



Sen. Robert Peters

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1 AMENDMENT TO SENATE BILL 656

2 AMENDMENT NO. \_\_\_\_\_. Amend Senate Bill 656 by replacing  
3 everything after the enacting clause with the following:

4 "Section 5. The Department of Public Health Powers and  
5 Duties Law of the Civil Administrative Code of Illinois is  
6 amended by renumbering Section 2310-223 as follows:

7 (20 ILCS 2310/2310-222)

8 Sec. 2310-222 ~~2310-223~~. Obstetric hemorrhage and  
9 hypertension training.

10 (a) As used in this Section, "birthing facility" means (1)  
11 a hospital, as defined in the Hospital Licensing Act, with  
12 more than one licensed obstetric bed or a neonatal intensive  
13 care unit; (2) a hospital operated by a State university; or  
14 (3) a birth center, as defined in the Alternative Health Care  
15 Delivery Act.

16 (b) The Department shall ensure that all birthing

1 facilities conduct continuing education yearly for providers  
2 and staff of obstetric medicine and of the emergency  
3 department and other staff that may care for pregnant or  
4 postpartum women. The continuing education shall include  
5 yearly educational modules regarding management of severe  
6 maternal hypertension and obstetric hemorrhage for units that  
7 care for pregnant or postpartum women. Birthing facilities  
8 must demonstrate compliance with these education and training  
9 requirements.

10 (c) The Department shall collaborate with the Illinois  
11 Perinatal Quality Collaborative or its successor organization  
12 to develop an initiative to improve birth equity and reduce  
13 peripartum racial and ethnic disparities. The Department shall  
14 ensure that the initiative includes the development of best  
15 practices for implicit bias training and education in cultural  
16 competency to be used by birthing facilities in interactions  
17 between patients and providers. In developing the initiative,  
18 the Illinois Perinatal Quality Collaborative or its successor  
19 organization shall consider existing programs, such as the  
20 Alliance for Innovation on Maternal Health and the California  
21 Maternal Quality Collaborative's pilot work on improving birth  
22 equity. The Department shall support the initiation of a  
23 statewide perinatal quality improvement initiative in  
24 collaboration with birthing facilities to implement strategies  
25 to reduce peripartum racial and ethnic disparities and to  
26 address implicit bias in the health care system.

1 (d) The Department, in consultation with the Maternal  
2 Mortality Review Committee, shall make available to all  
3 birthing facilities best practices for timely identification  
4 of all pregnant and postpartum women in the emergency  
5 department and for appropriate and timely consultation of an  
6 obstetric provider to provide input on management and  
7 follow-up. Birthing facilities may use telemedicine for the  
8 consultation.

9 (e) The Department may adopt rules for the purpose of  
10 implementing this Section.

11 (Source: P.A. 101-390, eff. 1-1-20; revised 10-7-19.)

12 Section 10. The Illinois Health Facilities Planning Act is  
13 amended by changing Sections 2, 3, 4, 5, 5.4, 6, 6.2, 8.5, 8.7,  
14 12, 12.3, 12.4, 13.1, 14, and 14.1 and by adding Sections 5.5,  
15 5.6, 6.05, 14.05, and 14.2 as follows:

16 (20 ILCS 3960/2) (from Ch. 111 1/2, par. 1152)

17 (Section scheduled to be repealed on December 31, 2029)

18 Sec. 2. Purpose of the Act. This Act shall establish a  
19 procedure (1) which requires a person establishing,  
20 constructing or modifying a health care facility, as herein  
21 defined, to have the qualifications, background, character and  
22 financial resources to adequately provide a proper service for  
23 the community; (2) that promotes the orderly and economic  
24 development of health care facilities in the State of Illinois

1 that avoids unnecessary duplication of such facilities; (3)  
2 that promotes health equity including equitable access to  
3 quality health care through the development and preservation  
4 of safety net services; and (4) ~~(3)~~ that promotes planning for  
5 and development of health care facilities needed for  
6 comprehensive health care especially in areas where the health  
7 planning process has identified unmet needs.

8 The changes made to this Act by this amendatory Act of the  
9 96th General Assembly are intended to accomplish the following  
10 objectives: to improve the financial ability of the public to  
11 obtain necessary health services; to establish an orderly and  
12 comprehensive health care delivery system that will guarantee  
13 the availability of quality health care to the general public;  
14 to maintain and improve the provision of essential health care  
15 services and increase the accessibility of those services to  
16 the medically underserved and indigent; to assure that the  
17 reduction and closure of health care services or facilities is  
18 performed in an orderly and timely manner, and that these  
19 actions are deemed to be in the best interests of the public;  
20 and to assess the financial burden to patients caused by  
21 unnecessary health care construction and modification.  
22 Evidence-based assessments, projections and decisions will be  
23 applied regarding capacity, quality, value and equity in the  
24 delivery of health care services in Illinois. The integrity of  
25 the Certificate of Need process is ensured through revised  
26 ethics and communications procedures. Cost containment and

1 support for safety net services must continue to be central  
2 tenets of the Certificate of Need process.

3 The changes made to this Act by this amendatory Act of the  
4 102nd General Assembly recognize a persistent problem of  
5 hospital service cuts and facility closures. These harm the  
6 health care safety net in Illinois and have negatively  
7 impacted access to hospital services in communities of color  
8 in particular. The changes are intended to accomplish the  
9 objective of protecting the public interest in equitable  
10 access to health care services.

11 (Source: P.A. 99-527, eff. 1-1-17.)

12 (20 ILCS 3960/3) (from Ch. 111 1/2, par. 1153)

13 (Section scheduled to be repealed on December 31, 2029)

14 Sec. 3. Definitions. As used in this Act:

15 "Health care facilities" means and includes the following  
16 facilities, organizations, and related persons:

17 (1) An ambulatory surgical treatment center required  
18 to be licensed pursuant to the Ambulatory Surgical  
19 Treatment Center Act.

20 (2) An institution, place, building, or agency  
21 required to be licensed pursuant to the Hospital Licensing  
22 Act.

23 (3) Skilled and intermediate long term care facilities  
24 licensed under the Nursing Home Care Act.

25 (A) If a demonstration project under the Nursing

1 Home Care Act applies for a certificate of need to  
2 convert to a nursing facility, it shall meet the  
3 licensure and certificate of need requirements in  
4 effect as of the date of application.

5 (B) Except as provided in item (A) of this  
6 subsection, this Act does not apply to facilities  
7 granted waivers under Section 3-102.2 of the Nursing  
8 Home Care Act.

9 (3.5) Skilled and intermediate care facilities  
10 licensed under the ID/DD Community Care Act or the MC/DD  
11 Act. No permit or exemption is required for a facility  
12 licensed under the ID/DD Community Care Act or the MC/DD  
13 Act prior to the reduction of the number of beds at a  
14 facility. If there is a total reduction of beds at a  
15 facility licensed under the ID/DD Community Care Act or  
16 the MC/DD Act, this is a discontinuation or closure of the  
17 facility. If a facility licensed under the ID/DD Community  
18 Care Act or the MC/DD Act reduces the number of beds or  
19 discontinues the facility, that facility must notify the  
20 Board as provided in Section 14.1 of this Act.

21 (3.7) Facilities licensed under the Specialized Mental  
22 Health Rehabilitation Act of 2013.

23 (4) Hospitals, nursing homes, ambulatory surgical  
24 treatment centers, or kidney disease treatment centers  
25 maintained by the State or any department or agency  
26 thereof.

1           (5) Kidney disease treatment centers, including a  
2 free-standing hemodialysis unit required to meet the  
3 requirements of 42 CFR 494 in order to be certified for  
4 participation in Medicare and Medicaid under Titles XVIII  
5 and XIX of the federal Social Security Act.

6           (A) This Act does not apply to a dialysis facility  
7 that provides only dialysis training, support, and  
8 related services to individuals with end stage renal  
9 disease who have elected to receive home dialysis.

10           (B) This Act does not apply to a dialysis unit  
11 located in a licensed nursing home that offers or  
12 provides dialysis-related services to residents with  
13 end stage renal disease who have elected to receive  
14 home dialysis within the nursing home.

15           (C) The Board, however, may require dialysis  
16 facilities and licensed nursing homes under items (A)  
17 and (B) of this subsection to report statistical  
18 information on a quarterly basis to the Board to be  
19 used by the Board to conduct analyses on the need for  
20 proposed kidney disease treatment centers.

21           (6) An institution, place, building, or room used for  
22 the performance of outpatient surgical procedures that is  
23 leased, owned, or operated by or on behalf of an  
24 out-of-state facility.

25           (7) An institution, place, building, or room used for  
26 provision of a health care category of service, including,

1 but not limited to, cardiac catheterization and open heart  
2 surgery.

3 (8) An institution, place, building, or room housing  
4 major medical equipment used in the direct clinical  
5 diagnosis or treatment of patients, and whose project cost  
6 is in excess of the capital expenditure minimum.

7 "Health care facilities" does not include the following  
8 entities or facility transactions:

9 (1) Federally-owned facilities.

10 (2) Facilities used solely for healing by prayer or  
11 spiritual means.

12 (3) An existing facility located on any campus  
13 facility as defined in Section 5-5.8b of the Illinois  
14 Public Aid Code, provided that the campus facility  
15 encompasses 30 or more contiguous acres and that the new  
16 or renovated facility is intended for use by a licensed  
17 residential facility.

18 (4) Facilities licensed under the Supportive  
19 Residences Licensing Act or the Assisted Living and Shared  
20 Housing Act.

21 (5) Facilities designated as supportive living  
22 facilities that are in good standing with the program  
23 established under Section 5-5.01a of the Illinois Public  
24 Aid Code.

25 (6) Facilities established and operating under the  
26 Alternative Health Care Delivery Act as a children's



1 community-based health care center alternative health care  
2 model demonstration program or as an Alzheimer's Disease  
3 Management Center alternative health care model  
4 demonstration program.

5 (7) The closure of an entity or a portion of an entity  
6 licensed under the Nursing Home Care Act, the Specialized  
7 Mental Health Rehabilitation Act of 2013, the ID/DD  
8 Community Care Act, or the MC/DD Act, with the exception  
9 of facilities operated by a county or Illinois Veterans  
10 Homes, that elect to convert, in whole or in part, to an  
11 assisted living or shared housing establishment licensed  
12 under the Assisted Living and Shared Housing Act and with  
13 the exception of a facility licensed under the Specialized  
14 Mental Health Rehabilitation Act of 2013 in connection  
15 with a proposal to close a facility and re-establish the  
16 facility in another location.

17 (8) Any change of ownership of a health care facility  
18 that is licensed under the Nursing Home Care Act, the  
19 Specialized Mental Health Rehabilitation Act of 2013, the  
20 ID/DD Community Care Act, or the MC/DD Act, with the  
21 exception of facilities operated by a county or Illinois  
22 Veterans Homes. Changes of ownership of facilities  
23 licensed under the Nursing Home Care Act must meet the  
24 requirements set forth in Sections 3-101 through 3-119 of  
25 the Nursing Home Care Act.

26 (9) (Blank).

1 With the exception of those health care facilities  
2 specifically included in this Section, nothing in this Act  
3 shall be intended to include facilities operated as a part of  
4 the practice of a physician or other licensed health care  
5 professional, whether practicing in his individual capacity or  
6 within the legal structure of any partnership, medical or  
7 professional corporation, or unincorporated medical or  
8 professional group. Further, this Act shall not apply to  
9 physicians or other licensed health care professional's  
10 practices where such practices are carried out in a portion of  
11 a health care facility under contract with such health care  
12 facility by a physician or by other licensed health care  
13 professionals, whether practicing in his individual capacity  
14 or within the legal structure of any partnership, medical or  
15 professional corporation, or unincorporated medical or  
16 professional groups, unless the entity constructs, modifies,  
17 or establishes a health care facility as specifically defined  
18 in this Section. This Act shall apply to construction or  
19 modification and to establishment by such health care facility  
20 of such contracted portion which is subject to facility  
21 licensing requirements, irrespective of the party responsible  
22 for such action or attendant financial obligation.

23 "Person" means any one or more natural persons, legal  
24 entities, governmental bodies other than federal, or any  
25 combination thereof.

26 "Consumer" means any person other than a person (a) whose

1 major occupation currently involves or whose official capacity  
2 within the last 12 months has involved the providing,  
3 administering or financing of any type of health care  
4 facility, (b) who is engaged in health research or the  
5 teaching of health, (c) who has a material financial interest  
6 in any activity which involves the providing, administering or  
7 financing of any type of health care facility, or (d) who is or  
8 ever has been a member of the immediate family of the person  
9 defined by item (a), (b), or (c).

10 "State Board" or "Board" means the Health Facilities and  
11 Services Review Board.

12 "Construction or modification" means the establishment,  
13 erection, building, alteration, reconstruction,  
14 modernization, improvement, extension, discontinuation,  
15 change of ownership, of or by a health care facility, or the  
16 purchase or acquisition by or through a health care facility  
17 of equipment or service for diagnostic or therapeutic purposes  
18 or for facility administration or operation, or any capital  
19 expenditure made by or on behalf of a health care facility  
20 which exceeds the capital expenditure minimum; however, any  
21 capital expenditure made by or on behalf of a health care  
22 facility for (i) the construction or modification of a  
23 facility licensed under the Assisted Living and Shared Housing  
24 Act or (ii) a conversion project undertaken in accordance with  
25 Section 30 of the Older Adult Services Act shall be excluded  
26 from any obligations under this Act. For the purposes of this

1 paragraph and Act, any temporary suspension of a category of  
2 service by a hospital for a time period exceeding one month  
3 shall be considered a discontinuation of a category of  
4 service.

5 "Establish" means the construction of a health care  
6 facility or the replacement of an existing facility on another  
7 site or the initiation of a category of service.

8 "Major medical equipment" means medical equipment which is  
9 used for the provision of medical and other health services  
10 and which costs in excess of the capital expenditure minimum,  
11 except that such term does not include medical equipment  
12 acquired by or on behalf of a clinical laboratory to provide  
13 clinical laboratory services if the clinical laboratory is  
14 independent of a physician's office and a hospital and it has  
15 been determined under Title XVIII of the Social Security Act  
16 to meet the requirements of paragraphs (10) and (11) of  
17 Section 1861(s) of such Act. In determining whether medical  
18 equipment has a value in excess of the capital expenditure  
19 minimum, the value of studies, surveys, designs, plans,  
20 working drawings, specifications, and other activities  
21 essential to the acquisition of such equipment shall be  
22 included.

23 "Capital expenditure" means an expenditure: (A) made by or  
24 on behalf of a health care facility (as such a facility is  
25 defined in this Act); and (B) which under generally accepted  
26 accounting principles is not properly chargeable as an expense

1 of operation and maintenance, or is made to obtain by lease or  
2 comparable arrangement any facility or part thereof or any  
3 equipment for a facility or part; and which exceeds the  
4 capital expenditure minimum.

5 For the purpose of this paragraph, the cost of any  
6 studies, surveys, designs, plans, working drawings,  
7 specifications, and other activities essential to the  
8 acquisition, improvement, expansion, or replacement of any  
9 plant or equipment with respect to which an expenditure is  
10 made shall be included in determining if such expenditure  
11 exceeds the capital expenditures minimum. Unless otherwise  
12 interdependent, or submitted as one project by the applicant,  
13 components of construction or modification undertaken by means  
14 of a single construction contract or financed through the  
15 issuance of a single debt instrument shall not be grouped  
16 together as one project. Donations of equipment or facilities  
17 to a health care facility which if acquired directly by such  
18 facility would be subject to review under this Act shall be  
19 considered capital expenditures, and a transfer of equipment  
20 or facilities for less than fair market value shall be  
21 considered a capital expenditure for purposes of this Act if a  
22 transfer of the equipment or facilities at fair market value  
23 would be subject to review.

24 "Capital expenditure minimum" means \$11,500,000 for  
25 projects by hospital applicants, \$6,500,000 for applicants for  
26 projects related to skilled and intermediate care long-term

1 care facilities licensed under the Nursing Home Care Act, and  
2 \$3,000,000 for projects by all other applicants, which shall  
3 be annually adjusted to reflect the increase in construction  
4 costs due to inflation, for major medical equipment and for  
5 all other capital expenditures.

6 "Financial commitment" means the commitment of at least  
7 33% of total funds assigned to cover total project cost, which  
8 occurs by the actual expenditure of 33% or more of the total  
9 project cost or the commitment to expend 33% or more of the  
10 total project cost by signed contracts or other legal means.

11 "Non-clinical service area" means an area (i) for the  
12 benefit of the patients, visitors, staff, or employees of a  
13 health care facility and (ii) not directly related to the  
14 diagnosis, treatment, or rehabilitation of persons receiving  
15 services from the health care facility. "Non-clinical service  
16 areas" include, but are not limited to, chapels; gift shops;  
17 news stands; computer systems; tunnels, walkways, and  
18 elevators; telephone systems; projects to comply with life  
19 safety codes; educational facilities; student housing;  
20 patient, employee, staff, and visitor dining areas;  
21 administration and volunteer offices; modernization of  
22 structural components (such as roof replacement and masonry  
23 work); boiler repair or replacement; vehicle maintenance and  
24 storage facilities; parking facilities; mechanical systems for  
25 heating, ventilation, and air conditioning; loading docks; and  
26 repair or replacement of carpeting, tile, wall coverings,

1 window coverings or treatments, or furniture. Solely for the  
2 purpose of this definition, "non-clinical service area" does  
3 not include health and fitness centers.

4 "Areawide" means a major area of the State delineated on a  
5 geographic, demographic, and functional basis for health  
6 planning and for health service and having within it one or  
7 more local areas for health planning and health service. The  
8 term "region", as contrasted with the term "subregion", and  
9 the word "area" may be used synonymously with the term  
10 "areawide".

11 "Local" means a subarea of a delineated major area that on  
12 a geographic, demographic, and functional basis may be  
13 considered to be part of such major area. The term "subregion"  
14 may be used synonymously with the term "local".

15 "Physician" means a person licensed to practice in  
16 accordance with the Medical Practice Act of 1987, as amended.

17 "Licensed health care professional" means a person  
18 licensed to practice a health profession under pertinent  
19 licensing statutes of the State of Illinois.

20 "Director" means the Director of the Illinois Department  
21 of Public Health.

22 "Agency" or "Department" means the Illinois Department of  
23 Public Health.

24 "Alternative health care model" means a facility or  
25 program authorized under the Alternative Health Care Delivery  
26 Act.

1 "Out-of-state facility" means a person that is both (i)  
2 licensed as a hospital or as an ambulatory surgery center  
3 under the laws of another state or that qualifies as a hospital  
4 or an ambulatory surgery center under regulations adopted  
5 pursuant to the Social Security Act and (ii) not licensed  
6 under the Ambulatory Surgical Treatment Center Act, the  
7 Hospital Licensing Act, or the Nursing Home Care Act.  
8 Affiliates of out-of-state facilities shall be considered  
9 out-of-state facilities. Affiliates of Illinois licensed  
10 health care facilities 100% owned by an Illinois licensed  
11 health care facility, its parent, or Illinois physicians  
12 licensed to practice medicine in all its branches shall not be  
13 considered out-of-state facilities. Nothing in this definition  
14 shall be construed to include an office or any part of an  
15 office of a physician licensed to practice medicine in all its  
16 branches in Illinois that is not required to be licensed under  
17 the Ambulatory Surgical Treatment Center Act.

18 "Change of ownership of a health care facility" means a  
19 change in the person who has ownership or control of a health  
20 care facility's physical plant and capital assets. A change in  
21 ownership is indicated by the following transactions: sale,  
22 transfer, acquisition, lease, change of sponsorship, or other  
23 means of transferring control.

24 "Related person" means any person that: (i) is at least  
25 50% owned, directly or indirectly, by either the health care  
26 facility or a person owning, directly or indirectly, at least



1 50% of the health care facility; or (ii) owns, directly or  
2 indirectly, at least 50% of the health care facility.

3 "Charity care" means care provided by a health care  
4 facility for which the provider does not expect to receive  
5 payment from the patient or a third-party payer.

6 "Health disparities" means preventable differences in the  
7 burden of disease, injury, violence, or opportunities to  
8 achieve optimal health that are experienced by socially  
9 disadvantaged populations.

10 "Health equity" means a process of assurance of the  
11 conditions for optimal health for all people through focused  
12 and ongoing societal effort valuing all individuals and  
13 populations equally, recognizing and rectifying historical  
14 injustices, and providing resources according to need.

15 "Safety net services" means services provided by health  
16 care providers or organizations that deliver health care  
17 services to persons with barriers to mainstream health care  
18 due to lack of insurance, inability to pay, special needs,  
19 ethnic or cultural characteristics, or geographic isolation,  
20 and those that deliver services to communities or populations  
21 suffering from health disparities including disparities in  
22 health status and outcomes due to differences in social,  
23 economic, environmental, or healthcare resources. Safety net  
24 service providers include, but are not limited to, hospitals  
25 and private practice physicians that provide charity care,  
26 school-based health centers, migrant health clinics, rural

1 health clinics, federally qualified health centers, community  
2 health centers, public health departments, and community  
3 mental health centers.

4 "Safety net hospital" has the meaning ascribed to it under  
5 Section 5-5e.1 of the Illinois Public Aid Code.

6 "Emergency medical and trauma" means the emergency medical  
7 services, trauma services, and associated non-emergency  
8 medical services planned and coordinated in accordance with  
9 the Emergency Medical Services (EMS) Systems Act.

10 "Perinatal and maternal care" means obstetric and neonatal  
11 services under Subpart O of Hospital Licensing Requirements,  
12 77 IAC 250; resources and services associated with hospital  
13 perinatal care level designations under the Developmental  
14 Disability Prevention Act; and maternal care resources and  
15 services developed or identified under Sections 2310-222 and  
16 2310-223 of the Department of Public Health Powers and Duties  
17 Law.

18 "Freestanding emergency center" means a facility subject  
19 to licensure under Section 32.5 of the Emergency Medical  
20 Services (EMS) Systems Act.

21 "Category of service" means a grouping by generic class of  
22 various types or levels of support functions, equipment, care,  
23 or treatment provided to patients or residents. Categories of  
24 service shall at minimum include ~~, including, but not limited~~  
25 ~~to, classes such as~~ medical-surgical, pediatrics, obstetrics,  
26 intensive care, neonatal intensive care, acute mental illness,

1 comprehensive physical rehabilitation, long-term acute care,  
2 ~~or~~ cardiac catheterization, open heart surgery, kidney  
3 transplantation, general long term nursing care, long term  
4 care for the developmentally disabled (adult), long term care  
5 for the developmentally disabled (children), chronic mental  
6 illness care, in-center hemodialysis, and non-hospital  
7 ambulatory surgery. A category of service may include  
8 subcategories or levels of care that identify a particular  
9 degree or type of care within the category of service. Nothing  
10 in this definition shall be construed to include the practice  
11 of a physician or other licensed health care professional  
12 while functioning in an office providing for the care,  
13 diagnosis, or treatment of patients. A category of service  
14 that is subject to the Board's jurisdiction must be designated  
15 in rules adopted by the Board.

16 "State Board Staff Report" means the document that sets  
17 forth the review and findings of the State Board staff, as  
18 prescribed by the State Board, regarding applications subject  
19 to Board jurisdiction.

20 (Source: P.A. 100-518, eff. 6-1-18; 100-581, eff. 3-12-18;  
21 100-957, eff. 8-19-18; 101-81, eff. 7-12-19; 101-650, eff.  
22 7-7-20.)

23 (20 ILCS 3960/4) (from Ch. 111 1/2, par. 1154)

24 (Section scheduled to be repealed on December 31, 2029)

25 Sec. 4. Health Facilities and Services Review Board;

1 membership; appointment; term; compensation; quorum.

2 (a) There is created the Health Facilities and Services  
3 Review Board, which shall perform the functions described in  
4 this Act. The Department shall provide operational support to  
5 the Board as necessary, including the provision of office  
6 space, supplies, and clerical, financial, and accounting  
7 services. The Board may contract for functions or operational  
8 support as needed. The Board may also contract with experts  
9 related to specific health services or facilities and create  
10 technical advisory panels to assist in the development of  
11 criteria, standards, and procedures used in the evaluation of  
12 applications for permit and exemption.

13 (b) The State Board shall consist of 9 voting members. All  
14 members shall be residents of Illinois and at least 3 ~~4~~ shall  
15 reside outside the Chicago Metropolitan Statistical Area.  
16 Consideration shall be given to potential appointees who  
17 reflect the ethnic and cultural diversity of the State.  
18 Neither Board members nor Board staff shall be convicted  
19 felons or have pled guilty to a felony.

20 Each member shall have a reasonable knowledge of the  
21 practice, procedures and principles of the health care  
22 delivery system in Illinois, including at least 5 members who  
23 shall be knowledgeable about health care delivery systems,  
24 health systems planning, finance, or the management of health  
25 care facilities currently regulated under the Act. One member  
26 shall be a representative of a non-profit health care consumer

1 advocacy organization and one member shall be representative  
2 of a trade or labor union representing health care workers. A  
3 spouse, parent, sibling, or child of a Board member cannot be  
4 an employee, agent, or under contract with services or  
5 facilities subject to the Act. Prior to appointment and in the  
6 course of service on the Board, members of the Board shall  
7 disclose the employment or other financial interest of any  
8 other relative of the member, if known, in service or  
9 facilities subject to the Act. Members of the Board shall  
10 declare any conflict of interest that may exist with respect  
11 to the status of those relatives and recuse themselves from  
12 voting on any issue for which a conflict of interest is  
13 declared. No person shall be appointed or continue to serve as  
14 a member of the State Board who is, or whose spouse, parent,  
15 sibling, or child is, a member of the Board of Directors of,  
16 has a financial interest in, or has a business relationship  
17 with a health care facility.

18 Notwithstanding any provision of this Section to the  
19 contrary, the term of office of each member of the State Board  
20 serving on the day before the effective date of this  
21 amendatory Act of the 96th General Assembly is abolished on  
22 the date upon which members of the 9-member Board, as  
23 established by this amendatory Act of the 96th General  
24 Assembly, have been appointed and can begin to take action as a  
25 Board.

26 (c) The State Board shall be appointed by the Governor,

1 with the advice and consent of the Senate. Not more than 5 of  
2 the appointments shall be of the same political party at the  
3 time of the appointment.

4 The Secretary of Human Services, the Director of  
5 Healthcare and Family Services, and the Director of Public  
6 Health, or their designated representatives, shall serve as  
7 ex-officio, non-voting members of the State Board.

8 (d) Of those 9 members initially appointed by the Governor  
9 following the effective date of this amendatory Act of the  
10 96th General Assembly, 3 shall serve for terms expiring July  
11 1, 2011, 3 shall serve for terms expiring July 1, 2012, and 3  
12 shall serve for terms expiring July 1, 2013. Thereafter, each  
13 appointed member shall hold office for a term of 3 years,  
14 provided that any member appointed to fill a vacancy occurring  
15 prior to the expiration of the term for which his or her  
16 predecessor was appointed shall be appointed for the remainder  
17 of such term and the term of office of each successor shall  
18 commence on July 1 of the year in which his predecessor's term  
19 expires. Each member shall hold office until his or her  
20 successor is appointed and qualified. The Governor may  
21 reappoint a member for additional terms, but no member shall  
22 serve more than 3 terms, subject to review and re-approval  
23 every 3 years.

24 (e) State Board members, while serving on business of the  
25 State Board, shall receive actual and necessary travel and  
26 subsistence expenses while so serving away from their places

1 of residence. Until March 1, 2010, a member of the State Board  
2 who experiences a significant financial hardship due to the  
3 loss of income on days of attendance at meetings or while  
4 otherwise engaged in the business of the State Board may be  
5 paid a hardship allowance, as determined by and subject to the  
6 approval of the Governor's Travel Control Board.

7 (f) The Governor shall designate one of the members to  
8 serve as the Chairman of the Board, who shall be a person with  
9 expertise in health care delivery system planning, finance or  
10 management of health care facilities that are regulated under  
11 the Act. The Chairman shall annually review Board member  
12 performance and shall report the attendance record of each  
13 Board member to the General Assembly.

14 (g) The State Board, through the Chairman, shall prepare a  
15 separate and distinct budget approved by the General Assembly  
16 and shall hire and supervise its own professional staff  
17 responsible for carrying out the responsibilities of the  
18 Board.

19 (h) The State Board shall meet at least every 45 days, or  
20 as often as the Chairman of the State Board deems necessary, or  
21 upon the request of a majority of the members.

22 (i) Five members of the State Board shall constitute a  
23 quorum. The affirmative vote of 5 of the members of the State  
24 Board shall be necessary for any action requiring a vote to be  
25 taken by the State Board. A vacancy in the membership of the  
26 State Board shall not impair the right of a quorum to exercise

1 all the rights and perform all the duties of the State Board as  
2 provided by this Act.

3 (j) A State Board member shall disqualify himself or  
4 herself from the consideration of any application for a permit  
5 or exemption in which the State Board member or the State Board  
6 member's spouse, parent, sibling, or child: (i) has an  
7 economic interest in the matter; or (ii) is employed by,  
8 serves as a consultant for, or is a member of the governing  
9 board of the applicant or a party opposing the application.

10 (k) The Chairman, Board members, and Board staff must  
11 comply with the Illinois Governmental Ethics Act.

12 (Source: P.A. 99-527, eff. 1-1-17; 100-681, eff. 8-3-18.)

13 (20 ILCS 3960/5) (from Ch. 111 1/2, par. 1155)

14 (Section scheduled to be repealed on December 31, 2029)

15 Sec. 5. Construction, modification, or establishment of  
16 health care facilities or acquisition of major medical  
17 equipment; permits or exemptions. No person shall construct,  
18 modify or establish a health care facility or acquire major  
19 medical equipment without first obtaining a permit or  
20 exemption from the State Board. The State Board shall not  
21 delegate to the staff of the State Board or any other person or  
22 entity the authority to grant permits or exemptions whenever  
23 the staff or other person or entity would be required to  
24 exercise any discretion affecting the decision to grant a  
25 permit or exemption. The State Board may, by rule, delegate



1 authority to the Chairman to grant permits or exemptions when  
2 applications meet all of the State Board's review criteria and  
3 are unopposed.

4 A permit or exemption shall be obtained prior to the  
5 acquisition of major medical equipment or to the construction  
6 or modification of a health care facility which:

7 (a) requires a total capital expenditure in excess of  
8 the capital expenditure minimum; or

9 (b) substantially changes the scope or changes the  
10 functional operation of the facility; or

11 (c) changes the bed capacity of a health care facility  
12 by increasing the total number of beds or by distributing  
13 beds among various categories of service or by relocating  
14 beds from one physical facility or site to another by more  
15 than 20 beds or more than 10% of total bed capacity as  
16 defined by the State Board, whichever is less, over a  
17 2-year period.

18 A permit shall be valid only for the defined construction  
19 or modifications, site, amount and person named in the  
20 application for such permit. The State Board may approve the  
21 transfer of an existing permit without regard to whether the  
22 permit to be transferred has yet been financially committed,  
23 except for permits to establish a new facility or category of  
24 service. A permit shall be valid until such time as the project  
25 has been completed, provided that the project commences and  
26 proceeds to completion with due diligence by the completion

1 date or extension date approved by the Board.

2 A permit holder must do the following: (i) submit the  
3 final completion and cost report for the project within 90  
4 days after the approved project completion date or extension  
5 date and (ii) submit annual progress reports no earlier than  
6 30 days before and no later than 30 days after each anniversary  
7 date of the Board's approval of the permit until the project is  
8 completed. To maintain a valid permit and to monitor progress  
9 toward project commencement and completion, routine  
10 post-permit reports shall be limited to annual progress  
11 reports and the final completion and cost report. Annual  
12 progress reports shall include information regarding the  
13 committed funds expended toward the approved project. For  
14 projects to be completed in 12 months or less, the permit  
15 holder shall report financial commitment in the final  
16 completion and cost report. For projects to be completed  
17 between 12 to 24 months, the permit holder shall report  
18 financial commitment in the first annual report. For projects  
19 to be completed in more than 24 months, the permit holder shall  
20 report financial commitment in the second annual progress  
21 report. The report shall contain information regarding  
22 expenditures and financial commitments. The State Board may  
23 extend the financial commitment period after considering a  
24 permit holder's showing of good cause and request for  
25 additional time to complete the project.

26 The Certificate of Need process required under this Act is

1 designed to support equitable access to health care services,  
2 develop and protect safety net services, and restrain rising  
3 health care costs by preventing unnecessary construction or  
4 modification of health care facilities. The Board must assure  
5 that the establishment, construction, or modification of a  
6 health care facility or the acquisition of major medical  
7 equipment is consistent with the public interest and that the  
8 proposed project is consistent with the orderly and economic  
9 development or acquisition of those facilities and equipment  
10 and is in accord with the standards, criteria, or plans of need  
11 adopted and approved by the Board. The Board must assure  
12 decisions regarding hospital facility or service  
13 discontinuations are consistent with the health equity  
14 purposes of the Act and consider whether or not such facility  
15 or service discontinuations will worsen health disparities.  
16 Board decisions regarding the construction of health care  
17 facilities must consider capacity, quality, value, and equity.  
18 Projects may deviate from the costs, fees, and expenses  
19 provided in their project cost information for the project's  
20 cost components, provided that the final total project cost  
21 does not exceed the approved permit amount. Project  
22 alterations shall not increase the total approved permit  
23 amount by more than the limit set forth under the Board's  
24 rules.

25 The acquisition by any person of major medical equipment  
26 that will not be owned by or located in a health care facility

1 and that will not be used to provide services to inpatients of  
2 a health care facility shall be exempt from review provided  
3 that a notice is filed in accordance with exemption  
4 requirements.

5 Notwithstanding any other provision of this Act, no permit  
6 or exemption is required for the construction or modification  
7 of a non-clinical service area of a health care facility.

8 (Source: P.A. 100-518, eff. 6-1-18; 100-681, eff. 8-3-18.)

9 (20 ILCS 3960/5.4)

10 (Section scheduled to be repealed on December 31, 2029)

11 Sec. 5.4. Safety Net Impact Statement.

12 (a) General review criteria shall include a requirement  
13 that all health care facilities, with the exception of skilled  
14 and intermediate long-term care facilities licensed under the  
15 Nursing Home Care Act, provide a Safety Net Impact Statement,  
16 which shall be filed with an application for a substantive  
17 project or when the application proposes to discontinue a  
18 category of service.

19 (b) (Blank). ~~For the purposes of this Section, "safety net~~  
20 ~~services" are services provided by health care providers or~~  
21 ~~organizations that deliver health care services to persons~~  
22 ~~with barriers to mainstream health care due to lack of~~  
23 ~~insurance, inability to pay, special needs, ethnic or cultural~~  
24 ~~characteristics, or geographic isolation. Safety net service~~  
25 ~~providers include, but are not limited to, hospitals and~~

1 ~~private practice physicians that provide charity care,~~  
2 ~~school-based health centers, migrant health clinics, rural~~  
3 ~~health clinics, federally qualified health centers, community~~  
4 ~~health centers, public health departments, and community~~  
5 ~~mental health centers.~~

6 (c) As developed by the applicant, a Safety Net Impact  
7 Statement shall describe all of the following:

8 (1) The project's material impact, if any, on  
9 essential safety net services in the community, including  
10 safety net hospitals and critical access hospitals, to the  
11 extent that it is feasible for an applicant to have such  
12 knowledge.

13 (2) The project's impact on the ability of another  
14 provider or health care system to cross-subsidize safety  
15 net services, ~~if reasonably known to the applicant.~~

16 (3) How the discontinuation of a facility or service  
17 will ~~might~~ impact other ~~the remaining~~ safety net providers  
18 ~~in a given community, if reasonably known by the~~  
19 ~~applicant.~~

20 (4) How the discontinuation of a facility or service  
21 will impact the Medicaid population.

22 (5) How the discontinuation of a facility or service  
23 will impact the health status and outcomes of communities  
24 or populations suffering from health disparities. This  
25 should include consideration of disparities in healthcare  
26 access and outcomes by income, race and ethnic identity,

1       and preferred language, if reasonably known to the  
2       applicant.

3       (d) Safety Net Impact Statements shall also include all of  
4 the following:

5           (1) For the 3 fiscal years prior to the application, a  
6 certification describing the amount of charity care  
7 provided by the applicant. The amount calculated by  
8 hospital applicants shall be in accordance with the  
9 reporting requirements for charity care reporting in the  
10 Illinois Community Benefits Act. Non-hospital applicants  
11 shall report charity care, at cost, in accordance with an  
12 appropriate methodology specified by the Board.

13           (2) For the 3 fiscal years prior to the application, a  
14 certification of the amount of care provided to Medicaid  
15 patients. Hospital and non-hospital applicants shall  
16 provide Medicaid information in a manner consistent with  
17 the information reported each year to the State Board  
18 regarding "Inpatients and Outpatients Served by Payor  
19 Source" and "Inpatient and Outpatient Net Revenue by Payor  
20 Source" as required by the Board under Section 13 of this  
21 Act and published in the Annual Hospital Profile.

22           (3) Any information the applicant believes is directly  
23 relevant to safety net services, including information  
24 regarding teaching, research, and any other service.

25       (e) The Board staff shall publish a notice, that an  
26 application accompanied by a Safety Net Impact Statement has

1 been filed, in a newspaper having general circulation within  
2 the area affected by the application. If no newspaper has a  
3 general circulation within the county, the Board shall post  
4 the notice in 5 conspicuous places within the proposed area.

5 (f) Any person, community organization, provider, or  
6 health system or other entity wishing to comment upon or  
7 oppose the application may file a Safety Net Impact Statement  
8 Response with the Board, which shall provide additional  
9 information concerning a project's impact on safety net  
10 services in the community.

11 (g) Applicants shall be provided an opportunity to submit  
12 a reply to any Safety Net Impact Statement Response.

13 (h) The State Board Staff Report shall include a statement  
14 as to whether a Safety Net Impact Statement was filed by the  
15 applicant and whether it included information on charity care,  
16 the amount of care provided to Medicaid patients, and  
17 information on teaching, research, or any other service  
18 provided by the applicant directly relevant to safety net  
19 services. The report shall also indicate the names of the  
20 parties submitting responses and the number of responses and  
21 replies, if any, that were filed.

22 (Source: P.A. 100-518, eff. 6-1-18.)

23 (20 ILCS 3960/5.5 new)

24 Sec. 5.5. Emergency Medicine and Trauma Systems Impact  
25 Statement.

1       (a) Review criteria shall include a requirement that all  
2 general acute hospitals applying to discontinue a facility,  
3 intensive care services, or another category of service  
4 relevant to emergency medical service and trauma systems  
5 identified by rule by the Board include in its application an  
6 Emergency Medicine and Trauma Systems Impact Statement.

7       (b) As developed by the applicant, an Emergency Medicine  
8 and Trauma Systems Impact Statement shall describe all of the  
9 following:

10           (1) How the discontinuation of the facility or service  
11 will impact the availability of emergency medical and  
12 trauma services for area populations, specifically  
13 including those that experience difficulty accessing  
14 health services or experience health disparities.

15           (2) How the discontinuation of the facility or service  
16 might impact the remaining providers of emergency medical  
17 and trauma services in the area, to the extent known by the  
18 applicant.

19       (c) Emergency Medicine and Trauma Systems Impact  
20 Statements shall also include all of the following:

21           (1) A list of each resource identified in any  
22 emergency medical service system program plan that will  
23 cease to exist as a result of the facility or service  
24 discontinuation, with a description of its utilization in  
25 the most recent 2 years for which data is available.

26           (2) A list of each resource identified in any trauma



1       or stroke center designation that will cease to exist as a  
2       result of the facility or service discontinuation, with a  
3       description of its utilization in the most recent 2 years  
4       for which data is available.

5           (3) If any resource listed pursuant to paragraphs (1)  
6       or (2) above was on diversion or bypass status or  
7       otherwise not available during the 2 years, the statement  
8       must list the times and reasons it was on bypass.

9       (d) The Board staff shall publish a notice, that an  
10      application accompanied by an Emergency Medicine and Trauma  
11      Systems Impact Statement has been filed, in a newspaper having  
12      general circulation within the area affected by the  
13      application. If no newspaper has a general circulation within  
14      the county, the Board shall post the notice in 5 conspicuous  
15      places within the proposed area.

16      (e) Any person, community organization, provider, or  
17      health system or other entity wishing to comment upon or  
18      oppose the application may file an Emergency Medical and  
19      Trauma Systems Impact Statement Response with the Board, which  
20      shall provide additional information concerning a project's  
21      impact on emergency medical and trauma services in the  
22      community.

23      (f) Applicants shall be provided an opportunity to submit  
24      a reply to any Emergency Medical and Trauma Systems Impact  
25      Statement Response.

26      (g) The State Board Staff Report shall include a statement

1 as to whether an Emergency Medical and Trauma Systems Impact  
2 Statement was filed by the applicant and whether it included  
3 information described in subsections (b) and (c) above. The  
4 report shall indicate whether the list of resources identified  
5 pursuant to subsection (c) is accurate and complete. The  
6 report shall also indicate the names of the parties submitting  
7 responses and the number of responses and replies, if any,  
8 that were filed.

9 (20 ILCS 3960/5.6 new)

10 Sec. 5.6. Maternal and Child Health Impact Statement.

11 (a) Review criteria shall include a requirement that all  
12 general acute hospitals applying to discontinue a facility,  
13 obstetric services, pediatric services, neonatal intensive  
14 care services, or any other category of service relevant to  
15 maternal and child health identified by rule by the Board  
16 include in its application an Emergency Medicine and Trauma  
17 Systems Impact Statement.

18 (b) As developed by the applicant, a Maternal and Child  
19 Health Impact Statement shall describe all of the following:

20 (1) How the discontinuation of the facility or service  
21 will impact the availability of perinatal and maternal  
22 care services for area populations, specifically including  
23 those that experience difficulty accessing health services  
24 or experience health disparities.

25 (2) How the discontinuation of the facility or service

1 might impact the remaining providers of perinatal and  
2 maternal care services in the area, to the extent known by  
3 the applicant.

4 (c) Maternal and Child Health Impact Statements shall also  
5 include all of the following:

6 (1) A list of each resource identified in any  
7 obstetric and neonatal service plan, hospital perinatal  
8 care level designation, or maternal care level designation  
9 that will cease to exist as a result of the facility or  
10 service discontinuation, with a description of its  
11 utilization in the most recent 2 years for which data is  
12 available.

13 (2) A list of any resource that was developed through  
14 initiatives set forth in Section 2310-222 of the  
15 Department of Public Health Powers and Duties Law to  
16 improve birth equity and reduce postpartum racial and  
17 ethnic disparities, or that serves similar purposes that  
18 will cease to exist as a result of the facility or service  
19 discontinuation.

20 (d) The Board staff shall publish a notice, that an  
21 application accompanied by a Maternal and Child Health Impact  
22 Statement has been filed, in a newspaper having general  
23 circulation within the area affected by the application. If no  
24 newspaper has a general circulation within the county, the  
25 Board shall post the notice in 5 conspicuous places within the  
26 proposed area.

1       (e) Any person, community organization, provider, or  
2 health system or other entity wishing to comment upon or  
3 oppose the application may file a Maternal and Child Health  
4 Impact Statement Response with the Board, which shall provide  
5 additional information concerning a project's impact on  
6 perinatal and maternal care services in the community.

7       (f) Applicants shall be provided an opportunity to submit  
8 a reply to any Maternal and Child Health Impact Statement  
9 Response.

10       (g) The State Board Staff Report shall include a statement  
11 as to whether a Maternal and Child Health Impact Statement was  
12 filed by the applicant and whether it included information  
13 described in paragraphs (b) and (c) above. The report shall  
14 indicate whether the list of resources identified pursuant to  
15 paragraph (c) is accurate and complete. The report shall also  
16 indicate the names of the parties submitting responses and the  
17 number of responses and replies, if any, that were filed.

18       (20 ILCS 3960/6) (from Ch. 111 1/2, par. 1156)

19       (Section scheduled to be repealed on December 31, 2029)

20       Sec. 6. Application for permit or exemption; exemption  
21 regulations.

22       (a) An application for a permit or exemption shall be made  
23 to the State Board upon forms provided by the State Board. This  
24 application shall contain such information as the State Board  
25 deems necessary. The State Board shall not require an

1 applicant to file a Letter of Intent before an application is  
2 filed. Such application shall include affirmative evidence on  
3 which the State Board or Chairman may make its decision on the  
4 approval or denial of the permit or exemption.

5 (b) The State Board shall establish by regulation the  
6 procedures and requirements regarding issuance of exemptions.  
7 An exemption shall be approved when information required by  
8 the Board by rule is submitted. Projects eligible for an  
9 exemption, rather than a permit, shall be ~~include, but are not~~  
10 limited to ~~7~~ change of ownership of a health care facility and  
11 discontinuation of a category of service, other than a  
12 hospital, or a health care facility maintained by the State or  
13 any agency or department thereof or a nursing home maintained  
14 by a county. The Board may accept an application for an  
15 exemption for the discontinuation of a category of service at  
16 any other ~~a~~ health care facility only once in a 6-month period  
17 following (1) the previous application for exemption at the  
18 same health care facility or (2) the final decision of the  
19 Board regarding the discontinuation of a category of service  
20 at the same health care facility, whichever occurs later. A  
21 discontinuation of a category of service shall otherwise  
22 require an application for a permit if an application for an  
23 exemption has already been accepted within the 6-month period.  
24 For a change of ownership among related persons of a health  
25 care facility, the State Board shall provide by rule for an  
26 expedited process for obtaining an exemption. For the purposes

1 of this Section, "change of ownership among related persons"  
2 means a transaction in which the parties to the transaction  
3 are under common control or ownership before and after the  
4 transaction is complete.

5 (c) All applications shall be signed by the applicant and  
6 shall be verified by any 2 officers thereof.

7 (c-5) Any written review or findings of the Board staff  
8 set forth in the State Board Staff Report concerning an  
9 application for a permit must be made available to the public  
10 and the applicant at least 14 calendar days before the meeting  
11 of the State Board at which the review or findings are  
12 considered. The applicant and members of the public may  
13 submit, to the State Board, written responses regarding the  
14 facts set forth in the review or findings of the Board staff.  
15 Members of the public and the applicant shall have until 10  
16 days before the meeting of the State Board to submit any  
17 written response concerning the Board staff's written review  
18 or findings. The Board staff may revise any findings to  
19 address corrections of factual errors cited in the public  
20 response. At the meeting, the State Board may, in its  
21 discretion, permit the submission of other additional written  
22 materials.

23 (d) Upon receipt of an application for a permit, the State  
24 Board shall approve and authorize the issuance of a permit if  
25 it finds (1) that the applicant is fit, willing, and able to  
26 provide a proper standard of health care service for the

1 community with particular regard to the qualification,  
2 background and character of the applicant, (2) that economic  
3 feasibility is demonstrated in terms of effect on the existing  
4 and projected operating budget of the applicant and of the  
5 health care facility; in terms of the applicant's ability to  
6 establish and operate such facility in accordance with  
7 licensure regulations promulgated under pertinent state laws;  
8 and in terms of the projected impact on the total health care  
9 expenditures in the facility and community, (3) that  
10 safeguards are provided that assure that the establishment,  
11 construction or modification of the health care facility or  
12 acquisition of major medical equipment is consistent with the  
13 public interest, (4) that the project will not plausibly  
14 increase health disparities, and (5) ~~(4)~~ that the proposed  
15 project is consistent with the orderly and economic  
16 development of such facilities and equipment and is in accord  
17 with standards, criteria, or plans of need adopted and  
18 approved pursuant to the provisions of Section 12 of this Act.

19 (d-5) For an application for a permit to discontinue a  
20 hospital facility or service, the State Board shall consider:

21 (1) how the discontinuation of the facility or service  
22 will impact safety net services;

23 (2) the emergency medical and trauma system impact, if  
24 applicable;

25 (3) the maternal and child health impact, if  
26 applicable; and

1           (4) the economic feasibility, based on the resources  
2           of the applicant and related persons, of continued  
3           operation as an alternative.

4           (e) The State Board may attach conditions to issuance of a  
5           permit. For a discontinuation of a hospital facility or  
6           service, the State Board is expressly permitted to attach  
7           conditions requiring that certain public support or subsidies  
8           received by the hospital must be repaid.

9           (Source: P.A. 100-518, eff. 6-1-18; 100-681, eff. 8-3-18;  
10          101-83, eff. 7-15-19.)

11           (20 ILCS 3960/6.05 new)

12           Sec. 6.05. Hospital closure during a pandemic. The State  
13           Board shall not issue a permit or take any other action that  
14           would allow closure of a general acute care hospital to  
15           proceed during a public health emergency declared pursuant to  
16           the Illinois Emergency Management Act as the result of an  
17           infectious disease pandemic.

18           (20 ILCS 3960/6.2)

19           (Section scheduled to be repealed on December 31, 2029)

20           Sec. 6.2. Review of permits; State Board Staff Reports.  
21           Upon receipt of an application for a permit to establish,  
22           construct, or modify a health care facility, the State Board  
23           staff shall notify the applicant in writing within 10 working  
24           days either that the application is or is not ~~substantially~~



1 complete. If the application is ~~substantially~~ complete, the  
2 State Board staff shall notify the applicant of the beginning  
3 of the review process. If the application is not ~~substantially~~  
4 complete, the Board staff shall explain within the 10-day  
5 period why the application is incomplete.

6 The State Board staff shall afford a reasonable amount of  
7 time as established by the State Board, but not to exceed 180  
8 ~~120~~ days, for the review of the application. The 180-day  
9 ~~120-day~~ period begins on the day the application is found to be  
10 ~~substantially~~ complete, as that term is defined by the State  
11 Board. During the 180-day ~~120-day~~ period, the applicant may  
12 request an extension. An applicant may modify the application  
13 at any time before a final administrative decision has been  
14 made on the application.

15 The State Board staff shall submit its State Board Staff  
16 Report to the State Board for its decision-making regarding  
17 approval or denial of the permit.

18 When an application for a permit is initially reviewed by  
19 State Board staff, as provided in this Section, the State  
20 Board shall, upon request by the applicant or an interested  
21 person, afford an opportunity for a public hearing within a  
22 reasonable amount of time after receipt of the complete  
23 application, but not to exceed 90 days after receipt of the  
24 complete application. Notice of the hearing shall be made  
25 promptly, not less than 10 days before the hearing, by  
26 certified mail to the applicant and, not less than 10 days

1 before the hearing, by publication in a newspaper of general  
2 circulation in the area or community to be affected. The  
3 hearing shall be held in the area or community in which the  
4 proposed project is to be located and shall be for the purpose  
5 of allowing the applicant and any interested person to present  
6 public testimony concerning the approval, denial, renewal, or  
7 revocation of the permit. All interested persons attending the  
8 hearing shall be given a reasonable opportunity to present  
9 their views or arguments in writing or orally, and a record of  
10 all of the testimony shall accompany any findings of the State  
11 Board staff. The State Board shall adopt reasonable rules and  
12 regulations governing the procedure and conduct of the  
13 hearings.

14 (Source: P.A. 99-114, eff. 7-23-15; 100-681, eff. 8-3-18.)

15 (20 ILCS 3960/8.5)

16 (Section scheduled to be repealed on December 31, 2029)

17 Sec. 8.5. Certificate of exemption for change of ownership  
18 of a health care facility; discontinuation of a category of  
19 service; public notice and public hearing.

20 (a) Upon a finding that an application for a change of  
21 ownership is complete, the State Board shall publish a legal  
22 notice on 3 consecutive days in a newspaper of general  
23 circulation in the area or community to be affected and afford  
24 the public an opportunity to request a hearing. If the  
25 application is for a facility located in a Metropolitan

1 Statistical Area, an additional legal notice shall be  
2 published in a newspaper of limited circulation, if one  
3 exists, in the area in which the facility is located. If the  
4 newspaper of limited circulation is published on a daily  
5 basis, the additional legal notice shall be published on 3  
6 consecutive days. The applicant shall pay the cost incurred by  
7 the Board in publishing the change of ownership notice in  
8 newspapers as required under this subsection. The legal notice  
9 shall also be posted on the Health Facilities and Services  
10 Review Board's web site and sent to the State Representative  
11 and State Senator of the district in which the health care  
12 facility is located. An application for change of ownership of  
13 a hospital shall not be deemed complete without a signed  
14 certification that for a period of 2 years after the change of  
15 ownership transaction is effective, the hospital will not  
16 adopt a charity care policy that is more restrictive than the  
17 policy in effect during the year prior to the transaction. An  
18 application for change of ownership of a hospital shall not be  
19 deemed complete without a signed certification that for a  
20 period of 1 year after the change of ownership transaction is  
21 effective, the hospital will not pursue facility closure or  
22 discontinuation of any category of service. An application for  
23 a change of ownership need not contain signed transaction  
24 documents so long as it includes the following key terms of the  
25 transaction: names and background of the parties; structure of  
26 the transaction; the person who will be the licensed or

1 certified entity after the transaction; the ownership or  
2 membership interests in such licensed or certified entity both  
3 prior to and after the transaction; fair market value of  
4 assets to be transferred; and the purchase price or other form  
5 of consideration to be provided for those assets. The issuance  
6 of the certificate of exemption shall be contingent upon the  
7 applicant submitting a statement to the Board within 90 days  
8 after the closing date of the transaction, or such longer  
9 period as provided by the Board, certifying that the change of  
10 ownership has been completed in accordance with the key terms  
11 contained in the application. If such key terms of the  
12 transaction change, a new application shall be required.

13 Where a change of ownership is among related persons, and  
14 there are no other changes being proposed at the health care  
15 facility that would otherwise require a permit or exemption  
16 under this Act, the applicant shall submit an application  
17 consisting of a standard notice in a form set forth by the  
18 Board briefly explaining the reasons for the proposed change  
19 of ownership. Once such an application is submitted to the  
20 Board and reviewed by the Board staff, the Board Chair shall  
21 take action on an application for an exemption for a change of  
22 ownership among related persons within 45 days after the  
23 application has been deemed complete, provided the application  
24 meets the applicable standards under this Section. If the  
25 Board Chair has a conflict of interest or for other good cause,  
26 the Chair may request review by the Board. Notwithstanding any

1 other provision of this Act, for purposes of this Section, a  
2 change of ownership among related persons means a transaction  
3 where the parties to the transaction are under common control  
4 or ownership before and after the transaction is completed.

5 ~~Nothing in this Act shall be construed as authorizing the~~  
6 ~~Board to impose any conditions, obligations, or limitations,~~  
7 ~~other than those required by this Section, with respect to the~~  
8 ~~issuance of an exemption for a change of ownership, including,~~  
9 ~~but not limited to, the time period before which a subsequent~~  
10 ~~change of ownership of the health care facility could be~~  
11 ~~sought, or the commitment to continue to offer for a specified~~  
12 ~~time period any services currently offered by the health care~~  
13 ~~facility.~~

14 (a-3) (Blank).

15 (a-5) Upon a finding that an application to discontinue a  
16 category of service is complete and provides the requested  
17 information, as specified by the State Board, an exemption  
18 shall be issued. No later than 30 days after the issuance of  
19 the exemption, the health care facility must give written  
20 notice of the discontinuation of the category of service to  
21 the State Senator and State Representative serving the  
22 legislative district in which the health care facility is  
23 located. No later than 90 days after a discontinuation of a  
24 category of service, the applicant must submit a statement to  
25 the State Board certifying that the discontinuation is  
26 complete.

1 (b) If a public hearing is requested, it shall be held at  
2 least 15 days but no more than 30 days after the date of  
3 publication of the legal notice in the community in which the  
4 facility is located. The hearing shall be held in the affected  
5 area or community in a place of reasonable size and  
6 accessibility and a full and complete written transcript of  
7 the proceedings shall be made. All interested persons  
8 attending the hearing shall be given a reasonable opportunity  
9 to present their positions in writing or orally. The applicant  
10 shall provide a summary or describe the proposed change of  
11 ownership at the public hearing.

12 (c) For the purposes of this Section "newspaper of limited  
13 circulation" means a newspaper intended to serve a particular  
14 or defined population of a specific geographic area within a  
15 Metropolitan Statistical Area such as a municipality, town,  
16 village, township, or community area, but does not include  
17 publications of professional and trade associations.

18 (d) The changes made to this Section by this amendatory  
19 Act of the 101st General Assembly shall apply to all  
20 applications submitted after the effective date of this  
21 amendatory Act of the 101st General Assembly.

22 (Source: P.A. 100-201, eff. 8-18-17; 101-83, eff. 7-15-19.)

23 (20 ILCS 3960/8.7)

24 (Section scheduled to be repealed on December 31, 2029)

25 Sec. 8.7. Application for permit for discontinuation of a

1 health care facility or category of service; public notice and  
2 public hearing.

3 (a) Upon a finding that an application to close a health  
4 care facility or discontinue a category of service is  
5 complete, the State Board shall publish a legal notice on 3  
6 consecutive days in a newspaper of general circulation in the  
7 area or community to be affected and afford the public an  
8 opportunity to request a hearing. If the application is for a  
9 facility located in a Metropolitan Statistical Area, an  
10 additional legal notice shall be published in a newspaper of  
11 limited circulation, if one exists, in the area in which the  
12 facility is located. If the newspaper of limited circulation  
13 is published on a daily basis, the additional legal notice  
14 shall be published on 3 consecutive days. The legal notice  
15 shall also be posted on the Health Facilities and Services  
16 Review Board's website and sent to the State Representative  
17 and State Senator of the district in which the health care  
18 facility is located. In addition, the health care facility  
19 shall provide notice of closure to the local media that the  
20 health care facility would routinely notify about facility  
21 events.

22 An application to close a health care facility shall only  
23 be deemed complete if it includes evidence that the health  
24 care facility provided written notice at least 30 days prior  
25 to filing the application of its intent to do so to the  
26 municipality in which it is located, the State Representative

1 and State Senator of the district in which the health care  
2 facility is located, the State Board, the Director of Public  
3 Health, and the Director of Healthcare and Family Services.  
4 The changes made to this subsection by this amendatory Act of  
5 the 101st General Assembly shall apply to all applications  
6 submitted after the effective date of this amendatory Act of  
7 the 101st General Assembly.

8 (b) An application to close a hospital facility, or  
9 discontinue a hospital service if applicable, shall only be  
10 deemed complete when the applicant includes a list of public  
11 support or subsidies it has received without repaying or  
12 fulfilling obligations or any other public subsidies it has  
13 received in the past 5 years, including hospital assessment  
14 funded supplemental payments, capital development grants,  
15 public health grants, economic development grants and  
16 supports, and any other categories the Board may identify by  
17 rule. In cases of service discontinuation, this requirement  
18 applies if the support or subsidy is specific to the service.

19 (c) In cases of hospital facility or service  
20 discontinuation, a public response to a safety net impact  
21 statement under subsection (f) of Section 5.4, emergency  
22 medicine and trauma system impact statement under subsection  
23 (e) of Section 5.5, or maternal and child health impact  
24 statement under subsection (e) of Section 5.6 may request an  
25 investigative hearing by the full board under the procedures  
26 set forth in Section 13. Such request shall be granted unless



1 the Board finds the applicant has shown a likelihood there  
2 will be no impact on the services that are the subject of the  
3 request.

4 (d) No later than 30 days after issuance of a permit to  
5 close a health care facility or discontinue a category of  
6 service, the permit holder shall give written notice of the  
7 closure or discontinuation to the State Senator and State  
8 Representative serving the legislative district in which the  
9 health care facility is located.

10 (e) ~~(e)~~ If there is a pending lawsuit that challenges an  
11 application to discontinue a health care facility that either  
12 names the Board as a party or alleges fraud in the filing of  
13 the application, the Board may defer action on the application  
14 until there is no longer such a lawsuit pending ~~for up to 6~~  
15 ~~months after the date of the initial deferral of the~~  
16 ~~application.~~

17 (f) ~~(d)~~ The changes made to this Section by this  
18 amendatory Act of the 101st General Assembly shall apply to  
19 all applications submitted after the effective date of this  
20 amendatory Act of the 101st General Assembly.

21 (Source: P.A. 101-83, eff. 7-15-19; 101-650, eff. 7-7-20.)

22 (20 ILCS 3960/12) (from Ch. 111 1/2, par. 1162)

23 (Section scheduled to be repealed on December 31, 2029)

24 Sec. 12. Powers and duties of State Board. For purposes of  
25 this Act, the State Board shall exercise the following powers

1 and duties:

2 (1) Prescribe rules, regulations, standards, criteria,  
3 procedures or reviews which may vary according to the  
4 purpose for which a particular review is being conducted  
5 or the type of project reviewed and which are required to  
6 carry out the provisions and purposes of this Act.  
7 Policies and procedures of the State Board shall take into  
8 consideration the priorities and needs of medically  
9 underserved areas and other health care services, giving  
10 special consideration to the impact of projects on access  
11 to safety net services.

12 (2) Adopt procedures for public notice and hearing on  
13 all proposed rules, regulations, standards, criteria, and  
14 plans required to carry out the provisions of this Act.

15 (3) (Blank).

16 (4) Develop criteria and standards for health care  
17 facilities planning, conduct statewide inventories of  
18 health care facilities, maintain an updated inventory on  
19 the Board's web site reflecting the most recent bed and  
20 service changes and updated need determinations when new  
21 census data become available or new need formulae are  
22 adopted, and develop health care facility plans which  
23 shall be utilized in the review of applications for permit  
24 under this Act. Such health facility plans shall be  
25 coordinated by the Board with pertinent State Plans.  
26 Inventories pursuant to this Section of skilled or

1 intermediate care facilities licensed under the Nursing  
2 Home Care Act, skilled or intermediate care facilities  
3 licensed under the ID/DD Community Care Act, skilled or  
4 intermediate care facilities licensed under the MC/DD Act,  
5 facilities licensed under the Specialized Mental Health  
6 Rehabilitation Act of 2013, or nursing homes licensed  
7 under the Hospital Licensing Act shall be conducted on an  
8 annual basis no later than July 1 of each year and shall  
9 include among the information requested a list of all  
10 services provided by a facility to its residents and to  
11 the community at large and differentiate between active  
12 and inactive beds.

13 In developing health care facility plans, the State  
14 Board shall consider, but shall not be limited to, the  
15 following:

16 (a) The size, composition and growth of the  
17 population of the area to be served including Medicaid  
18 population specifically;

19 (b) The number of existing and planned facilities  
20 offering similar programs;

21 (c) The extent of utilization of existing  
22 facilities including Medicaid utilization  
23 specifically;

24 (d) The availability of facilities which may serve  
25 as alternatives or substitutes;

26 (e) The availability of personnel necessary to the

1 operation of the facility;

2 (f) Multi-institutional planning and the  
3 establishment of multi-institutional systems where  
4 feasible;

5 (g) The financial and economic feasibility of  
6 proposed construction or modification; ~~and~~

7 (g-5) Impact on safety net services including  
8 safety net and critical access hospitals;

9 (h) In the case of health care facilities  
10 established by a religious body or denomination, the  
11 needs of the members of such religious body or  
12 denomination may be considered to be public need; ~~and-~~

13 (i) The presence and severity of health  
14 disparities in the area and among the population to be  
15 served. This at minimum must include consideration of  
16 disparities in healthcare access and outcomes by  
17 income, race and ethnic identity, and preferred  
18 language.

19 The health care facility plans which are developed and  
20 adopted in accordance with this Section shall form the  
21 basis for the plan of the State to deal most effectively  
22 with statewide health needs in regard to health care  
23 facilities.

24 (5) Coordinate with other state agencies having  
25 responsibilities affecting health care facilities,  
26 including those of licensure and cost reporting.

1           (6) Solicit, accept, hold and administer on behalf of  
2 the State any grants or bequests of money, securities or  
3 property for use by the State Board in the administration  
4 of this Act; and enter into contracts consistent with the  
5 appropriations for purposes enumerated in this Act.

6           (7) (Blank).

7           (7.5) Protect safety net services.

8           (8) Prescribe rules, regulations, standards, and  
9 criteria for the conduct of an expeditious review of  
10 applications for permits for projects of construction or  
11 modification of a health care facility, which projects are  
12 classified as emergency, substantive, or non-substantive  
13 in nature.

14           Substantive projects shall include ~~no more than~~ the  
15 following:

16           (a) Projects to construct (1) a new or replacement  
17 facility located on a new site or (2) a replacement  
18 facility located on the same site as the original  
19 facility and the cost of the replacement facility  
20 exceeds the capital expenditure minimum, which shall  
21 be reviewed by the Board within 120 days;

22           (b) Projects proposing a (1) new service within an  
23 existing healthcare facility or (2) discontinuation of  
24 a service within an existing healthcare facility,  
25 which shall be reviewed by the Board within 60 days; or

26           (c) Projects proposing a change in the bed

1 capacity of a health care facility by an increase in  
2 the total number of beds or by a redistribution of beds  
3 among various categories of service or by a relocation  
4 of beds from one physical facility or site to another  
5 by more than 20 beds or more than 10% of total bed  
6 capacity, as defined by the State Board, whichever is  
7 less, over a 2-year period.

8 The Chairman may approve applications for exemption  
9 that meet the criteria set forth in rules or refer them to  
10 the full Board. The Chairman may approve any unopposed  
11 application that meets all of the review criteria or refer  
12 them to the full Board.

13 Such rules shall not prevent the conduct of a public  
14 hearing upon the timely request of an interested party.  
15 Such reviews shall not exceed 60 days from the date the  
16 application is declared to be complete.

17 (9) Prescribe rules, regulations, standards, and  
18 criteria pertaining to the granting of permits for  
19 construction and modifications which are emergent in  
20 nature and must be undertaken immediately to prevent or  
21 correct structural deficiencies or hazardous conditions  
22 that may harm or injure persons using the facility, as  
23 defined in the rules and regulations of the State Board.  
24 This procedure is exempt from public hearing requirements  
25 of this Act.

26 (10) Prescribe rules, regulations, standards and

1 criteria for the conduct of an expeditious review, not  
2 exceeding 60 days, of applications for permits for  
3 projects to construct or modify health care facilities  
4 which are needed for the care and treatment of persons who  
5 have acquired immunodeficiency syndrome (AIDS) or related  
6 conditions.

7 (10.5) Provide its rationale when voting on an item  
8 before it at a State Board meeting in order to comply with  
9 subsection (b) of Section 3-108 of the Code of Civil  
10 Procedure.

11 (11) Issue written decisions upon request of the  
12 applicant or an adversely affected party to the Board.  
13 Requests for a written decision shall be made within 15  
14 days after the Board meeting in which a final decision has  
15 been made. A "final decision" for purposes of this Act is  
16 the decision to approve or deny an application, or take  
17 other actions permitted under this Act, at the time and  
18 date of the meeting that such action is scheduled by the  
19 Board. The transcript of the State Board meeting shall be  
20 incorporated into the Board's final decision. The staff of  
21 the Board shall prepare a written copy of the final  
22 decision and the Board shall approve a final copy for  
23 inclusion in the formal record. The Board shall consider,  
24 for approval, the written draft of the final decision no  
25 later than the next scheduled Board meeting. The written  
26 decision shall identify the applicable criteria and

1 factors listed in this Act and the Board's regulations  
2 that were taken into consideration by the Board when  
3 coming to a final decision. If the Board denies or fails to  
4 approve an application for permit or exemption, the Board  
5 shall include in the final decision a detailed explanation  
6 as to why the application was denied and identify what  
7 specific criteria or standards the applicant did not  
8 fulfill.

9 (12) (Blank).

10 (13) Provide a mechanism for the public to comment on,  
11 and request changes to, draft rules and standards.

12 (14) Implement public information campaigns to  
13 regularly inform the general public about the opportunity  
14 for public hearings and public hearing procedures.

15 (15) Establish a separate set of rules and guidelines  
16 for long-term care that recognizes that nursing homes are  
17 a different business line and service model from other  
18 regulated facilities. An open and transparent process  
19 shall be developed that considers the following: how  
20 skilled nursing fits in the continuum of care with other  
21 care providers, modernization of nursing homes,  
22 establishment of more private rooms, development of  
23 alternative services, and current trends in long-term care  
24 services. The Chairman of the Board shall appoint a  
25 permanent Health Services Review Board Long-term Care  
26 Facility Advisory Subcommittee that shall develop and



1 recommend to the Board the rules to be established by the  
2 Board under this paragraph (15). The Subcommittee shall  
3 also provide continuous review and commentary on policies  
4 and procedures relative to long-term care and the review  
5 of related projects. The Subcommittee shall make  
6 recommendations to the Board no later than January 1, 2016  
7 and every January thereafter pursuant to the  
8 Subcommittee's responsibility for the continuous review  
9 and commentary on policies and procedures relative to  
10 long-term care. In consultation with other experts from  
11 the health field of long-term care, the Board and the  
12 Subcommittee shall study new approaches to the current bed  
13 need formula and Health Service Area boundaries to  
14 encourage flexibility and innovation in design models  
15 reflective of the changing long-term care marketplace and  
16 consumer preferences and submit its recommendations to the  
17 Chairman of the Board no later than January 1, 2017. The  
18 Subcommittee shall evaluate, and make recommendations to  
19 the State Board regarding, the buying, selling, and  
20 exchange of beds between long-term care facilities within  
21 a specified geographic area or drive time. The Board shall  
22 file the proposed related administrative rules for the  
23 separate rules and guidelines for long-term care required  
24 by this paragraph (15) by no later than September 30,  
25 2011. The Subcommittee shall be provided a reasonable and  
26 timely opportunity to review and comment on any review,

1 revision, or updating of the criteria, standards,  
2 procedures, and rules used to evaluate project  
3 applications as provided under Section 12.3 of this Act.

4 The Chairman of the Board shall appoint voting members  
5 of the Subcommittee, who shall serve for a period of 3  
6 years, with one-third of the terms expiring each January,  
7 to be determined by lot. Appointees shall include, but not  
8 be limited to, recommendations from each of the 3  
9 statewide long-term care associations, with an equal  
10 number to be appointed from each. Compliance with this  
11 provision shall be through the appointment and  
12 reappointment process. All appointees serving as of April  
13 1, 2015 shall serve to the end of their term as determined  
14 by lot or until the appointee voluntarily resigns,  
15 whichever is earlier.

16 One representative from the Department of Public  
17 Health, the Department of Healthcare and Family Services,  
18 the Department on Aging, and the Department of Human  
19 Services may each serve as an ex-officio non-voting member  
20 of the Subcommittee. The Chairman of the Board shall  
21 select a Subcommittee Chair, who shall serve for a period  
22 of 3 years.

23 (16) Prescribe the format of the State Board Staff  
24 Report. A State Board Staff Report shall pertain to  
25 applications that include, but are not limited to,  
26 applications for permit or exemption, applications for

1 permit renewal, applications for extension of the  
2 financial commitment period, applications requesting a  
3 declaratory ruling, or applications under the Health Care  
4 Worker Self-Referral Act. State Board Staff Reports shall  
5 compare applications to the relevant review criteria under  
6 the Board's rules.

7 (17) Establish a separate set of rules and guidelines  
8 for facilities licensed under the Specialized Mental  
9 Health Rehabilitation Act of 2013. An application for the  
10 re-establishment of a facility in connection with the  
11 relocation of the facility shall not be granted unless the  
12 applicant has a contractual relationship with at least one  
13 hospital to provide emergency and inpatient mental health  
14 services required by facility consumers, and at least one  
15 community mental health agency to provide oversight and  
16 assistance to facility consumers while living in the  
17 facility, and appropriate services, including case  
18 management, to assist them to prepare for discharge and  
19 reside stably in the community thereafter. No new  
20 facilities licensed under the Specialized Mental Health  
21 Rehabilitation Act of 2013 shall be established after June  
22 16, 2014 (the effective date of Public Act 98-651) except  
23 in connection with the relocation of an existing facility  
24 to a new location. An application for a new location shall  
25 not be approved unless there are adequate community  
26 services accessible to the consumers within a reasonable

1 distance, or by use of public transportation, so as to  
2 facilitate the goal of achieving maximum individual  
3 self-care and independence. At no time shall the total  
4 number of authorized beds under this Act in facilities  
5 licensed under the Specialized Mental Health  
6 Rehabilitation Act of 2013 exceed the number of authorized  
7 beds on June 16, 2014 (the effective date of Public Act  
8 98-651).

9 (18) Elect a Vice Chairman to preside over State Board  
10 meetings and otherwise act in place of the Chairman when  
11 the Chairman is unavailable.

12 (Source: P.A. 100-518, eff. 6-1-18; 100-681, eff. 8-3-18;  
13 101-83, eff. 7-15-19.)

14 (20 ILCS 3960/12.3)

15 (Section scheduled to be repealed on December 31, 2029)

16 Sec. 12.3. Revision of criteria, standards, and rules. At  
17 least every 2 years, the State Board shall review, revise, and  
18 update the criteria, standards, and rules used to evaluate  
19 applications for permit and exemption. The Board may appoint  
20 temporary advisory committees made up of experts with  
21 professional competence in the subject matter of the proposed  
22 standards or criteria to assist in the development of  
23 revisions to requirements, standards, and criteria. In  
24 particular, the review of the criteria, standards, and rules  
25 shall consider:

1 (1) Whether the requirements, criteria, and standards  
2 reflect current industry standards and anticipated trends.

3 (2) Whether the criteria and standards can be reduced  
4 or eliminated.

5 (3) Whether requirements, criteria, and standards can  
6 be developed to authorize the construction of unfinished  
7 space for future use when the ultimate need for such space  
8 can be reasonably projected.

9 (4) Whether the criteria and standards take into  
10 account issues related to population growth, ~~and~~ changing  
11 demographics, Medicaid utilization, and the presence and  
12 severity of health disparities in a community, which at  
13 minimum must include consideration of disparities in  
14 healthcare access and outcomes by income, race and ethnic  
15 identity, and preferred language.

16 (5) Whether facility-defined service and planning  
17 areas should be recognized.

18 (6) Whether categories of service that are subject to  
19 review should be re-evaluated, including provisions  
20 related to structural, functional, and operational  
21 differences between long-term care facilities and acute  
22 care facilities and that allow routine changes of  
23 ownership, facility sales, and closure requests to be  
24 processed on a more timely basis.

25 As of July 1, 2021 and thereafter, the State Board may not  
26 utilize need formulae for lines of service that do not factor

1 in disparities in incidence of health conditions or other  
2 demonstrated need for the service.

3 (Source: P.A. 99-527, eff. 1-1-17; 100-681, eff. 8-3-18.)

4 (20 ILCS 3960/12.4)

5 (Section scheduled to be repealed on December 31, 2029)

6 Sec. 12.4. Hospital reduction in health care services;  
7 notice. If a hospital reduces any of the Categories of Service  
8 as outlined in Title 77, Chapter II, Part 1110 in the Illinois  
9 Administrative Code, or any other service as defined by rule  
10 by the State Board, by 50% or more according to rules adopted  
11 by the State Board, then within 30 days after reducing the  
12 service, the hospital must give written notice of the  
13 reduction in service to the State Board, the Department of  
14 Public Health, and the State Senator and State Representative  
15 serving the legislative district in which the hospital is  
16 located. If the amount of the reduction is greater than or  
17 equal to 5% of service inventory in the region, the State Board  
18 shall cause the notice to be published in the publications and  
19 locations listed in subsection (a) of Section 8.7. Any party  
20 receiving notice may request a safety net impact statement,  
21 emergency medicine and trauma system impact statement, or  
22 maternal and child health impact statement, as described at:  
23 (i) subsections (c) and (d) of Section 5.4; (ii) subsections  
24 (b) and (c) of Section 5.5; and (iii) subsections (b) and (c)  
25 of Section 5.6, respectively, to be filed describing impact of

1 the reduction in services. The State Board shall adopt rules  
2 to implement this Section, including rules that specify (i)  
3 how each health care service is defined, if not already  
4 defined in the State Board's rules, and (ii) what constitutes  
5 a reduction in service of 50% or more.

6 (Source: P.A. 100-681, eff. 8-3-18.)

7 (20 ILCS 3960/13.1) (from Ch. 111 1/2, par. 1163.1)

8 (Section scheduled to be repealed on December 31, 2029)

9 Sec. 13.1. Any person establishing, constructing, or  
10 modifying a health care facility or portion thereof without  
11 obtaining a required permit, or in violation of the terms of  
12 the required permit, shall not be eligible to apply for any  
13 necessary operating licenses or be eligible for payment by any  
14 State agency for services rendered in that facility until the  
15 required permit is obtained. In cases of any person  
16 discontinuing a hospital facility or category of service  
17 without obtaining a required permit, or in violation of the  
18 terms of the required permit, no related person shall be  
19 eligible to apply for any necessary operating licenses nor  
20 shall any related person be eligible for payment by any State  
21 agency for services rendered until the required permit is  
22 obtained.

23 (Source: P.A. 88-18.)

24 (20 ILCS 3960/14) (from Ch. 111 1/2, par. 1164)

1 (Section scheduled to be repealed on December 31, 2029)

2 Sec. 14. Any person who has discontinued a hospital or a  
3 category of service at a hospital without a permit or  
4 exemption issued under this Act or in violation of the terms of  
5 such a permit or exemption is guilty of a business offense and  
6 may be fined up to \$1,000,000. Any person otherwise acquiring  
7 major medical equipment or establishing, constructing or  
8 modifying a health care facility without a permit issued under  
9 this Act or in violation of the terms of such a permit is  
10 guilty of a business offense and may be fined up to \$100,000  
11 ~~\$25,000~~. The State's Attorneys of the several counties or the  
12 Attorney General shall represent the People of the State of  
13 Illinois in proceedings under this Section. The State's  
14 Attorneys of the several counties or the Attorney General may  
15 additionally maintain an action in the name of the People of  
16 the State of Illinois for injunction or other process against  
17 any person or governmental unit to restrain or prevent the  
18 acquisition of major medical equipment, or the establishment,  
19 construction or modification of a health care facility without  
20 the required permit, or to restrain or prevent the occupancy  
21 or utilization of the equipment acquired or facility which was  
22 constructed or modified without the required permit.  
23 Proceedings ~~The prosecution of an offense~~ under this Section,  
24 including the prosecution of an offense, shall not prohibit  
25 the imposition of any other sanction provided under this Act.

26 (Source: P.A. 88-18.)



1 (20 ILCS 3960/14.05 new)

2 Sec. 14.05. Right of action. Any person aggrieved by a  
3 violation of this Act, due to a negative impact on their access  
4 to health care or on their health due to diminished access to  
5 health care, involving the discontinuation of a hospital or a  
6 discontinuation of a category of service at a hospital without  
7 a permit or exemption as required by this Act shall have a  
8 right of action in a State circuit court or as a supplemental  
9 claim in federal district court against an offending party. A  
10 prevailing party may recover for each violation: (i) any  
11 actual damages; (ii) an injunction or other relief as the  
12 court may deem appropriate; and (iii) reasonable attorney's  
13 fees.

14 (20 ILCS 3960/14.1)

15 (Section scheduled to be repealed on December 31, 2029)

16 Sec. 14.1. Denial of permit; other sanctions.

17 (a) The State Board may deny an application for a permit or  
18 may revoke or take other action as permitted by this Act with  
19 regard to a permit as the State Board deems appropriate,  
20 including the imposition of fines as set forth in this  
21 Section, for any one or a combination of the following:

22 (1) The acquisition of major medical equipment without  
23 a permit or in violation of the terms of a permit.

24 (2) The establishment, construction, modification, or

1 change of ownership of a health care facility without a  
2 permit or exemption or in violation of the terms of a  
3 permit.

4 (3) The violation of any provision of this Act or any  
5 rule adopted under this Act.

6 (4) The failure, by any person subject to this Act, to  
7 provide information requested by the State Board or Agency  
8 within 30 days after a formal written request for the  
9 information.

10 (5) The failure to pay any fine imposed under this  
11 Section within 30 days of its imposition.

12 (a-5) For facilities licensed under the ID/DD Community  
13 Care Act, no permit shall be denied on the basis of prior  
14 operator history, other than for actions specified under item  
15 (2), (4), or (5) of Section 3-117 of the ID/DD Community Care  
16 Act. For facilities licensed under the MC/DD Act, no permit  
17 shall be denied on the basis of prior operator history, other  
18 than for actions specified under item (2), (4), or (5) of  
19 Section 3-117 of the MC/DD Act. For facilities licensed under  
20 the Specialized Mental Health Rehabilitation Act of 2013, no  
21 permit shall be denied on the basis of prior operator history,  
22 other than for actions specified under subsections (a) and (b)  
23 of Section 4-109 of the Specialized Mental Health  
24 Rehabilitation Act of 2013. For facilities licensed under the  
25 Nursing Home Care Act, no permit shall be denied on the basis  
26 of prior operator history, other than for: (i) actions

1 specified under item (2), (3), (4), (5), or (6) of Section  
2 3-117 of the Nursing Home Care Act; (ii) actions specified  
3 under item (a)(6) of Section 3-119 of the Nursing Home Care  
4 Act; or (iii) actions within the preceding 5 years  
5 constituting a substantial and repeated failure to comply with  
6 the Nursing Home Care Act or the rules and regulations adopted  
7 by the Department under that Act. The State Board shall not  
8 deny a permit on account of any action described in this  
9 subsection (a-5) without also considering all such actions in  
10 the light of all relevant information available to the State  
11 Board, including whether the permit is sought to substantially  
12 comply with a mandatory or voluntary plan of correction  
13 associated with any action described in this subsection (a-5).

14 (b) Persons shall be subject to fines as provided in this  
15 subsection (b). The maximum fines imposed under this  
16 subsection (b) shall be annually adjusted and proportional  
17 with the increase in construction costs due to inflation, for  
18 major medical equipment and for all other capital  
19 expenditures. ~~as follows:~~

20 (1) A permit holder who fails to comply with the  
21 requirements of maintaining a valid permit shall be fined  
22 an amount not to exceed 1% of the approved permit amount  
23 plus an additional 1% of the approved permit amount for  
24 each 30-day period, or fraction thereof, that the  
25 violation continues.

26 (2) A permit holder who alters the scope of an

1 approved project or whose project costs exceed the  
2 allowable permit amount without first obtaining approval  
3 from the State Board shall be fined an amount not to exceed  
4 the sum of (i) the lesser of \$40,000 ~~\$25,000~~ or 2% of the  
5 approved permit amount and (ii) in those cases where the  
6 approved permit amount is exceeded by more than  
7 \$1,000,000, an additional \$40,000 ~~\$20,000~~ for each  
8 \$1,000,000, or fraction thereof, in excess of the approved  
9 permit amount.

10 (2.5) A permit or exemption holder who fails to comply  
11 with the post-permit and reporting requirements set forth  
12 in Sections 5 and 8.5 shall be fined an amount not to  
13 exceed \$18,000 ~~\$10,000~~ plus an additional \$18,000 ~~\$10,000~~  
14 for each 30-day period, or fraction thereof, that the  
15 violation continues. The accrued fine is not waived by the  
16 permit or exemption holder submitting the required  
17 information and reports. Prior to any fine beginning to  
18 accrue, the Board shall notify, in writing, a permit or  
19 exemption holder of the due date for the post-permit and  
20 reporting requirements no later than 30 days before the  
21 due date for the requirements. The exemption letter shall  
22 serve as the notice for exemptions.

23 (3) A person who acquires major medical equipment or  
24 who establishes a category of service without first  
25 obtaining a permit or exemption, as the case may be, shall  
26 be fined an amount not to exceed \$18,000 ~~\$10,000~~ for each

1 such acquisition or category of service established plus  
2 an additional \$18,000 ~~\$10,000~~ for each 30-day period, or  
3 fraction thereof, that the violation continues.

4 (4) A person who constructs, modifies, establishes, or  
5 changes ownership of a health care facility without first  
6 obtaining a permit or exemption shall be fined an amount  
7 not to exceed \$40,000 ~~\$25,000~~ plus an additional \$40,000  
8 ~~\$25,000~~ for each 30-day period, or fraction thereof, that  
9 the violation continues.

10 (5) A person who discontinues a health care facility  
11 other than a hospital or a category of service at a health  
12 care facility other than a hospital without first  
13 obtaining a permit or exemption shall be fined an amount  
14 not to exceed \$25,000 ~~\$10,000~~ plus an additional \$25,000  
15 ~~\$10,000~~ for each 30-day period, or fraction thereof, that  
16 the violation continues. For purposes of this subparagraph  
17 (5), facilities licensed under the Nursing Home Care Act,  
18 the ID/DD Community Care Act, or the MC/DD Act, with the  
19 exceptions of facilities operated by a county or Illinois  
20 Veterans Homes, are exempt from this permit requirement.  
21 However, facilities licensed under the Nursing Home Care  
22 Act, the ID/DD Community Care Act, or the MC/DD Act must  
23 comply with Section 3-423 of the Nursing Home Care Act,  
24 Section 3-423 of the ID/DD Community Care Act, or Section  
25 3-423 of the MC/DD Act and must provide the Board and the  
26 Department of Human Services with 30 days' written notice

1 of their intent to close. Facilities licensed under the  
2 ID/DD Community Care Act or the MC/DD Act also must  
3 provide the Board and the Department of Human Services  
4 with 30 days' written notice of their intent to reduce the  
5 number of beds for a facility.

6 (5.5) A person who discontinues a hospital facility or  
7 category of service without first obtaining a permit or  
8 exemption shall be fined an amount not to exceed \$100,000  
9 plus an additional \$100,000 for each 30-day period, or  
10 fraction thereof, that the violation continues.

11 (6) A person subject to this Act who fails to provide  
12 information requested by the State Board or Agency within  
13 30 days of a formal written request shall be fined an  
14 amount not to exceed \$2,000 ~~\$1,000~~ plus an additional  
15 \$2,000 ~~\$1,000~~ for each 30-day period, or fraction thereof,  
16 that the information is not received by the State Board or  
17 Agency.

18 (b-5) Notwithstanding any other provision of this Act, the  
19 State board may not accept in-kind services or donations  
20 instead of or in combination with any fine imposed on a person  
21 due to their discontinuation of a hospital or a category of  
22 service at a hospital. The State Board may accept in-kind  
23 services or donations instead of or in combination with the  
24 imposition of a fine. This authorization is limited to cases  
25 where the non-compliant individual or entity has waived the  
26 right to an administrative hearing or opportunity to appear

1 ~~before the Board regarding the non-compliant matter.~~

2 (c) Before imposing any fine authorized under this  
3 Section, the State Board shall afford the person or permit  
4 holder, as the case may be, an appearance before the State  
5 Board and an opportunity for a hearing before a hearing  
6 officer appointed by the State Board. The hearing shall be  
7 conducted in accordance with Section 10. Requests for an  
8 appearance before the State Board must be made within 30 days  
9 after receiving notice that a fine will be imposed.

10 (d) All fines collected under this Act shall be  
11 transmitted to the State Treasurer, who shall deposit them  
12 into the Illinois Health Facilities Planning Fund.

13 (e) Fines imposed under this Section shall continue to  
14 accrue until: (i) the date that the matter is referred by the  
15 State Board to the Board's legal counsel; or (ii) the date that  
16 the health care facility becomes compliant with the Act,  
17 whichever is earlier.

18 (Source: P.A. 99-114, eff. 7-23-15; 99-180, eff. 7-29-15;  
19 99-527, eff. 1-1-17; 99-642, eff. 6-28-16; 100-681, eff.  
20 8-3-18.)

21 (20 ILCS 3960/14.2 new)

22 Sec. 14.2. Receivership.

23 (a) Should a person attempt to discontinue a hospital  
24 facility or category of service without first obtaining a  
25 permit or exemption, the State Board may file a verified

1 petition to the circuit court for the county in which the  
2 facility is located for an order placing the facility under  
3 the control of a receiver.

4 (b) The court shall hold a hearing within 5 days after the  
5 filing of the petition. The petition and notice of the hearing  
6 shall be served on the owner, administrator or designated  
7 agent of the facility as provided under the Civil Practice  
8 Law, or the petition and notice of hearing shall be posted in a  
9 conspicuous place in the facility not later than 3 days before  
10 the time specified for the hearing, unless a different period  
11 is fixed by order of the court.

12 (c) The court may appoint any qualified person as  
13 receiver, except it shall not appoint any owner or related  
14 person of the facility which is in receivership as its  
15 receiver. The State Board shall maintain a list of such  
16 persons to operate facilities which the court may consider.

17 (d) The receiver shall make provisions for the continued  
18 health, safety, and welfare of all patients utilizing the  
19 facility.

20 (e) A receiver appointed under this Act:

21 (1) Shall exercise those powers and shall perform  
22 those duties set out by the court.

23 (2) Shall operate the facility in such a manner as to  
24 assure the safety and adequate health care for patients.

25 (3) Shall have the same rights to possession of the  
26 building in which the facility is located and all goods



1       and fixtures in the building at the time the petition for  
2       receivership is filed as the owner would have had if the  
3       receiver had not been appointed, and of all assets of the  
4       facility. The receiver shall take such action as  
5       reasonably necessary to protect or conserve the assets or  
6       property of which the receiver takes possession, or the  
7       proceeds from any transfer thereof, and may use them only  
8       in the performance of the powers and duties set forth in  
9       this Section and by order of the court.

10       (4) May use the building, fixtures, furnishing and any  
11       accompanying consumable goods in the provision of care and  
12       services to patients receiving services from the facility.  
13       The receiver shall collect payments for all goods and  
14       services provided to patients during the period of the  
15       receivership at the same rate of payment charged by the  
16       operator at the time the petition for receivership was  
17       filed.

18       (5) May let contracts and hire agents and employees to  
19       carry out the powers and duties of the receiver under this  
20       Section.

21       (6) Shall honor all leases, mortgages and secured  
22       transactions governing the building in which the facility  
23       is located and all goods and fixtures in the building of  
24       which the receiver has taken possession, but only to the  
25       extent of payment which, in the case of a purchase  
26       agreement, come due during the period of receivership.

1           (7) Shall have full power to direct and manage and to  
2           discharge employees of the facility, subject to any  
3           contract rights they may have. The receiver shall pay  
4           employees at minimum the same rate of compensation,  
5           including benefits, that the employees would have received  
6           from the obligation to employees not carried out by the  
7           receiver.

8           (8) Shall report to the court any actions they believe  
9           should be continued when the receivership is terminated.

10          (f) A person who is served with notice of an order of the  
11          court appointing a receiver and of the receiver's name and  
12          address shall be liable to pay the receiver for any goods or  
13          services provided by the receiver after the date of the date of  
14          the order if the person would have been liable for the goods or  
15          services as supplied by the owner. The receiver shall give a  
16          receipt for each payment and shall keep a copy of each receipt  
17          on file. The receiver shall deposit amounts received in a  
18          separate account and shall use this account for all  
19          disbursements. The receiver may bring an action to enforce the  
20          liability created by this subsection.

21          (g) If there are insufficient fund on hand to meet the  
22          expenses of performing the powers and duties conferred on the  
23          receiver, the State Board may reimburse the receiver for those  
24          expenses from funds appropriated for its ordinary and  
25          contingent expenses by the General Assembly.

26          (h) In any action or special proceeding brought against a

1 receiver in the receiver's official capacity for acts  
2 committed while carrying out powers and duties under this  
3 Section, the receiver shall be considered a public employee. A  
4 receiver may be held liable in a personal capacity only for the  
5 receivers own gross negligence, intentional acts, or breach of  
6 fiduciary duty.

7 (i) Other provisions of this Act notwithstanding, the  
8 Department may issue a license to a facility placed in  
9 receivership. The duration of a license issued under this  
10 Section is limited to the duration of the receivership.

11 (j) The court may terminate a receivership at any time if  
12 it determines that the receivership is no longer necessary  
13 because the conditions which gave rise to the receivership no  
14 longer exist, either because the person attempting to  
15 discontinue the hospital facility or category of service  
16 without first obtaining a permit has obtained a permit  
17 allowing them to do so, or because the person attempting to  
18 discontinue the hospital facility or category of service  
19 without first obtaining a permit has ceased attempting to  
20 discontinue the hospital facility or category of service  
21 without first obtaining a permit.

22 Section 15. The Illinois Public Aid Code is amended by  
23 changing Section 5A-17 as follows:

24 (305 ILCS 5/5A-17)

1           Sec. 5A-17. Recovery of payments; liens.

2           (a) As a condition of receiving payments pursuant to  
3 subsections (d) and (k) of Section 5A-12.7 for State Fiscal  
4 Year 2021, a for-profit general acute care hospital that  
5 ceases to provide hospital services before July 1, 2021 and  
6 within 12 months of a change in the hospital's ownership  
7 status from not-for-profit to investor owned, shall be  
8 obligated to pay to the Department an amount equal to the  
9 payments received pursuant to subsections (d) and (k) of  
10 Section 5A-12.7 since the change in ownership status to the  
11 cessation of hospital services. The obligated amount shall be  
12 due immediately and must be paid to the Department within 10  
13 days of ceasing to provide services or pursuant to a payment  
14 plan approved by the Department unless the hospital requests a  
15 hearing under paragraph (d) of this Section. The obligation  
16 under this Section shall not apply to a hospital that ceases to  
17 provide services under circumstances that include:  
18 implementation of a transformation project approved by the  
19 Department under subsection (d-5) of Section 14-12;  
20 emergencies as declared by federal, State, or local  
21 government; actions approved or required by federal, State, or  
22 local government; actions taken in compliance with the  
23 Illinois Health Facilities Planning Act; or other  
24 circumstances beyond the control of the hospital provider or  
25 for the benefit of the community previously served by the  
26 hospital, as determined on a case-by-case basis by the

1 Department.

2 (a-5) As a condition of receiving payments pursuant to  
3 subsections (d) and (k) of Section 5A-12.7 for calendar year  
4 2021, a general acute care hospital that ceases to provide  
5 hospital services before January 1, 2022 shall be obligated to  
6 pay to the Department an amount equal to the payments received  
7 pursuant to subsections (d) and (k) of Section 5A-12.7 up to  
8 the cessation of hospital services. The obligated amount shall  
9 be due immediately and must be paid to the Department within 30  
10 days of ceasing to provide services, or pursuant to a payment  
11 plan approved by the Department. The obligation under this  
12 Section shall not apply to a hospital that ceases to provide  
13 services under circumstances that include: (i) implementation  
14 of a transformation project approved under subsection (d-5) of  
15 Section 14-12; (ii) emergencies as declared by federal, State,  
16 or local government; (iii) actions approved or required by  
17 federal, State, or local government; (iv) actions taken in  
18 compliance with the Illinois Health Facilities Planning Act;  
19 or (v) other circumstances beyond the control of the hospital  
20 provider or for the benefit of the community previously served  
21 by the hospital, as determined on a case-by-case basis by the  
22 Department.

23 (b) The Illinois Department shall administer and enforce  
24 this Section and collect the obligations imposed under this  
25 Section using procedures employed in its administration of  
26 this Code generally. The Illinois Department, its Director,

1 and every hospital provider subject to this Section shall have  
2 the following powers, duties, and rights:

3 (1) The Illinois Department may initiate either  
4 administrative or judicial proceedings, or both, to  
5 enforce the provisions of this Section. Administrative  
6 enforcement proceedings initiated hereunder shall be  
7 governed by the Illinois Department's administrative  
8 rules. Judicial enforcement proceedings initiated in  
9 accordance with this Section shall be governed by the  
10 rules of procedure applicable in the courts of this State.

11 (2) No proceedings for collection, refund, credit, or  
12 other adjustment of an amount payable under this Section  
13 shall be issued more than 3 years after the due date of the  
14 obligation, except in the case of an extended period  
15 agreed to in writing by the Illinois Department and the  
16 hospital provider before the expiration of this limitation  
17 period.

18 (3) Any unpaid obligation under this Section shall  
19 become a lien upon the assets of the hospital. If any  
20 hospital provider sells or transfers the major part of any  
21 one or more of (i) the real property and improvements,  
22 (ii) the machinery and equipment, or (iii) the furniture  
23 or fixtures of any hospital that is subject to the  
24 provisions of this Section, the seller or transferor shall  
25 pay the Illinois Department the amount of any obligation  
26 due from it under this Section up to the date of the sale

1 or transfer. If the seller or transferor fails to pay any  
2 amount due under this Section, the purchaser or transferee  
3 of such asset shall be liable for the amount of the  
4 obligation up to the amount of the reasonable value of the  
5 property acquired by the purchaser or transferee. The  
6 purchaser or transferee shall continue to be liable until  
7 the purchaser or transferee pays the full amount of the  
8 obligation up to the amount of the reasonable value of the  
9 property acquired by the purchaser or transferee or until  
10 the purchaser or transferee receives from the Illinois  
11 Department a certificate showing that such assessment,  
12 penalty, and interest have been paid or a certificate from  
13 the Illinois Department showing that no amount is due from  
14 the seller or transferor under this Section.

15 (c) In addition to any other remedy provided for, the  
16 Illinois Department may collect an unpaid obligation by  
17 withholding, as payment of the amount due, reimbursements or  
18 other amounts otherwise payable by the Illinois Department to  
19 the hospital provider.

20 (Source: P.A. 101-650, eff. 7-7-20.)

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