall be made to the Department upon forms provided by it, accompanied by a license fee of \$55 per bed (except as otherwise provided in this subsection), or such lesser amount as the Department may establish by administrative rule in consultation with the Department of Healthcare and Family Services to comply with the limitations on health care-related taxes imposed by 42 U.S.C. 1396b(w) that, if violated, would result in reductions to the amount of federal financial participation received by the State for Medicaid expenditures, and shall contain such information as the Department reasonably requires, which may include affirmative evidence of ability to comply with the provisions of this Act and the standards, rules, and regulations, promulgated by virtue thereof. The license fee for a critical access hospital, as defined in Section 5-5e.1 of the Illinois Public Aid Code, or a safety-net hospital, as defined in Section 5-5e of the

LRB098 07917 DRJ 38003 b

Illinois Public Aid Code, shall be \$0 per bed.

(c) All applications required under this Section shall be signed by the applicant and shall be verified. Applications on behalf of a corporation or association or a governmental unit or agency shall be made and verified by any two officers thereof.

(Source: Laws 1965, p. 2350.)

(210 ILCS 85/6) (from Ch. 111 1/2, par. 147)

Sec. 6. (a) Upon receipt of an application for a permit to establish a hospital the Director shall issue a permit if he finds (1) that the applicant is fit, willing, and able to provide a proper standard of hospital service for the community with particular regard to the qualification, background, and character of the applicant, (2) that the financial resources available to the applicant demonstrate an ability to construct, maintain, and operate a hospital in accordance with the standards, rules, and regulations adopted pursuant to this Act, and (3) that safeguards are provided which assure hospital operation and maintenance consistent with the public interest having particular regard to safe, adequate, and efficient hospital facilities and services.

The Director may request the cooperation of county and multiple-county health departments, municipal boards of health, and other governmental and non-governmental agencies in obtaining information and in conducting investigations

relating to such applications.

A permit to establish a hospital shall be valid only for the premises and person named in the application for such permit and shall not be transferable or assignable.

In the event the Director issues a permit to establish a hospital the applicant shall thereafter submit plans and specifications to the Department in accordance with Section 8 of this Act.

(b) Upon receipt of an application for license to open, conduct, operate, and maintain a hospital, the Director shall issue a license if he finds the applicant and the hospital facilities comply with standards, rules, and regulations promulgated under this Act. A license, unless sooner suspended or revoked, shall be renewable annually upon approval by the Department and payment of a license fee as established pursuant to Section 5 of this Act. Each license shall be issued only for the premises and persons named in the application and shall not be transferable or assignable. Licenses shall be posted in a conspicuous place on the licensed premises. The Department may, either before or after the issuance of a license, request the cooperation of the State Fire Marshal, county and multiple county health departments, or municipal boards of health to make investigations to determine if the applicant or licensee is complying with the minimum standards prescribed by the Department. The report and recommendations of any such agency shall be in writing and shall state with particularity its

findings with respect to compliance or noncompliance with such minimum standards, rules, and regulations.

The Director may issue a provisional license to any hospital which does not substantially comply with the provisions of this Act and the standards, rules, and regulations promulgated by virtue thereof provided that he finds that such hospital has undertaken changes and corrections which upon completion will render the hospital in substantial compliance with the provisions of this Act, and the standards, rules, and regulations adopted hereunder, and provided that the health and safety of the patients of the hospital will be protected during the period for which such provisional license is issued. The Director shall advise the licensee of the conditions under which such provisional license is issued, including the manner in which the hospital facilities fail to comply with the provisions of the Act, standards, rules, and regulations, and the time within which the changes and corrections necessary for such hospital facilities to substantially comply with this Act, and the standards, rules, and regulations of the Department relating thereto shall be completed.

(Source: P.A. 80-56.)

(210 ILCS 85/14.5 new)
Sec. 14.5. Hospital Licensure Fund.
(a) There is created in the State treasury the Hospital

Licensure Fund. The Fund is created for the purpose of providing funding for the administration of the licensure program and patient safety and quality initiatives for hospitals, including, without limitation, the implementation of the Illinois Adverse Health Care Events Reporting Law of 2005.

(b) The Fund shall consist of the following:

(1) fees collected pursuant to Section 5 of the Hospital Licensing Act;

(2) federal matching funds received by the State as a result of expenditures made by the Department that are attributable to moneys deposited in the Fund;

(3) interest earned on moneys deposited in the Fund; and

(4) other moneys received for the Fund from any other source, including interest earned thereon.

(c) Disbursements from the Fund shall be made only for:

(1) initially, the implementation of the Illinois Adverse Health Care Events Reporting Law of 2005;

(2) subsequently, programs, information, or assistance, including measures to address public complaints, designed to measurably improve quality and patient safety; and

(3) the reimbursement of moneys collected by the Department through error or mistake.

(d) The uses described in paragraph (2) of subsection (c)

shall be developed in conjunction with a statewide organization representing a majority of hospitals.

Section 8. The Illinois Adverse Health Care Events Reporting Law of 2005 is amended by changing Sections 10-10 and 10-15 as follows:

(410 ILCS 522/10-10)

Sec. 10-10. Definitions. As used in this Law, the following terms have the following meanings:

"Adverse health care event" means any event identified as a serious reportable event by the National Quality Forum and the Centers for Medicare and Medicaid Services on the effective date of this amendatory Act of the 98th General Assembly. The Department shall adopt, by rule, the list of adverse health care events. The rules in effect on May 1, 2013, that define "adverse health care event" shall remain in effect until new rules are adopted in accordance with this amendatory Act of the 98th General Assembly. If the National Quality Forum or the Centers for Medicare and Medicaid Services thereafter revises its list of serious reportable events through addition, deletion, or modification, then the term "adverse health care event" for purposes of this Law shall be similarly revised, effective no sooner than 6 months after the revision by the originating organization described in subsections (b) through (g) of Section 10 15.

"Department" means the Illinois Department of Public Health.

"Health care facility" means a hospital maintained by the State or any department or agency thereof where such department or agency has authority under law to establish and enforce standards for the hospital under its management and control, a hospital maintained by any university or college established under the laws of this State and supported principally by public funds raised by taxation, a hospital licensed under the Hospital Licensing Act, a hospital organized under the University of Illinois Hospital Act, and an ambulatory surgical treatment center licensed under the Ambulatory Surgical Treatment Center Act.

(Source: P.A. 94-242, eff. 7-18-05.)

(410 ILCS 522/10-15)

Sec. 10-15. Health care facility requirements to report, analyze, and correct.

(a) Reports of adverse health care events required. Each health care facility shall report to the Department the occurrence of any of the adverse health care events described in subsections (b) through (g) no later than 30 days after discovery of the event. The report shall be filed in a format specified by the Department and shall identify the health care facility, but shall not include any information identifying or that tends to identify any of the health care professionals,

employees, or patients involved.

(b) (Blank). Surgical events. Events reportable under this subsection are:

(1) Surgery performed on a wrong body part that is not consistent with the documented informed consent for that patient. Reportable events under this clause do not include situations requiring prompt action that occur in the course of surgery or situations whose urgency precludes obtaining informed consent.

(2) Surgery performed on the wrong patient.

(3) The wrong surgical procedure performed on a patient that is not consistent with the documented informed consent for that patient. Reportable events under this clause do not include situations requiring prompt action that occur in the course of surgery or situations whose urgency precludes obtaining informed consent.

(4) Retention of a foreign object in a patient after surgery or other procedure, excluding objects intentionally implanted as part of a planned intervention and objects present prior to surgery that are intentionally retained.

(5) Death during or immediately after surgery of a normal, healthy patient who has no organic, physiologic, biochemical, or psychiatric disturbance and for whom the pathologic processes for which the operation is to be performed are localized and do not entail a systemic

disturbance.

(c) <u>(Blank)</u>. Product or device events. Events reportable under this subsection are:

(1) Patient death or serious disability associated with the use of contaminated drugs, devices, or biologics provided by the health care facility when the contamination is the result of generally detectable contaminants in drugs, devices, or biologics regardless of the source of the contamination or the product.

(2) Patient death or serious disability associated with the use or function of a device in patient care in which the device is used or functions other than as intended. "Device" includes, but is not limited to, catheters, drains, and other specialized tubes, infusion pumps, and ventilators.

(3) Patient death or serious disability associated with intravascular air embolism that occurs while being cared for in a health care facility, excluding deaths associated with neurosurgical procedures known to present a high risk of intravascular air embolism.

(d) <u>(Blank).</u> Patient protection events. Events reportable under this subsection are:

(1) An infant discharged to the wrong person.

(2) Patient death or serious disability associated with patient disappearance for more than 4 hours, excluding events involving adults who have decision making capacity.

HB1322 Enrolled

(3) Patient suicide or attempted suicide resulting in serious disability while being cared for in a health care facility due to patient actions after admission to the health care facility, excluding deaths resulting from self inflicted injuries that were the reason for admission to the health care facility.

(e) <u>(Blank).</u> Care management events. Events reportable under this subsection are:

(1) Patient death or serious disability associated with a medication error, including, but not limited to, errors involving the wrong drug, the wrong dose, the wrong patient, the wrong time, the wrong rate, the wrong preparation, or the wrong route of administration, excluding reasonable differences in clinical judgment on drug selection and dose.

(2) Patient death or serious disability associated with a hemolytic reaction due to the administration of ABO incompatible blood or blood products.

(3) Maternal death or serious disability associated with labor or delivery in a low-risk pregnancy while being cared for in a health care facility, excluding deaths from pulmonary or amniotic fluid embolism, acute fatty liver of pregnancy, or cardiomyopathy.

(4) Patient death or serious disability directly related to hypoglycemia, the onset of which occurs while the patient is being cared for in a health care facility

for a condition unrelated to hypoglycemia.

(f) (Blank). Environmental events. Events reportable under this subsection are:

(1) Patient death or serious disability associated with an electric shock while being cared for in a health care facility, excluding events involving planned treatments such as electric countershock.

(2) Any incident in which a line designated for oxygen or other gas to be delivered to a patient contains the wrong gas or is contaminated by toxic substances.

(3) Patient death or serious disability associated with a burn incurred from any source while being cared for in a health care facility that is not consistent with the documented informed consent for that patient. Reportable events under this clause do not include situations requiring prompt action that occur in the course of surgery or situations whose urgency precludes obtaining informed consent.

(4) Patient death associated with a fall while being cared for in a health care facility.

(5) Patient death or serious disability associated with the use of restraints or bedrails while being cared for in a health care facility.

(g) <u>(Blank).</u> Physical security events. Events reportable under this subsection are:

(1) Any instance of care ordered by or provided by

someone impersonating a physician, nurse, pharmacist, or other licensed health care provider.

(2) Abduction of a patient of any age.

(3) Sexual assault on a patient within or on the grounds of a health care facility.

(4) Death or significant injury of a patient or staff member resulting from a physical assault that occurs within or on the grounds of a health care facility.

(q-5) If the adverse health care events subject to this Law are revised as described in Section 10-10, then the Department shall provide notice to all affected health care facilities promptly upon the revision and shall inform affected health care facilities of the effective date of the revision for purposes of reporting under this Law.

(h) Definitions. As <u>pertains to an adverse health care</u> <u>event</u> used in this Section 10-15:

"Death" means patient death related to an adverse event and not related solely to the natural course of the patient's illness or underlying condition. Events otherwise reportable under this Section 10-15 shall be reported even if the death might have otherwise occurred as the natural course of the patient's illness or underlying condition.

"Serious disability" means a physical or mental impairment, including loss of a body part, related to an adverse event and not related solely to the natural course of the patient's illness or underlying condition, that

HB1322 Enrolled

LRB098 07917 DRJ 38003 b

substantially limits one or more of the major life activities of an individual or a loss of bodily function, if the impairment or loss lasts more than 7 days prior to discharge or is still present at the time of discharge from an inpatient health care facility.

(Source: P.A. 94-242, eff. 7-18-05.)

Section 10. The State Finance Act is amended by adding Section 5.855 as follows:

(30 ILCS 105/5.855 new)

Sec. 5.855. The Hospital Licensure Fund.

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