

1 AN ACT concerning regulation.

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

4 Section 5. The Alternative Health Care Delivery Act is  
5 amended by changing Section 30 as follows:

6 (210 ILCS 3/30)

7 Sec. 30. Demonstration program requirements. The  
8 requirements set forth in this Section shall apply to  
9 demonstration programs.

10 (a) There shall be no more than:

11 (i) 3 subacute care hospital alternative health care  
12 models in the City of Chicago (one of which shall be  
13 located on a designated site and shall have been licensed  
14 as a hospital under the Illinois Hospital Licensing Act  
15 within the 10 years immediately before the application for  
16 a license);

17 (ii) 2 subacute care hospital alternative health care  
18 models in the demonstration program for each of the  
19 following areas:

20 (1) Cook County outside the City of Chicago.

21 (2) DuPage, Kane, Lake, McHenry, and Will  
22 Counties.

23 (3) Municipalities with a population greater than

1           50,000 not located in the areas described in item (i)  
2           of subsection (a) and paragraphs (1) and (2) of item  
3           (ii) of subsection (a); and  
4           (iii) 4 subacute care hospital alternative health care  
5           models in the demonstration program for rural areas.

6           In selecting among applicants for these licenses in rural  
7           areas, the Health Facilities Planning Board and the Department  
8           shall give preference to hospitals that may be unable for  
9           economic reasons to provide continued service to the community  
10          in which they are located unless the hospital were to receive  
11          an alternative health care model license.

12          (a-5) There shall be no more than a total of 12  
13          postsurgical recovery care center alternative health care  
14          models in the demonstration program, located as follows:

15                 (1) Two in the City of Chicago.

16                 (2) Two in Cook County outside the City of Chicago. At  
17                 least one of these shall be owned or operated by a hospital  
18                 devoted exclusively to caring for children.

19                 (3) Two in Kane, Lake, and McHenry Counties.

20                 (4) Four in municipalities with a population of 50,000  
21                 or more not located in the areas described in paragraphs  
22                 (1), (2), and (3), 3 of which shall be owned or operated by  
23                 hospitals, at least 2 of which shall be located in counties  
24                 with a population of less than 175,000, according to the  
25                 most recent decennial census for which data are available,  
26                 and one of which shall be owned or operated by an

1 ambulatory surgical treatment center.

2 (5) Two in rural areas, both of which shall be owned or  
3 operated by hospitals.

4 There shall be no postsurgical recovery care center  
5 alternative health care models located in counties with  
6 populations greater than 600,000 but less than 1,000,000. A  
7 proposed postsurgical recovery care center must be owned or  
8 operated by a hospital if it is to be located within, or will  
9 primarily serve the residents of, a health service area in  
10 which more than 60% of the gross patient revenue of the  
11 hospitals within that health service area are derived from  
12 Medicaid and Medicare, according to the most recently available  
13 calendar year data from the Illinois Health Care Cost  
14 Containment Council. Nothing in this paragraph shall preclude a  
15 hospital and an ambulatory surgical treatment center from  
16 forming a joint venture or developing a collaborative agreement  
17 to own or operate a postsurgical recovery care center.

18 (a-10) There shall be no more than a total of 8 children's  
19 respite care center alternative health care models in the  
20 demonstration program, which shall be located as follows:

21 (1) One in the City of Chicago.

22 (2) One in Cook County outside the City of Chicago.

23 (3) A total of 2 in the area comprised of DuPage, Kane,  
24 Lake, McHenry, and Will counties.

25 (4) A total of 2 in municipalities with a population of  
26 50,000 or more and not located in the areas described in

1 paragraphs (1), (2), or (3).

2 (5) A total of 2 in rural areas, as defined by the  
3 Health Facilities Planning Board.

4 No more than one children's respite care model owned and  
5 operated by a licensed skilled pediatric facility shall be  
6 located in each of the areas designated in this subsection  
7 (a-10).

8 (a-15) There shall be 2 ~~an~~ authorized community-based  
9 residential rehabilitation center alternative health care  
10 models ~~model~~ in the demonstration program. ~~The community based~~  
11 ~~residential rehabilitation center shall be located in the area~~  
12 ~~of Illinois south of Interstate Highway 70.~~

13 (a-20) There shall be an authorized Alzheimer's disease  
14 management center alternative health care model in the  
15 demonstration program. The Alzheimer's disease management  
16 center shall be located in Will County, owned by a  
17 not-for-profit entity, and endorsed by a resolution approved by  
18 the county board before the effective date of this amendatory  
19 Act of the 91st General Assembly.

20 (a-25) There shall be no more than 10 birth center  
21 alternative health care models in the demonstration program,  
22 located as follows:

23 (1) Four in the area comprising Cook, DuPage, Kane,  
24 Lake, McHenry, and Will counties, one of which shall be  
25 owned or operated by a hospital and one of which shall be  
26 owned or operated by a federally qualified health center.

1           (2) Three in municipalities with a population of 50,000  
2           or more not located in the area described in paragraph (1)  
3           of this subsection, one of which shall be owned or operated  
4           by a hospital and one of which shall be owned or operated  
5           by a federally qualified health center.

6           (3) Three in rural areas, one of which shall be owned  
7           or operated by a hospital and one of which shall be owned  
8           or operated by a federally qualified health center.

9           The first 3 birth centers authorized to operate by the  
10          Department shall be located in or predominantly serve the  
11          residents of a health professional shortage area as determined  
12          by the United States Department of Health and Human Services.  
13          There shall be no more than 2 birth centers authorized to  
14          operate in any single health planning area for obstetric  
15          services as determined under the Illinois Health Facilities  
16          Planning Act. If a birth center is located outside of a health  
17          professional shortage area, (i) the birth center shall be  
18          located in a health planning area with a demonstrated need for  
19          obstetrical service beds, as determined by the Illinois Health  
20          Facilities Planning Board or (ii) there must be a reduction in  
21          the existing number of obstetrical service beds in the planning  
22          area so that the establishment of the birth center does not  
23          result in an increase in the total number of obstetrical  
24          service beds in the health planning area.

25          (b) Alternative health care models, other than a model  
26          authorized under subsection (a-20), shall obtain a certificate

1 of need from the Illinois Health Facilities Planning Board  
2 under the Illinois Health Facilities Planning Act before  
3 receiving a license by the Department. If, after obtaining its  
4 initial certificate of need, an alternative health care  
5 delivery model that is a community based residential  
6 rehabilitation center seeks to increase the bed capacity of  
7 that center, it must obtain a certificate of need from the  
8 Illinois Health Facilities Planning Board before increasing  
9 the bed capacity. Alternative health care models in medically  
10 underserved areas shall receive priority in obtaining a  
11 certificate of need.

12 (c) An alternative health care model license shall be  
13 issued for a period of one year and shall be annually renewed  
14 if the facility or program is in substantial compliance with  
15 the Department's rules adopted under this Act. A licensed  
16 alternative health care model that continues to be in  
17 substantial compliance after the conclusion of the  
18 demonstration program shall be eligible for annual renewals  
19 unless and until a different licensure program for that type of  
20 health care model is established by legislation. The Department  
21 may issue a provisional license to any alternative health care  
22 model that does not substantially comply with the provisions of  
23 this Act and the rules adopted under this Act if (i) the  
24 Department finds that the alternative health care model has  
25 undertaken changes and corrections which upon completion will  
26 render the alternative health care model in substantial

1 compliance with this Act and rules and (ii) the health and  
2 safety of the patients of the alternative health care model  
3 will be protected during the period for which the provisional  
4 license is issued. The Department shall advise the licensee of  
5 the conditions under which the provisional license is issued,  
6 including the manner in which the alternative health care model  
7 fails to comply with the provisions of this Act and rules, and  
8 the time within which the changes and corrections necessary for  
9 the alternative health care model to substantially comply with  
10 this Act and rules shall be completed.

11 (d) Alternative health care models shall seek  
12 certification under Titles XVIII and XIX of the federal Social  
13 Security Act. In addition, alternative health care models shall  
14 provide charitable care consistent with that provided by  
15 comparable health care providers in the geographic area.

16 (d-5) The Department of Healthcare and Family Services  
17 (formerly Illinois Department of Public Aid), in cooperation  
18 with the Illinois Department of Public Health, shall develop  
19 and implement a reimbursement methodology for all facilities  
20 participating in the demonstration program. The Department of  
21 Healthcare and Family Services shall keep a record of services  
22 provided under the demonstration program to recipients of  
23 medical assistance under the Illinois Public Aid Code and shall  
24 submit an annual report of that information to the Illinois  
25 Department of Public Health.

26 (e) Alternative health care models shall, to the extent

1 possible, link and integrate their services with nearby health  
2 care facilities.

3 (f) Each alternative health care model shall implement a  
4 quality assurance program with measurable benefits and at  
5 reasonable cost.

6 (Source: P.A. 95-331, eff. 8-21-07; 95-445, eff. 1-1-08.)