



94TH GENERAL ASSEMBLY

State of Illinois

2005 and 2006

SB2840

Introduced 1/20/2006, by Sen. Kwame Raoul

SYNOPSIS AS INTRODUCED:

New Act

Creates the Not-for-Profit Hospital Community Reinvestment Act. Prohibits a hospital system from making capital investments, investments in diagnostic equipment, or maintenance expenditures that result in disparities in health care. Requires a hospital to submit the listed information for evaluation by the Department of Public Health. Provides that the Department shall evaluate the annual reports to determine if a hospital system is engaging in a capital and equipment investment policy that results in health care disparities. Requires the Department to issue a summary report for each hospital system with one of the listed evaluation statements included. Provides that the Department shall make copies of the summary evaluations available to the public. Requires each hospital system to make copies of the report card and the summary evaluation for that hospital available at the main information desk or reception area of each of its facilities and to post a summary of the evaluation in a conspicuous public place at each of its facilities. Provides for community remediation plans for a hospital system that is underinvesting in facilities that serve minority populations. Effective immediately.

LRB094 19078 LCT 54585 b

FISCAL NOTE ACT
MAY APPLY

1 AN ACT concerning health care.

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

4 Section 1. Short title. This Act may be cited as the
5 Not-for-Profit Hospital Community Reinvestment Act.

6 Section 5. Findings. The General Assembly finds that:

7 (1) Health care is fundamental to a person's well-being.

8 (2) Illness does not discriminate on the basis of a
9 person's race or national origin.

10 (3) Recent research has shown that there are significant
11 disparities in health outcomes for racial and ethnic
12 minorities, even when adjusted for insurance status and income.

13 (4) Access to health care facilities and quality treatment
14 should not be limited based on a person's race or national
15 origin.

16 Section 10. Definitions. As used in this Act:

17 "Department" means the Department of Public Health.

18 "Director" means the Director of Public Health.

19 "Hospital system" means any person or corporation that
20 holds a controlling ownership interest in more than one
21 facility holding a hospital license under the Hospital
22 Licensing Act.

23 Section 15. Nondiscrimination in health care capital
24 investment and operations. It is unlawful for a hospital
25 system to make capital investments, investments in diagnostic
26 equipment, or maintenance expenditures that result in
27 disparities in health care.

28 Section 20. Annual written evaluations.

29 (a) Hospital systems must submit the following information

1 annually for evaluation by the Department:

2 (1) Information on the race, gender, and census tract
3 of patients served at each facility.

4 (2) An inventory of facilities, including age and size
5 of each facility.

6 (3) A list of capital expenditures and maintenance
7 expenditures at each facility.

8 (4) An inventory of diagnostic equipment at each
9 facility.

10 (5) A list of expenditures on diagnostic equipment at
11 each facility.

12 (b) The Department shall evaluate these annual reports to
13 determine if a hospital system is engaging in a capital and
14 equipment investment policy that results in health care
15 disparities.

16 (c) The Department shall issue a summary report for each
17 hospital system. The summary report shall include one of the
18 following evaluation ratings:

19 (1) "Outstanding record of investment in community
20 health needs".

21 (2) "Satisfactory record of investment in community
22 health needs".

23 (3) "Needs to improve record of investment in community
24 health needs".

25 (4) "Substantial noncompliance in meeting community
26 health needs".

27 Section 25. Public disclosure. The Department shall make
28 copies of the summary evaluations available to the public. The
29 Department shall also compile the results of the evaluations in
30 an annual report card on hospital investing. Each hospital
31 system shall make copies of the report card and the summary
32 evaluation for that hospital available at the main information
33 desk or reception area of each of its facilities. Each hospital
34 shall also post a summary of the evaluation in a conspicuous
35 public place at each of its facilities.

1 Section 30. Community remediation plan. If the Department
2 finds that a hospital merits the rating "substantial
3 noncompliance in meeting community health needs", the Director
4 may order a community remediation plan. The Board of Directors
5 of the hospital system and hospital community reinvestment
6 committee consisting of 3 members from community organizations
7 appointed by the Director, a designee of the Director, and the
8 members of the General Assembly in whose districts the affected
9 hospitals are located shall meet to develop a remediation plan
10 designed to increase investments in the affected service areas.
11 If the Board of Directors fails to agree to a remediation plan,
12 the hospital system and the hospital community reinvestment
13 committee may provide a report of their meeting to the
14 Director. Based on this report, the Director may change the
15 hospital system's rating.

16 Section 35. Rules. The Department of Public Health shall
17 promulgate rules to ensure a uniform accounting for spending
18 and maintenance costs.

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