AN ACT concerning regulation.

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

Section 5. The Alternative Health Care Delivery Act is amended by changing Section 35 as follows:

(210 ILCS 3/35)

Sec. 35. Alternative health care models authorized. Notwithstanding any other law to the contrary, alternative health care models described in this Section may be established on a demonstration basis.

(1) Alternative health care model; subacute care hospital. A subacute care hospital is a designated site which provides medical specialty care for patients who need a greater intensity or complexity of care than generally provided in a skilled nursing facility but who no longer require acute hospital care. The average length of stay for patients treated in subacute care hospitals shall not be less than 20 days, and for individual patients, the expected length of stay at the time of admission shall not be less than 10 days. Variations from minimum lengths of stay shall be reported to the Department. There shall be no more than 13 subacute care hospitals authorized to operate by the Department. Subacute care includes physician

supervision, registered nursing, and physiological monitoring on a continual basis. A subacute care hospital is either a freestanding building or a distinct physical and operational entity within a hospital or nursing home building. A subacute care hospital shall only consist of beds currently existing in licensed hospitals or skilled nursing facilities, except, in the City of Chicago, on a designated site that was licensed as a hospital under the Illinois Hospital Licensing Act within the 10 years immediately before the application for an alternative health care model license. During the period of operation of the demonstration project, the existing licensed beds shall remain licensed as hospital or skilled nursing facility beds as well as being licensed under this Act. In order to handle cases of complications, emergencies, or exigent circumstances, a subacute care hospital shall maintain a contractual relationship, including a transfer agreement, with a general acute care hospital. If a subacute care model is located in a general acute care hospital, it shall utilize all or a portion of the bed capacity of that existing hospital. In no event shall a subacute care hospital use the word "hospital" in its advertising or marketing activities or represent or hold itself out to the public as a general acute care hospital.

(2) Alternative health care delivery model; postsurgical recovery care center. A postsurgical recovery

care center is a designated site which provides postsurgical recovery care for generally healthy patients undergoing surgical procedures that require overnight nursing care, pain control, or observation that would otherwise be provided in an inpatient setting. A postsurgical recovery care center is either freestanding or a defined unit of an ambulatory surgical treatment center or hospital. No facility, or portion of a facility, may participate in a demonstration program as a postsurgical recovery care center unless the facility has been licensed as an ambulatory surgical treatment center or hospital for at least 2 years before August 20, 1993 (the effective date of Public Act 88-441). The maximum length of stay for patients in a postsurgical recovery care center is not to exceed 48 hours unless the treating physician requests an extension of time from the recovery center's medical director on the basis of medical or clinical documentation that an additional care period is required for the recovery of a patient and the medical director approves the extension of time. In no case, however, shall a patient's length of stay in a postsurgical recovery care center be longer than 72 hours. If a patient requires an additional care period after the expiration of the 72-hour limit, the patient shall be transferred to an appropriate facility. Reports on variances from the 48-hour limit shall be sent to the Department for its evaluation. The reports

shall, before submission to the Department, have removed from them all patient and physician identifiers. In order to handle cases of complications, emergencies, or exigent circumstances, every postsurgical recovery care center as defined in this paragraph shall maintain a contractual relationship, including a transfer agreement, with a general acute care hospital. A postsurgical recovery care center shall be no larger than 20 beds. A postsurgical recovery care center shall be located within 15 minutes travel time from the general acute care hospital with which the center maintains a contractual relationship, including a transfer agreement, as required under this paragraph.

No postsurgical recovery care center shall discriminate against any patient requiring treatment because of the source of payment for services, including Medicare and Medicaid recipients.

The Department shall adopt rules to implement the provisions of Public Act 88-441 concerning postsurgical recovery care centers within 9 months after August 20, 1993.

(3) Alternative health care delivery model; children's community-based health care center. A children's community-based health care center model is a designated site that provides nursing care, clinical support services, and therapies for a period of one to 14 days for short-term stays and 120 days to facilitate transitions to

home or other appropriate settings for medically fragile children, technology dependent children, and children with special health care needs who are deemed clinically stable by a physician and are younger than 22 years of age. This care is to be provided in a home-like environment that serves no more than 12 children at a time. Children's community-based health care center services must be available through the model to all families, including those whose care is paid for through the Department of Healthcare and Family Services ~~Public Aid~~, the Department of Children and Family Services, the Department of Human Services, and insurance companies who cover home health care services or private duty nursing care in the home.

Each children's community-based health care center model location shall be physically separate and apart from any other facility licensed by the Department of Public Health under this or any other Act and shall provide the following services: respite care, registered nursing or licensed practical nursing care, transitional care to facilitate home placement or other appropriate settings and reunite families, medical day care, weekend camps, and diagnostic studies typically done in the home setting.

Coverage for the services provided by the ~~Illinois~~ Department of Healthcare and Family Services ~~Public Aid~~ under this paragraph (3) is contingent upon federal waiver approval and is provided only to Medicaid eligible clients

participating in the home and community based services waiver designated in Section 1915(c) of the Social Security Act for medically frail and technologically dependent children or children in Department of Children and Family Services foster care who receive home health benefits.

(4) Alternative health care delivery model; community based residential rehabilitation center. A community-based residential rehabilitation center model is a designated site that provides rehabilitation or support, or both, for persons who have experienced severe brain injury, who are medically stable, and who no longer require acute rehabilitative care or intense medical or nursing services. The average length of stay in a community-based residential rehabilitation center shall not exceed 4 months. As an integral part of the services provided, individuals are housed in a supervised living setting while having immediate access to the community. The residential rehabilitation center authorized by the Department may have more than one residence included under the license. A residence may be no larger than 12 beds and shall be located as an integral part of the community. Day treatment or individualized outpatient services shall be provided for persons who reside in their own home. Functional outcome goals shall be established for each individual. Services shall include, but are not limited to, case management, training and assistance with activities of

daily living, nursing consultation, traditional therapies (physical, occupational, speech), functional interventions in the residence and community (job placement, shopping, banking, recreation), counseling, self-management strategies, productive activities, and multiple opportunities for skill acquisition and practice throughout the day. The design of individualized program plans shall be consistent with the outcome goals that are established for each resident. The programs provided in this setting shall be accredited by the Commission on Accreditation of Rehabilitation Facilities (CARF). The program shall have been accredited by CARF as a Brain Injury Community-Integrative Program for at least 3 years.

(5) Alternative health care delivery model; Alzheimer's disease management center. An Alzheimer's disease management center model is a designated site that provides a safe and secure setting for care of persons diagnosed with Alzheimer's disease. An Alzheimer's disease management center model shall be a facility separate from any other facility licensed by the Department of Public Health under this or any other Act. An Alzheimer's disease management center shall conduct and document an assessment of each resident every 6 months. The assessment shall include an evaluation of daily functioning, cognitive status, other medical conditions, and behavioral problems. An Alzheimer's disease management center shall develop and

implement an ongoing treatment plan for each resident. The treatment plan shall have defined goals. The Alzheimer's disease management center shall treat behavioral problems and mood disorders using nonpharmacologic approaches such as environmental modification, task simplification, and other appropriate activities. All staff must have necessary training to care for all stages of Alzheimer's Disease. An Alzheimer's disease management center shall provide education and support for residents and caregivers. The education and support shall include referrals to support organizations for educational materials on community resources, support groups, legal and financial issues, respite care, and future care needs and options. The education and support shall also include a discussion of the resident's need to make advance directives and to identify surrogates for medical and legal decision-making. The provisions of this paragraph establish the minimum level of services that must be provided by an Alzheimer's disease management center. An Alzheimer's disease management center model shall have no more than 100 residents. Nothing in this paragraph (5) shall be construed as prohibiting a person or facility from providing services and care to persons with Alzheimer's disease as otherwise authorized under State law.

(6) Alternative health care model; long term acute care hospital conversion. A long term acute care hospital

conversion is a Long Term Acute Care Hospital (LTACH) created by converting a facility or a portion of a facility previously licensed as a long-term care facility under the Nursing Home Care Act. This model shall allow for a maximum of 4 such LTACH conversions, one of which shall be located in the area of Illinois within the St. Louis Metropolitan Statistical Area. The LTACH conversions shall each have no more than 60 beds and provide services to patients whose medical condition requires long-term medical care as described in Section 1886(d)(i)(B)(n) of the Social Security Act as hospitals that have an average Medicare inpatient length of stay greater than 25 days. The LTACH conversion shall provide extended medical and rehabilitative care, such as but not limited to comprehensive rehabilitation, respiratory therapy, cancer treatment, head trauma treatment, and pain management, for patients who are clinically complex and may suffer from multiple acute or chronic conditions. Facilities licensed under this model shall be exempt from the requirements of the Illinois Health Facilities Planning Act. The Department shall adopt rules specifying criteria, standards, and procedures for the establishment, licensure, and operation of LTACH conversions as authorized under this Act. These rules shall create a new category of licensure, which shall be consistent with the LTACH requirements under the applicable provisions of the

Social Security Act to ensure that the LTACH conversions can be certified under Medicare to provide such services. The Department shall also adopt rules that identify the applicable building codes for licensure of LTACH conversions. The rules shall allow existing licensed and certified buildings to be reviewed under "existing construction" standards in the applicable codes. For purposes of this Act, the facility must maintain a 2-hour separation in accordance with the applicable construction codes, for purposes of fire safety. This separation may be vertical, horizontal, or a combination of both. For the purpose of defining a horizontal building separation, a barrier of 2.5 inches or more of concrete, or any other tested assembly that has a rating of 2 hours or more, will be acceptable.

The Department shall adopt the rules implementing this model within 6 months after the effective date of this amendatory Act of the 95th General Assembly. If the Department fails to adopt rules by the required date, the Department shall proceed with licensure utilizing the applicable Medicare conditions of participation.

(Source: P.A. 93-402, eff. 1-1-04; revised 12-15-05.)

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