



Rep. Jay Hoffman

Filed: 3/19/2014

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LRB098 07917 RPM 57095 a

1 AMENDMENT TO HOUSE BILL 1322

2 AMENDMENT NO. _____. Amend House Bill 1322 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Hospital Licensing Act is amended by
5 changing Sections 5 and 6 and by adding Section 14.5 as
6 follows:

7 (210 ILCS 85/5) (from Ch. 111 1/2, par. 146)

8 Sec. 5. (a) An application for a permit to establish a
9 hospital shall be made to the Department upon forms provided by
10 it. This application shall contain such information as the
11 Department reasonably requires, which shall include
12 affirmative evidence on which the Director may make the
13 findings required under Section 6a of this Act.

14 (b) An application for a license to open, conduct, operate,
15 and maintain a hospital shall be made to the Department upon
16 forms provided by it, accompanied by a license fee of \$55 per

1 bed, or such lesser amount as the Department may establish by
2 administrative rule in consultation with the Department of
3 Healthcare and Family Services to comply with the limitations
4 on health care-related taxes imposed by 42 U.S.C. 1396b(w)
5 that, if violated, would result in reductions to the amount of
6 federal financial participation received by the State for
7 Medicaid expenditures, and shall contain such information as
8 the Department reasonably requires, which may include
9 affirmative evidence of ability to comply with the provisions
10 of this Act and the standards, rules, and regulations,
11 promulgated by virtue thereof.

12 (c) All applications required under this Section shall be
13 signed by the applicant and shall be verified. Applications on
14 behalf of a corporation or association or a governmental unit
15 or agency shall be made and verified by any two officers
16 thereof.

17 (Source: Laws 1965, p. 2350.)

18 (210 ILCS 85/6) (from Ch. 111 1/2, par. 147)

19 Sec. 6. (a) Upon receipt of an application for a permit to
20 establish a hospital the Director shall issue a permit if he
21 finds (1) that the applicant is fit, willing, and able to
22 provide a proper standard of hospital service for the community
23 with particular regard to the qualification, background, and
24 character of the applicant, (2) that the financial resources
25 available to the applicant demonstrate an ability to construct,

1 maintain, and operate a hospital in accordance with the
2 standards, rules, and regulations adopted pursuant to this Act,
3 and (3) that safeguards are provided which assure hospital
4 operation and maintenance consistent with the public interest
5 having particular regard to safe, adequate, and efficient
6 hospital facilities and services.

7 The Director may request the cooperation of county and
8 multiple-county health departments, municipal boards of
9 health, and other governmental and non-governmental agencies
10 in obtaining information and in conducting investigations
11 relating to such applications.

12 A permit to establish a hospital shall be valid only for
13 the premises and person named in the application for such
14 permit and shall not be transferable or assignable.

15 In the event the Director issues a permit to establish a
16 hospital the applicant shall thereafter submit plans and
17 specifications to the Department in accordance with Section 8
18 of this Act.

19 (b) Upon receipt of an application for license to open,
20 conduct, operate, and maintain a hospital, the Director shall
21 issue a license if he finds the applicant and the hospital
22 facilities comply with standards, rules, and regulations
23 promulgated under this Act. A license, unless sooner suspended
24 or revoked, shall be renewable annually upon approval by the
25 Department and payment of a license fee as established pursuant
26 to Section 5 of this Act. Each license shall be issued only for

1 the premises and persons named in the application and shall not
2 be transferable or assignable. Licenses shall be posted in a
3 conspicuous place on the licensed premises. The Department may,
4 either before or after the issuance of a license, request the
5 cooperation of the State Fire Marshal, county and multiple
6 county health departments, or municipal boards of health to
7 make investigations to determine if the applicant or licensee
8 is complying with the minimum standards prescribed by the
9 Department. The report and recommendations of any such agency
10 shall be in writing and shall state with particularity its
11 findings with respect to compliance or noncompliance with such
12 minimum standards, rules, and regulations.

13 The Director may issue a provisional license to any
14 hospital which does not substantially comply with the
15 provisions of this Act and the standards, rules, and
16 regulations promulgated by virtue thereof provided that he
17 finds that such hospital has undertaken changes and corrections
18 which upon completion will render the hospital in substantial
19 compliance with the provisions of this Act, and the standards,
20 rules, and regulations adopted hereunder, and provided that the
21 health and safety of the patients of the hospital will be
22 protected during the period for which such provisional license
23 is issued. The Director shall advise the licensee of the
24 conditions under which such provisional license is issued,
25 including the manner in which the hospital facilities fail to
26 comply with the provisions of the Act, standards, rules, and

1 regulations, and the time within which the changes and
2 corrections necessary for such hospital facilities to
3 substantially comply with this Act, and the standards, rules,
4 and regulations of the Department relating thereto shall be
5 completed.

6 (Source: P.A. 80-56.)

7 (210 ILCS 85/14.5 new)

8 Sec. 14.5. Hospital Licensure Fund.

9 (a) There is created in the State treasury the Hospital
10 Licensure Fund. The Fund is created for the purpose of
11 providing funding for the administration of the licensure
12 program and patient safety and quality initiatives for
13 hospitals, including, without limitation, the implementation
14 of the Illinois Adverse Health Care Events Reporting Law of
15 2005.

16 (b) The Fund shall consist of the following:

17 (1) fees collected pursuant to this Section;

18 (2) federal matching funds received by the State as a
19 result of expenditures made by the Department that are
20 attributable to moneys deposited in the Fund;

21 (3) interest earned on moneys deposited in the Fund;

22 and

23 (4) other moneys received for the Fund from any other
24 source, including interest earned thereon.

25 (c) Disbursements from the Fund shall be made only for:

1 (1) initially, the implementation of the Illinois
2 Adverse Health Care Events Reporting Law of 2005;

3 (2) subsequently, programs, information, or
4 assistance, including measures to address public
5 complaints, designed to measurably improve quality and
6 patient safety; and

7 (3) the reimbursement of moneys collected by the
8 Department through error or mistake.

9 (d) The uses described in paragraph (2) of subsection (c)
10 shall be developed in conjunction with a statewide organization
11 representing a majority of hospitals.

12 Section 8. The Illinois Adverse Health Care Events
13 Reporting Law of 2005 is amended by changing Sections 10-10 and
14 10-15 as follows:

15 (410 ILCS 522/10-10)

16 Sec. 10-10. Definitions. As used in this Law, the following
17 terms have the following meanings:

18 "Adverse health care event" means any event identified as a
19 serious reportable event by the National Quality Forum and
20 certain patient safety events identified by the Centers for
21 Medicare and Medicaid Services as defined by rule on the
22 effective date of this amendatory Act of the 98th General
23 Assembly. The Department shall adopt, by rule, the list of
24 adverse health care events. The rules in effect on May 1, 2013,

1 that define "adverse health care event" shall remain in effect
2 until new rules are adopted in accordance with this amendatory
3 Act of the 98th General Assembly. If the National Quality Forum
4 thereafter revises its list of serious reportable events
5 through addition, deletion, or modification, then the term
6 "adverse health care event" for purposes of this Law shall be
7 similarly revised, effective no sooner than 6 months after the
8 revision by the originating organization. ~~described in~~
9 ~~subsections (b) through (g) of Section 10-15.~~

10 "Department" means the Illinois Department of Public
11 Health.

12 "Health care facility" means a hospital maintained by the
13 State or any department or agency thereof where such department
14 or agency has authority under law to establish and enforce
15 standards for the hospital under its management and control, a
16 hospital maintained by any university or college established
17 under the laws of this State and supported principally by
18 public funds raised by taxation, a hospital licensed under the
19 Hospital Licensing Act, a hospital organized under the
20 University of Illinois Hospital Act, and an ambulatory surgical
21 treatment center licensed under the Ambulatory Surgical
22 Treatment Center Act.

23 (Source: P.A. 94-242, eff. 7-18-05.)

24 (410 ILCS 522/10-15)

25 Sec. 10-15. Health care facility requirements to report,

1 analyze, and correct.

2 (a) Reports of adverse health care events required. Each
3 health care facility shall report to the Department the
4 occurrence of any ~~of the~~ adverse health care events ~~described~~
5 ~~in subsections (b) through (g)~~ no later than 30 days after
6 discovery of the event. The report shall be filed in a format
7 specified by the Department and shall identify the health care
8 facility, but shall not include any information identifying or
9 that tends to identify any of the health care professionals,
10 employees, or patients involved.

11 (b) (Blank). ~~Surgical events. Events reportable under this~~
12 ~~subsection are:~~

13 ~~(1) Surgery performed on a wrong body part that is not~~
14 ~~consistent with the documented informed consent for that~~
15 ~~patient. Reportable events under this clause do not include~~
16 ~~situations requiring prompt action that occur in the course~~
17 ~~of surgery or situations whose urgency precludes obtaining~~
18 ~~informed consent.~~

19 ~~(2) Surgery performed on the wrong patient.~~

20 ~~(3) The wrong surgical procedure performed on a patient~~
21 ~~that is not consistent with the documented informed consent~~
22 ~~for that patient. Reportable events under this clause do~~
23 ~~not include situations requiring prompt action that occur~~
24 ~~in the course of surgery or situations whose urgency~~
25 ~~precludes obtaining informed consent.~~

26 ~~(4) Retention of a foreign object in a patient after~~

1 ~~surgery or other procedure, excluding objects~~
2 ~~intentionally implanted as part of a planned intervention~~
3 ~~and objects present prior to surgery that are intentionally~~
4 ~~retained.~~

5 ~~(5) Death during or immediately after surgery of a~~
6 ~~normal, healthy patient who has no organic, physiologic,~~
7 ~~biochemical, or psychiatric disturbance and for whom the~~
8 ~~pathologic processes for which the operation is to be~~
9 ~~performed are localized and do not entail a systemic~~
10 ~~disturbance.~~

11 (c) (Blank). ~~Product or device events. Events reportable~~
12 ~~under this subsection are:~~

13 ~~(1) Patient death or serious disability associated~~
14 ~~with the use of contaminated drugs, devices, or biologics~~
15 ~~provided by the health care facility when the contamination~~
16 ~~is the result of generally detectable contaminants in~~
17 ~~drugs, devices, or biologics regardless of the source of~~
18 ~~the contamination or the product.~~

19 ~~(2) Patient death or serious disability associated~~
20 ~~with the use or function of a device in patient care in~~
21 ~~which the device is used or functions other than as~~
22 ~~intended. "Device" includes, but is not limited to,~~
23 ~~catheters, drains, and other specialized tubes, infusion~~
24 ~~pumps, and ventilators.~~

25 ~~(3) Patient death or serious disability associated~~
26 ~~with intravascular air embolism that occurs while being~~

1 ~~cared for in a health care facility, excluding deaths~~
2 ~~associated with neurosurgical procedures known to present~~
3 ~~a high risk of intravascular air embolism.~~

4 (d) (Blank). ~~Patient protection events. Events reportable~~
5 ~~under this subsection are:~~

6 ~~(1) An infant discharged to the wrong person.~~

7 ~~(2) Patient death or serious disability associated~~
8 ~~with patient disappearance for more than 4 hours, excluding~~
9 ~~events involving adults who have decision-making capacity.~~

10 ~~(3) Patient suicide or attempted suicide resulting in~~
11 ~~serious disability while being cared for in a health care~~
12 ~~facility due to patient actions after admission to the~~
13 ~~health care facility, excluding deaths resulting from~~
14 ~~self-inflicted injuries that were the reason for admission~~
15 ~~to the health care facility.~~

16 (e) (Blank). ~~Care management events. Events reportable~~
17 ~~under this subsection are:~~

18 ~~(1) Patient death or serious disability associated~~
19 ~~with a medication error, including, but not limited to,~~
20 ~~errors involving the wrong drug, the wrong dose, the wrong~~
21 ~~patient, the wrong time, the wrong rate, the wrong~~
22 ~~preparation, or the wrong route of administration,~~
23 ~~excluding reasonable differences in clinical judgment on~~
24 ~~drug selection and dose.~~

25 ~~(2) Patient death or serious disability associated~~
26 ~~with a hemolytic reaction due to the administration of~~

1 ~~ABO incompatible blood or blood products.~~

2 ~~(3) Maternal death or serious disability associated~~
3 ~~with labor or delivery in a low-risk pregnancy while being~~
4 ~~cared for in a health care facility, excluding deaths from~~
5 ~~pulmonary or amniotic fluid embolism, acute fatty liver of~~
6 ~~pregnancy, or cardiomyopathy.~~

7 ~~(4) Patient death or serious disability directly~~
8 ~~related to hypoglycemia, the onset of which occurs while~~
9 ~~the patient is being cared for in a health care facility~~
10 ~~for a condition unrelated to hypoglycemia.~~

11 (f) (Blank). ~~Environmental events. Events reportable under~~
12 ~~this subsection are:~~

13 ~~(1) Patient death or serious disability associated~~
14 ~~with an electric shock while being cared for in a health~~
15 ~~care facility, excluding events involving planned~~
16 ~~treatments such as electric countershock.~~

17 ~~(2) Any incident in which a line designated for oxygen~~
18 ~~or other gas to be delivered to a patient contains the~~
19 ~~wrong gas or is contaminated by toxic substances.~~

20 ~~(3) Patient death or serious disability associated~~
21 ~~with a burn incurred from any source while being cared for~~
22 ~~in a health care facility that is not consistent with the~~
23 ~~documented informed consent for that patient. Reportable~~
24 ~~events under this clause do not include situations~~
25 ~~requiring prompt action that occur in the course of surgery~~
26 ~~or situations whose urgency precludes obtaining informed~~

1 ~~consent.~~

2 ~~(4) Patient death associated with a fall while being~~
3 ~~cared for in a health care facility.~~

4 ~~(5) Patient death or serious disability associated~~
5 ~~with the use of restraints or bedrails while being cared~~
6 ~~for in a health care facility.~~

7 (g) (Blank). ~~Physical security events. Events reportable~~
8 ~~under this subsection are:~~

9 ~~(1) Any instance of care ordered by or provided by~~
10 ~~someone impersonating a physician, nurse, pharmacist, or~~
11 ~~other licensed health care provider.~~

12 ~~(2) Abduction of a patient of any age.~~

13 ~~(3) Sexual assault on a patient within or on the~~
14 ~~grounds of a health care facility.~~

15 ~~(4) Death or significant injury of a patient or staff~~
16 ~~member resulting from a physical assault that occurs within~~
17 ~~or on the grounds of a health care facility.~~

18 (g-5) If the adverse health care events subject to this Law
19 are revised as described in Section 10-10, then the Department
20 shall provide notice to all affected health care facilities
21 promptly upon the revision and shall inform affected health
22 care facilities of the effective date of the revision for
23 purposes of reporting under this Law.

24 (h) Definitions. As pertains to an adverse health care
25 event used in this Section 10-15:

26 "Death" means patient death related to an adverse event

1 and not related solely to the natural course of the patient's
2 illness or underlying condition. Events otherwise reportable
3 under this Section 10-15 shall be reported even if the death
4 might have otherwise occurred as the natural course of the
5 patient's illness or underlying condition.

6 "Serious disability" means a physical or mental
7 impairment, including loss of a body part, related to an
8 adverse event and not related solely to the natural course of
9 the patient's illness or underlying condition, that
10 substantially limits one or more of the major life activities
11 of an individual or a loss of bodily function, if the
12 impairment or loss lasts more than 7 days prior to discharge or
13 is still present at the time of discharge from an inpatient
14 health care facility.

15 (Source: P.A. 94-242, eff. 7-18-05.)

16 Section 10. The State Finance Act is amended by adding
17 Section 5.826 as follows:

18 (30 ILCS 105/5.826 new)

19 Sec. 5.826. The Hospital Licensure Fund.

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