



## 96TH GENERAL ASSEMBLY

### State of Illinois

2009 and 2010

SB1407

Introduced 2/11/2009, by Sen. Michael Noland

#### SYNOPSIS AS INTRODUCED:

210 ILCS 3/25  
210 ILCS 3/30  
210 ILCS 3/35  
210 ILCS 3/35.1 rep.  
210 ILCS 85/3 from Ch. 111 1/2, par. 144  
210 ILCS 85/4.6

Amends the Alternative Health Care Delivery Act and the Hospital Licensing Act. Provides that there shall be no more than the total postsurgical recovery care centers with certificate of need for beds as of January 1, 2008 (instead of a total of 12 centers); deletes provisions concerning specific locations of postsurgical recovery care centers. Repeals a provision that once the Department of Public Health has authorized a total of 12 postsurgical recovery care centers, no new centers shall be authorized for the duration of the demonstration program. Provides that for purposes of the Hospital Licensing Act, "hospital" includes postsurgical recovery care hospitals, and provides for the licensing of such hospitals. Eliminates obsolete provisions and makes other changes. Effective July 1, 2009.

LRB096 08476 DRJ 18596 b

FISCAL NOTE ACT  
MAY APPLY

A BILL FOR

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 Sections 25, 30, and 35 as follows:

6 (210 ILCS 3/25)

7 Sec. 25. Department responsibilities. The Department shall  
8 have the responsibilities set forth in this Section.

9 (a) The Department shall adopt rules for each alternative  
10 health care model authorized under this Act that shall include  
11 but not be limited to the following:

12 (1) Further definition of the alternative health care  
13 models.

14 (2) The definition and scope of the demonstration  
15 program, including the implementation date and period of  
16 operation, not to exceed 5 years.

17 (3) License application information required by the  
18 Department.

19 (4) The care of patients in the alternative health care  
20 models.

21 (5) Rights afforded to patients of the alternative  
22 health care models.

23 (6) Physical plant requirements.

1           (7) License application and renewal fees, which may  
2 cover the cost of administering the demonstration program.

3           (8) Information that may be necessary for the Board and  
4 the Department to monitor and evaluate the alternative  
5 health care model demonstration program.

6           (9) Administrative fines that may be assessed by the  
7 Department for violations of this Act or the rules adopted  
8 under this Act.

9           (b) The Department shall issue, renew, deny, suspend, or  
10 revoke licenses for alternative health care models.

11           (c) The Department shall perform licensure inspections of  
12 alternative health care models as deemed necessary by the  
13 Department to ensure compliance with this Act or rules.

14           (d) The Department shall deposit application fees, renewal  
15 fees, and fines into the Regulatory Evaluation and Basic  
16 Enforcement Fund.

17           (e) The Department shall assist the Board in performing the  
18 Board's responsibilities under this Act.

19           (f) (Blank). ~~The Department shall conduct a study to~~  
20 ~~determine the feasibility, the potential risks and benefits to~~  
21 ~~patients, and the potential effect on the health care delivery~~  
22 ~~system of authorizing recovery care of nonsurgical patients in~~  
23 ~~postsurgical recovery center demonstration models. The~~  
24 ~~Department shall report the findings of the study to the~~  
25 ~~General Assembly no later than November 1, 1998. The Director~~  
26 ~~shall appoint an advisory committee with representation from~~

1 ~~the Illinois Hospital and Health Systems Association, the~~  
2 ~~Illinois State Medical Society, and the Illinois Freestanding~~  
3 ~~Surgery Center Association, a physician who is board certified~~  
4 ~~in internal medicine, a consumer, and other representatives~~  
5 ~~deemed appropriate by the Director. The advisory committee~~  
6 ~~shall advise the Department as it carries out the study.~~

7 (g) (Blank). ~~Before November 1, 1998 the Department shall~~  
8 ~~initiate a process to request public comments on how~~  
9 ~~postsurgical recovery centers admitting nonsurgical patients~~  
10 ~~should be regulated.~~

11 (Source: P.A. 90-600, eff. 6-25-98; 90-655, eff. 7-30-98.)

12 (210 ILCS 3/30)

13 Sec. 30. Demonstration program requirements. The  
14 requirements set forth in this Section shall apply to  
15 demonstration programs.

16 (a) There shall be no more than:

17 (i) 3 subacute care hospital alternative health care  
18 models in the City of Chicago (one of which shall be  
19 located on a designated site and shall have been licensed  
20 as a hospital under the Illinois Hospital Licensing Act  
21 within the 10 years immediately before the application for  
22 a license);

23 (ii) 2 subacute care hospital alternative health care  
24 models in the demonstration program for each of the  
25 following areas:

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

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

4 (3) Municipalities with a population greater than  
5 50,000 not located in the areas described in item (i)  
6 of subsection (a) and paragraphs (1) and (2) of item  
7 (ii) of subsection (a); and

8 (iii) 4 subacute care hospital alternative health care  
9 models in the demonstration program for rural areas.

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

16 (a-5) There shall be no more than the a total of 12  
17 postsurgical recovery care centers with certificate of need for  
18 beds as of January 1, 2008. ~~center alternative health care~~  
19 ~~models in the demonstration program, located as follows:~~

20 ~~(1) Two in the City of Chicago.~~

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

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

25 ~~(4) Four in municipalities with a population of 50,000~~  
26 ~~or more not located in the areas described in paragraphs~~

1 ~~(1), (2), and (3), 3 of which shall be owned or operated by~~  
2 ~~hospitals, at least 2 of which shall be located in counties~~  
3 ~~with a population of less than 175,000, according to the~~  
4 ~~most recent decennial census for which data are available,~~  
5 ~~and one of which shall be owned or operated by an~~  
6 ~~ambulatory surgical treatment center.~~

7 ~~(5) Two in rural areas, both of which shall be owned or~~  
8 ~~operated by hospitals.~~

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

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

26 (1) One in the City of Chicago.

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

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

4 (4) A total of 2 in municipalities with a population of  
5 50,000 or more and not located in the areas described in  
6 paragraphs (1), (2), or (3).

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

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

13 (a-15) There shall be an authorized community-based  
14 residential rehabilitation center alternative health care  
15 model in the demonstration program. The community-based  
16 residential rehabilitation center shall be located in the area  
17 of Illinois south of Interstate Highway 70.

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

25 (a-25) There shall be no more than 10 birth center  
26 alternative health care models in the demonstration program,

1 located as follows:

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

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

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

14 The first 3 birth centers authorized to operate by the  
15 Department shall be located in or predominantly serve the  
16 residents of a health professional shortage area as determined  
17 by the United States Department of Health and Human Services.  
18 There shall be no more than 2 birth centers authorized to  
19 operate in any single health planning area for obstetric  
20 services as determined under the Illinois Health Facilities  
21 Planning Act. If a birth center is located outside of a health  
22 professional shortage area, (i) the birth center shall be  
23 located in a health planning area with a demonstrated need for  
24 obstetrical service beds, as determined by the Illinois Health  
25 Facilities Planning Board or (ii) there must be a reduction in  
26 the existing number of obstetrical service beds in the planning



1 area so that the establishment of the birth center does not  
2 result in an increase in the total number of obstetrical  
3 service beds in the health planning area.

4 (b) Alternative health care models, other than a model  
5 authorized under subsection (a-20), shall obtain a certificate  
6 of need from the Illinois Health Facilities Planning Board  
7 under the Illinois Health Facilities Planning Act before  
8 receiving a license by the Department. If, after obtaining its  
9 initial certificate of need, an alternative health care  
10 delivery model that is a community based residential  
11 rehabilitation center seeks to increase the bed capacity of  
12 that center, it must obtain a certificate of need from the  
13 Illinois Health Facilities Planning Board before increasing  
14 the bed capacity. Alternative health care models in medically  
15 underserved areas shall receive priority in obtaining a  
16 certificate of need.

17 (c) An alternative health care model license shall be  
18 issued for a period of one year and shall be annually renewed  
19 if the facility or program is in substantial compliance with  
20 the Department's rules adopted under this Act. A licensed  
21 alternative health care model that continues to be in  
22 substantial compliance after the conclusion of the  
23 demonstration program shall be eligible for annual renewals  
24 unless and until a different licensure program for that type of  
25 health care model is established by legislation. The Department  
26 may issue a provisional license to any alternative health care

1 model that does not substantially comply with the provisions of  
2 this Act and the rules adopted under this Act if (i) the  
3 Department finds that the alternative health care model has  
4 undertaken changes and corrections which upon completion will  
5 render the alternative health care model in substantial  
6 compliance with this Act and rules and (ii) the health and  
7 safety of the patients of the alternative health care model  
8 will be protected during the period for which the provisional  
9 license is issued. The Department shall advise the licensee of  
10 the conditions under which the provisional license is issued,  
11 including the manner in which the alternative health care model  
12 fails to comply with the provisions of this Act and rules, and  
13 the time within which the changes and corrections necessary for  
14 the alternative health care model to substantially comply with  
15 this Act and rules shall be completed.

16 (d) Alternative health care models shall seek  
17 certification under Titles XVIII and XIX of the federal Social  
18 Security Act. In addition, alternative health care models shall  
19 provide charitable care consistent with that provided by  
20 comparable health care providers in the geographic area.

21 (d-5) The Department of Healthcare and Family Services  
22 (formerly Illinois Department of Public Aid), in cooperation  
23 with the Illinois Department of Public Health, shall develop  
24 and implement a reimbursement methodology for all facilities  
25 participating in the demonstration program. The Department of  
26 Healthcare and Family Services shall keep a record of services

1 provided under the demonstration program to recipients of  
2 medical assistance under the Illinois Public Aid Code and shall  
3 submit an annual report of that information to the Illinois  
4 Department of Public Health.

5 (e) Alternative health care models shall, to the extent  
6 possible, link and integrate their services with nearby health  
7 care facilities.

8 (f) Each alternative health care model shall implement a  
9 quality assurance program with measurable benefits and at  
10 reasonable cost.

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

12 (210 ILCS 3/35)

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

17 (1) Alternative health care model; subacute care  
18 hospital. A subacute care hospital is a designated site  
19 which provides medical specialty care for patients who need  
20 a greater intensity or complexity of care than generally  
21 provided in a skilled nursing facility but who no longer  
22 require acute hospital care. The average length of stay for  
23 patients treated in subacute care hospitals shall not be  
24 less than 20 days, and for individual patients, the  
25 expected length of stay at the time of admission shall not

1 be less than 10 days. Variations from minimum lengths of  
2 stay shall be reported to the Department. There shall be no  
3 more than 13 subacute care hospitals authorized to operate  
4 by the Department. Subacute care includes physician  
5 supervision, registered nursing, and physiological  
6 monitoring on a continual basis. A subacute care hospital  
7 is either a freestanding building or a distinct physical  
8 and operational entity within a hospital or nursing home  
9 building. A subacute care hospital shall only consist of  
10 beds currently existing in licensed hospitals or skilled  
11 nursing facilities, except, in the City of Chicago, on a  
12 designated site that was licensed as a hospital under the  
13 Illinois Hospital Licensing Act within the 10 years  
14 immediately before the application for an alternative  
15 health care model license. During the period of operation  
16 of the demonstration project, the existing licensed beds  
17 shall remain licensed as hospital or skilled nursing  
18 facility beds as well as being licensed under this Act. In  
19 order to handle cases of complications, emergencies, or  
20 exigent circumstances, a subacute care hospital shall  
21 maintain a contractual relationship, including a transfer  
22 agreement, with a general acute care hospital. If a  
23 subacute care model is located in a general acute care  
24 hospital, it shall utilize all or a portion of the bed  
25 capacity of that existing hospital. In no event shall a  
26 subacute care hospital use the word "hospital" in its

1 advertising or marketing activities or represent or hold  
2 itself out to the public as a general acute care hospital.

3 (2) Alternative health care delivery model;  
4 postsurgical recovery care center. A postsurgical recovery  
5 care center is a designated site which provides  
6 postsurgical recovery care for generally healthy patients  
7 undergoing surgical procedures that require overnight  
8 nursing care, pain control, or observation that would  
9 otherwise be provided in an inpatient setting. A  
10 postsurgical recovery care center is either freestanding  
11 or a defined unit of an ambulatory surgical treatment  
12 center or hospital. No facility, or portion of a facility,  
13 may participate in a demonstration program as a  
14 postsurgical recovery care center unless the facility has  
15 been licensed as an ambulatory surgical treatment center or  
16 hospital for at least 2 years before August 20, 1993 (the  
17 effective date of Public Act 88-441). The maximum length of  
18 stay for patients in a postsurgical recovery care center is  
19 not to exceed 48 hours unless the treating physician  
20 requests an extension of time from the recovery center's  
21 medical director on the basis of medical or clinical  
22 documentation that an additional care period is required  
23 for the recovery of a patient and the medical director  
24 approves the extension of time. In no case, however, shall  
25 a patient's length of stay in a postsurgical recovery care  
26 center be longer than 72 hours. If a patient requires an

1 additional care period after the expiration of the 72-hour  
2 limit, the patient shall be transferred to an appropriate  
3 facility. Reports on variances from the 48-hour limit shall  
4 be sent to the Department for its evaluation. The reports  
5 shall, before submission to the Department, have removed  
6 from them all patient and physician identifiers. In order  
7 to handle cases of complications, emergencies, or exigent  
8 circumstances, every postsurgical recovery care center as  
9 defined in this paragraph shall maintain a contractual  
10 relationship, including a transfer agreement, with a  
11 general acute care hospital. A postsurgical recovery care  
12 center shall be no larger than 20 beds. A postsurgical  
13 recovery care center shall be located within 15 minutes  
14 travel time from the general acute care hospital with which  
15 the center maintains a contractual relationship, including  
16 a transfer agreement, as required under this paragraph.

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

21 ~~The Department shall adopt rules to implement the~~  
22 ~~provisions of Public Act 88-441 concerning postsurgical~~  
23 ~~recovery care centers within 9 months after August 20,~~  
24 ~~1993.~~

25 (3) Alternative health care delivery model; children's  
26 community-based health care center. A children's

1 community-based health care center model is a designated  
2 site that provides nursing care, clinical support  
3 services, and therapies for a period of one to 14 days for  
4 short-term stays and 120 days to facilitate transitions to  
5 home or other appropriate settings for medically fragile  
6 children, technology dependent children, and children with  
7 special health care needs who are deemed clinically stable  
8 by a physician and are younger than 22 years of age. This  
9 care is to be provided in a home-like environment that  
10 serves no more than 12 children at a time. Children's  
11 community-based health care center services must be  
12 available through the model to all families, including  
13 those whose care is paid for through the Department of  
14 Healthcare and Family Services, the Department of Children  
15 and Family Services, the Department of Human Services, and  
16 insurance companies who cover home health care services or  
17 private duty nursing care in the home.

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

1 Coverage for the services provided by the Department of  
2 Healthcare and Family Services under this paragraph (3) is  
3 contingent upon federal waiver approval and is provided  
4 only to Medicaid eligible clients participating in the home  
5 and community based services waiver designated in Section  
6 1915(c) of the Social Security Act for medically frail and  
7 technologically dependent children or children in  
8 Department of Children and Family Services foster care who  
9 receive home health benefits.

10 (4) Alternative health care delivery model; community  
11 based residential rehabilitation center. A community-based  
12 residential rehabilitation center model is a designated  
13 site that provides rehabilitation or support, or both, for  
14 persons who have experienced severe brain injury, who are  
15 medically stable, and who no longer require acute  
16 rehabilitative care or intense medical or nursing  
17 services. The average length of stay in a community-based  
18 residential rehabilitation center shall not exceed 4  
19 months. As an integral part of the services provided,  
20 individuals are housed in a supervised living setting while  
21 having immediate access to the community. The residential  
22 rehabilitation center authorized by the Department may  
23 have more than one residence included under the license. A  
24 residence may be no larger than 12 beds and shall be  
25 located as an integral part of the community. Day treatment  
26 or individualized outpatient services shall be provided



1 for persons who reside in their own home. Functional  
2 outcome goals shall be established for each individual.  
3 Services shall include, but are not limited to, case  
4 management, training and assistance with activities of  
5 daily living, nursing consultation, traditional therapies  
6 (physical, occupational, speech), functional interventions  
7 in the residence and community (job placement, shopping,  
8 banking, recreation), counseling, self-management  
9 strategies, productive activities, and multiple  
10 opportunities for skill acquisition and practice  
11 throughout the day. The design of individualized program  
12 plans shall be consistent with the outcome goals that are  
13 established for each resident. The programs provided in  
14 this setting shall be accredited by the Commission on  
15 Accreditation of Rehabilitation Facilities (CARF). The  
16 program shall have been accredited by CARF as a Brain  
17 Injury Community-Integrative Program for at least 3 years.

18 (5) Alternative health care delivery model;  
19 Alzheimer's disease management center. An Alzheimer's  
20 disease management center model is a designated site that  
21 provides a safe and secure setting for care of persons  
22 diagnosed with Alzheimer's disease. An Alzheimer's disease  
23 management center model shall be a facility separate from  
24 any other facility licensed by the Department of Public  
25 Health under this or any other Act. An Alzheimer's disease  
26 management center shall conduct and document an assessment

1 of each resident every 6 months. The assessment shall  
2 include an evaluation of daily functioning, cognitive  
3 status, other medical conditions, and behavioral problems.  
4 An Alzheimer's disease management center shall develop and  
5 implement an ongoing treatment plan for each resident. The  
6 treatment plan shall have defined goals. The Alzheimer's  
7 disease management center shall treat behavioral problems  
8 and mood disorders using nonpharmacologic approaches such  
9 as environmental modification, task simplification, and  
10 other appropriate activities. All staff must have  
11 necessary training to care for all stages of Alzheimer's  
12 Disease. An Alzheimer's disease management center shall  
13 provide education and support for residents and  
14 caregivers. The education and support shall include  
15 referrals to support organizations for educational  
16 materials on community resources, support groups, legal  
17 and financial issues, respite care, and future care needs  
18 and options. The education and support shall also include a  
19 discussion of the resident's need to make advance  
20 directives and to identify surrogates for medical and legal  
21 decision-making. The provisions of this paragraph  
22 establish the minimum level of services that must be  
23 provided by an Alzheimer's disease management center. An  
24 Alzheimer's disease management center model shall have no  
25 more than 100 residents. Nothing in this paragraph (5)  
26 shall be construed as prohibiting a person or facility from

1 providing services and care to persons with Alzheimer's  
2 disease as otherwise authorized under State law.

3 (6) Alternative health care delivery model; birth  
4 center. A birth center shall be exclusively dedicated to  
5 serving the childbirth-related needs of women and their  
6 newborns and shall have no more than 10 beds. A birth  
7 center is a designated site that is away from the mother's  
8 usual place of residence and in which births are planned to  
9 occur following a normal, uncomplicated, and low-risk  
10 pregnancy. A birth center shall offer prenatal care and  
11 community education services and shall coordinate these  
12 services with other health care services available in the  
13 community.

14 (A) A birth center shall not be separately licensed  
15 if it is one of the following:

16 (1) A part of a hospital; or

17 (2) A freestanding facility that is physically  
18 distinct from a hospital but is operated under a  
19 license issued to a hospital under the Hospital  
20 Licensing Act.

21 (B) A separate birth center license shall be  
22 required if the birth center is operated as:

23 (1) A part of the operation of a federally  
24 qualified health center as designated by the  
25 United States Department of Health and Human  
26 Services; or

1                   (2) A facility other than one described in  
2                   subparagraph (A)(1), (A)(2), or (B)(1) of this  
3                   paragraph (6) whose costs are reimbursable under  
4                   Title XIX of the federal Social Security Act.

5                   In adopting rules for birth centers, the Department  
6                   shall consider: the American Association of Birth Centers'  
7                   Standards for Freestanding Birth Centers; the American  
8                   Academy of Pediatrics/American College of Obstetricians  
9                   and Gynecologists Guidelines for Perinatal Care; and the  
10                  Regionalized Perinatal Health Care Code. The Department's  
11                  rules shall stipulate the eligibility criteria for birth  
12                  center admission. The Department's rules shall stipulate  
13                  the necessary equipment for emergency care according to the  
14                  American Association of Birth Centers' standards and any  
15                  additional equipment deemed necessary by the Department.  
16                  The Department's rules shall provide for a time period  
17                  within which each birth center not part of a hospital must  
18                  become accredited by either the Commission for the  
19                  Accreditation of Freestanding Birth Centers or The Joint  
20                  Commission.

21                  A birth center shall be certified to participate in the  
22                  Medicare and Medicaid programs under Titles XVIII and XIX,  
23                  respectively, of the federal Social Security Act. To the  
24                  extent necessary, the Illinois Department of Healthcare  
25                  and Family Services shall apply for a waiver from the  
26                  United States Health Care Financing Administration to

1 allow birth centers to be reimbursed under Title XIX of the  
2 federal Social Security Act.

3 A birth center that is not operated under a hospital  
4 license shall be located within a ground travel time  
5 distance from the general acute care hospital with which  
6 the birth center maintains a contractual relationship,  
7 including a transfer agreement, as required under this  
8 paragraph, that allows for an emergency caesarian delivery  
9 to be started within 30 minutes of the decision a caesarian  
10 delivery is necessary. A birth center operating under a  
11 hospital license shall be located within a ground travel  
12 time distance from the licensed hospital that allows for an  
13 emergency caesarian delivery to be started within 30  
14 minutes of the decision a caesarian delivery is necessary.

15 The services of a medical director physician, licensed  
16 to practice medicine in all its branches, who is certified  
17 or eligible for certification by the American College of  
18 Obstetricians and Gynecologists or the American Board of  
19 Osteopathic Obstetricians and Gynecologists or has  
20 hospital obstetrical privileges are required in birth  
21 centers. The medical director in consultation with the  
22 Director of Nursing and Midwifery Services shall  
23 coordinate the clinical staff and overall provision of  
24 patient care. The medical director or his or her physician  
25 designee shall be available on the premises or within a  
26 close proximity as defined by rule. The medical director

1 and the Director of Nursing and Midwifery Services shall  
2 jointly develop and approve policies defining the criteria  
3 to determine which pregnancies are accepted as normal,  
4 uncomplicated, and low-risk, and the anesthesia services  
5 available at the center. No general anesthesia may be  
6 administered at the center.

7 If a birth center employs certified nurse midwives, a  
8 certified nurse midwife shall be the Director of Nursing  
9 and Midwifery Services who is responsible for the  
10 development of policies and procedures for services as  
11 provided by Department rules.

12 An obstetrician, family practitioner, or certified  
13 nurse midwife shall attend each woman in labor from the  
14 time of admission through birth and throughout the  
15 immediate postpartum period. Attendance may be delegated  
16 only to another physician or certified nurse midwife.  
17 Additionally, a second staff person shall also be present  
18 at each birth who is licensed or certified in Illinois in a  
19 health-related field and under the supervision of the  
20 physician or certified nurse midwife in attendance, has  
21 specialized training in labor and delivery techniques and  
22 care of newborns, and receives planned and ongoing training  
23 as needed to perform assigned duties effectively.

24 The maximum length of stay in a birth center shall be  
25 consistent with existing State laws allowing a 48-hour stay  
26 or appropriate post-delivery care, if discharged earlier

1 than 48 hours.

2 A birth center shall participate in the Illinois  
3 Perinatal System under the Developmental Disability  
4 Prevention Act. At a minimum, this participation shall  
5 require a birth center to establish a letter of agreement  
6 with a hospital designated under the Perinatal System. A  
7 hospital that operates or has a letter of agreement with a  
8 birth center shall include the birth center under its  
9 maternity service plan under the Hospital Licensing Act and  
10 shall include the birth center in the hospital's letter of  
11 agreement with its regional perinatal center.

12 A birth center may not discriminate against any patient  
13 requiring treatment because of the source of payment for  
14 services, including Medicare and Medicaid recipients.

15 No general anesthesia and no surgery may be performed  
16 at a birth center. The Department may by rule add birth  
17 center patient eligibility criteria or standards as it  
18 deems necessary. The Department shall by rule require each  
19 birth center to report the information which the Department  
20 shall make publicly available, which shall include, but is  
21 not limited to, the following:

22 (i) Birth center ownership.

23 (ii) Sources of payment for services.

24 (iii) Utilization data involving patient length of  
25 stay.

26 (iv) Admissions and discharges.

- 1 (v) Complications.
- 2 (vi) Transfers.
- 3 (vii) Unusual incidents.
- 4 (viii) Deaths.
- 5 (ix) Any other publicly reported data required
- 6 under the Illinois Consumer Guide.
- 7 (x) Post-discharge patient status data where
- 8 patients are followed for 14 days after discharge from
- 9 the birth center to determine whether the mother or
- 10 baby developed a complication or infection.

11 Within 9 months after the effective date of this

12 amendatory Act of the 95th General Assembly, the Department

13 shall adopt rules that are developed with consideration of:

14 the American Association of Birth Centers' Standards for

15 Freestanding Birth Centers; the American Academy of

16 Pediatrics/American College of Obstetricians and

17 Gynecologists Guidelines for Perinatal Care; and the

18 Regionalized Perinatal Health Care Code.

19 The Department shall adopt other rules as necessary to

20 implement the provisions of this amendatory Act of the 95th

21 General Assembly within 9 months after the effective date

22 of this amendatory Act of the 95th General Assembly.

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

24 (210 ILCS 3/35.1 rep.)

25 Section 6. The Alternative Health Care Delivery Act is



1 amended by repealing Section 35.1.

2 Section 10. The Hospital Licensing Act is amended by  
3 changing Sections 3 and 4.6 as follows:

4 (210 ILCS 85/3) (from Ch. 111 1/2, par. 144)

5 Sec. 3. As used in this Act:

6 (A) "Hospital" means any institution, place, building, or  
7 agency, public or private, whether organized for profit or not,  
8 devoted primarily to the maintenance and operation of  
9 facilities for the diagnosis and treatment or care of 2 or more  
10 unrelated persons admitted for overnight stay or longer in  
11 order to obtain medical, including obstetric, psychiatric and  
12 nursing, care of illness, disease, injury, infirmity, or  
13 deformity.

14 The term "hospital", without regard to length of stay,  
15 shall also include:

16 (a) any facility which is devoted primarily to  
17 providing psychiatric and related services and programs  
18 for the diagnosis and treatment or care of 2 or more  
19 unrelated persons suffering from emotional or nervous  
20 diseases;

21 (b) all places where pregnant females are received,  
22 cared for, or treated during delivery irrespective of the  
23 number of patients received.

24 The term "hospital" includes general and specialized

1 hospitals, postsurgical recovery care hospitals, tuberculosis  
2 sanitaria, mental or psychiatric hospitals and sanitaria, and  
3 includes maternity homes, lying-in homes, and homes for unwed  
4 mothers in which care is given during delivery.

5 The term "hospital" does not include:

6 (1) any person or institution required to be licensed  
7 pursuant to the Nursing Home Care Act, as amended;

8 (2) hospitalization or care facilities maintained by  
9 the State or any department or agency thereof, where such  
10 department or agency has authority under law to establish  
11 and enforce standards for the hospitalization or care  
12 facilities under its management and control;

13 (3) hospitalization or care facilities maintained by  
14 the federal government or agencies thereof;

15 (4) hospitalization or care facilities maintained by  
16 any university or college established under the laws of  
17 this State and supported principally by public funds raised  
18 by taxation;

19 (5) any person or facility required to be licensed  
20 pursuant to the Alcoholism and Other Drug Abuse and  
21 Dependency Act;

22 (6) any facility operated solely by and for persons who  
23 rely exclusively upon treatment by spiritual means through  
24 prayer, in accordance with the creed or tenets of any  
25 well-recognized church or religious denomination; or

26 (7) An Alzheimer's disease management center

1 alternative health care model licensed under the  
2 Alternative Health Care Delivery Act.

3 (B) "Person" means the State, and any political subdivision  
4 or municipal corporation, individual, firm, partnership,  
5 corporation, company, association, or joint stock association,  
6 or the legal successor thereof.

7 (C) "Department" means the Department of Public Health of  
8 the State of Illinois.

9 (D) "Director" means the Director of Public Health of the  
10 State of Illinois.

11 (E) "Perinatal" means the period of time between the  
12 conception of an infant and the end of the first month after  
13 birth.

14 (F) "Federally designated organ procurement agency" means  
15 the organ procurement agency designated by the Secretary of the  
16 U.S. Department of Health and Human Services for the service  
17 area in which a hospital is located; except that in the case of  
18 a hospital located in a county adjacent to Wisconsin which  
19 currently contracts with an organ procurement agency located in  
20 Wisconsin that is not the organ procurement agency designated  
21 by the U.S. Secretary of Health and Human Services for the  
22 service area in which the hospital is located, if the hospital  
23 applies for a waiver pursuant to 42 USC 1320b-8(a), it may  
24 designate an organ procurement agency located in Wisconsin to  
25 be thereafter deemed its federally designated organ  
26 procurement agency for the purposes of this Act.

1 (G) "Tissue bank" means any facility or program operating  
2 in Illinois that is certified by the American Association of  
3 Tissue Banks or the Eye Bank Association of America and is  
4 involved in procuring, furnishing, donating, or distributing  
5 corneas, bones, or other human tissue for the purpose of  
6 injecting, transfusing, or transplanting any of them into the  
7 human body. "Tissue bank" does not include a licensed blood  
8 bank. For the purposes of this Act, "tissue" does not include  
9 organs.

10 (Source: P.A. 91-838, eff. 6-16-00.)

11 (210 ILCS 85/4.6)

12 Sec. 4.6. Additional licensing requirements.

13 (a) Notwithstanding any other law or rule to the contrary,  
14 without the issuance of a Certificate of Need Permit or  
15 Certificate of Exemption from Illinois Health Facilities  
16 Planning Board, the Department may license as a hospital a  
17 building that meets either of the following criteria:

18 (1) It ~~(i)~~ is owned or operated by a hospital licensed  
19 under this Act, ~~(ii)~~ is located in a municipality with a  
20 population of less than 60,000, and ~~(iii)~~ includes a  
21 postsurgical recovery care center licensed under the  
22 Alternative Health Care Delivery Act for a period of not  
23 less than 2 years, an ambulatory surgical treatment center  
24 licensed under the Ambulatory Surgical Treatment Center  
25 Act, and a Freestanding Emergency Center licensed under the

1 Emergency Medical Services (EMS) Systems Act. Only the  
2 components of the building which are currently licensed  
3 shall be eligible under the provisions of this Section.

4 (2) It is a postsurgical recovery care center under the  
5 Alternative Health Care Delivery Act, is affiliated with or  
6 connected to a licensed hospital or ambulatory surgical  
7 treatment center, that previously received a Certificate  
8 of Need from the Illinois Health Facilities Planning Board  
9 and maintains an organized medical staff of physicians,  
10 permanent facilities that include inpatient beds, medical  
11 services, including physician services, and continuous  
12 registered professional nursing services for not less than  
13 24 hours every day. These licenses will be for postsurgical  
14 recovery care hospitals.

15 (b) Prior to issuing a license, the Department shall  
16 inspect the facility and require the facility to meet such of  
17 the Department's rules relating to the establishment of  
18 hospitals as the Department determines are appropriate to such  
19 facility. The Department's licensure of the facility as a  
20 postsurgical recovery care hospital shall be the only approval  
21 required for the facility to make improvements and operate as a  
22 postsurgical recovery care hospital. Once the Department  
23 approves the facility and issues a hospital license, all other  
24 licenses as listed in subsection (a) above shall be null and  
25 void. Upon receiving licensure as a postsurgical recovery care  
26 hospital, any facility licensed under subdivision (a)(2) of

1 this Section shall be subject to the following limitations:

2 (1) The facility shall not have a number of beds that  
3 is greater than the number of authorized postsurgical  
4 recovery care beds.

5 (2) The facility shall continue to be subject to the  
6 length-of-stay limitations set forth in Section 35 of the  
7 Alternative Health Care Delivery Act.

8 (3) The facility shall seek certification under  
9 Section 1861(e) of the federal Social Security Act.

10 (c) A license as a postsurgical recovery care hospital ~~Only~~  
11 ~~one license~~ may be issued under the authority of subdivision  
12 (a)(2) of this Section only to a postsurgical recovery care  
13 center established under the Alternative Health Care Delivery  
14 Act. No license may be issued after 18 months after the  
15 effective date of this amendatory Act of the 91st General  
16 Assembly. No license may be issued after 36 months after the  
17 effective date of this amendatory Act of the 96th General  
18 Assembly.

19 (Source: P.A. 91-736, eff. 6-2-00.)

20 Section 99. Effective date. This Act takes effect July 1,  
21 2009.