



102ND GENERAL ASSEMBLY

State of Illinois

2021 and 2022

HB4465

Introduced 1/21/2022, by Rep. Anna Moeller

SYNOPSIS AS INTRODUCED:

210 ILCS 9/77 new
210 ILCS 35/5.10 new
210 ILCS 40/10.2 new
210 ILCS 45/3-613 new
210 ILCS 46/3-613 new
210 ILCS 47/3-613 new

Amends the Assisted Living and Shared Housing Act, the Community Living Facilities Licensing Act, the Life Care Facilities Act, the Nursing Home Care Act, the MC/DD Act, and the ID/DD Community Care Act. Provides that, on and after 36 months after the amendatory Act's effective date, facilities or establishments licensed under the Acts are prohibited from: (1) being owned by and leased or rented to related business entities; and (2) employing a service provider that is a related business entity of the owner of the facility or establishment. Provides that a facility or establishment shall not charge any over-market rate for a resident's rent or for services provided to a resident. Provides that the provisions do not apply to any facility or establishment that does not receive State or federal funds through Medicaid or Medicare. Contains other provisions.

LRB102 23419 CPF 32588 b

1 AN ACT concerning regulation.

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

4 Section 5. The Assisted Living and Shared Housing Act is
5 amended by adding Section 77 as follows:

6 (210 ILCS 9/77 new)

7 Sec. 77. Related business entities.

8 (a) On and after 36 months after the effective date of this
9 amendatory Act of the 102nd General Assembly, it is prohibited
10 for an establishment to be owned by and leased or rented to
11 related business entities.

12 (b) On and after 36 months after the effective date of this
13 amendatory Act of the 102nd General Assembly, it is prohibited
14 for an establishment to employ a service provider that is a
15 related business entity of the owner of the establishment.

16 (c) An establishment shall disclose all tiers of ownership
17 of the establishment to the Department.

18 (d) An establishment shall not charge any over-market rate
19 for a resident's rent or for services provided to a resident.

20 (e) This Section does not apply to any establishment that
21 does not receive State or federal funds through Medicaid or
22 Medicare.

23 (f) In this Section, "related business entity" means one

1 of 2 or more entities where:

2 (1) the entities have (i) significant common purposes
3 and substantial common membership or (ii) directly or
4 indirectly substantial common direction or control; or

5 (2) either entity owns, directly or through one or
6 more entities, a 50% or greater interest in the capital or
7 profits of the other.

8 Section 10. The Community Living Facilities Licensing Act
9 is amended by adding Section 5.10 as follows:

10 (210 ILCS 35/5.10 new)

11 Sec. 5.10. Related business entities.

12 (a) On and after 36 months after the effective date of this
13 amendatory Act of the 102nd General Assembly, it is prohibited
14 for a Community Living Facility to be owned by and leased or
15 rented to related business entities.

16 (b) On and after 36 months after the effective date of this
17 amendatory Act of the 102nd General Assembly, it is prohibited
18 for a Community Living Facility to employ a service provider
19 that is a related business entity of the owner of the Community
20 Living Facility.

21 (c) A Community Living Facility shall disclose all tiers
22 of ownership of the Community Living Facility to the
23 Department.

24 (d) A Community Living Facility shall not charge any

1 over-market rate for a resident's rent or for services
2 provided to a resident.

3 (e) This Section does not apply to any Community Living
4 Facility that does not receive State or federal funds through
5 Medicaid or Medicare.

6 (f) In this Section, "related business entity" means one
7 of 2 or more entities where:

8 (1) the entities have (i) significant common purposes
9 and substantial common membership or (ii) directly or
10 indirectly substantial common direction or control; or

11 (2) either entity owns, directly or through one or
12 more entities, a 50% or greater interest in the capital or
13 profits of the other.

14 Section 15. The Life Care Facilities Act is amended by
15 adding Section 10.2 as follows:

16 (210 ILCS 40/10.2 new)

17 Sec. 10.2. Related business entities.

18 (a) On and after 36 months after the effective date of this
19 amendatory Act of the 102nd General Assembly, it is prohibited
20 for a facility to be owned by and leased or rented to related
21 business entities.

22 (b) On and after 36 months after the effective date of this
23 amendatory Act of the 102nd General Assembly, it is prohibited
24 for a facility to employ a service provider that is a related

1 business entity of the owner of the facility.

2 (c) A facility shall disclose all tiers of ownership of
3 the facility to the Department.

4 (d) A facility shall not charge any over-market rate for a
5 resident's rent or for services provided to a resident.

6 (e) This Section does not apply to any facility that does
7 not receive State or federal funds through Medicaid or
8 Medicare.

9 (f) In this Section, "related business entity" means one
10 of 2 or more entities where:

11 (1) the entities have (i) significant common purposes
12 and substantial common membership or (ii) directly or
13 indirectly substantial common direction or control; or

14 (2) either entity owns, directly or through one or
15 more entities, a 50% or greater interest in the capital or
16 profits of the other.

17 Section 20. The Nursing Home Care Act is amended by adding
18 Section 3-613 as follows:

19 (210 ILCS 45/3-613 new)

20 Sec. 3-613. Related business entities.

21 (a) On and after 36 months after the effective date of this
22 amendatory Act of the 102nd General Assembly, it is prohibited
23 for a facility to be owned by and leased or rented to related
24 business entities.

1 (b) On and after 36 months after the effective date of this
2 amendatory Act of the 102nd General Assembly, it is prohibited
3 for a facility to employ a service provider that is a related
4 business entity of the owner of the facility.

5 (c) A facility shall disclose all tiers of ownership of
6 the facility to the Department.

7 (d) A facility shall not charge any over-market rate for a
8 resident's rent or for services provided to a resident.

9 (e) This Section does not apply to any facility that does
10 not receive State or federal funds through Medicaid or
11 Medicare.

12 (f) In this Section, "related business entity" means one
13 of 2 or more entities where:

14 (1) the entities have (i) significant common purposes
15 and substantial common membership or (ii) directly or
16 indirectly substantial common direction or control; or

17 (2) either entity owns, directly or through one or
18 more entities, a 50% or greater interest in the capital or
19 profits of the other.

20 Section 25. The MC/DD Act is amended by adding Section
21 3-613 as follows:

22 (210 ILCS 46/3-613 new)

23 Sec. 3-613. Related business entities.

24 (a) On and after 36 months after the effective date of this

1 amendatory Act of the 102nd General Assembly, it is prohibited
2 for a facility to be owned by and leased or rented to related
3 business entities.

4 (b) On and after 36 months after the effective date of this
5 amendatory Act of the 102nd General Assembly, it is prohibited
6 for a facility to employ a service provider that is a related
7 business entity of the owner of the facility.

8 (c) A facility shall disclose all tiers of ownership of
9 the facility to the Department.

10 (d) A facility shall not charge any over-market rate for a
11 resident's rent or for services provided to a resident.

12 (e) This Section does not apply to any facility that does
13 not receive State or federal funds through Medicaid or
14 Medicare.

15 (f) In this Section, "related business entity" means one
16 of 2 or more entities where:

17 (1) the entities have (i) significant common purposes
18 and substantial common membership or (ii) directly or
19 indirectly substantial common direction or control; or

20 (2) either entity owns, directly or through one or
21 more entities, a 50% or greater interest in the capital or
22 profits of the other.

23 Section 30. The ID/DD Community Care Act is amended by
24 adding Section 3-613 as follows:

1 (210 ILCS 47/3-613 new)

2 Sec. 3-613. Related business entities.

3 (a) On and after 36 months after the effective date of this
4 amendatory Act of the 102nd General Assembly, it is prohibited
5 for a facility to be owned by and leased or rented to related
6 business entities.

7 (b) On and after 36 months after the effective date of this
8 amendatory Act of the 102nd General Assembly, it is prohibited
9 for a facility to employ a service provider that is a related
10 business entity of the owner of the facility.

11 (c) A facility shall disclose all tiers of ownership of
12 the facility to the Department.

13 (d) A facility shall not charge any over-market rate for a
14 resident's rent or for services provided to a resident.

15 (e) This Section does not apply to any facility that does
16 not receive State or federal funds through Medicaid or
17 Medicare.

18 (f) In this Section, "related business entity" means one
19 of 2 or more entities where:

20 (1) the entities have (i) significant common purposes
21 and substantial common membership or (ii) directly or
22 indirectly substantial common direction or control; or

23 (2) either entity owns, directly or through one or
24 more entities, a 50% or greater interest in the capital or
25 profits of the other.