



98TH GENERAL ASSEMBLY

State of Illinois

2013 and 2014

HB2423

by Rep. William Davis

SYNOPSIS AS INTRODUCED:

20 ILCS 3960/3	from Ch. 111 1/2, par. 1153
20 ILCS 3960/5	from Ch. 111 1/2, par. 1155
20 ILCS 3960/12	from Ch. 111 1/2, par. 1162

Specifies that certain facilities qualify as health care facilities for the purposes of the Act, regardless of whether they are owned or operated by a physician, a partnership, a medical or professional corporation, or an unincorporated medical or professional group. Deletes a provision that exempted from the definition of "health care facilities" certain facilities owned or operated by a physician, a partnership, a medical or professional corporation, or an unincorporated medical or professional group. Deletes a provision which specifies that permits for projects that are not obligated within the prescribed obligation period expire on the last day of that period. Changes the circumstances under which the Board issues written decisions. Defines "category of service".

LRB098 08704 JDS 38826 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning State government.

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

4 Section 5. The Illinois Health Facilities Planning Act is
5 amended by changing Sections 3, 5, and 12 as follows:

6 (20 ILCS 3960/3) (from Ch. 111 1/2, par. 1153)

7 (Section scheduled to be repealed on December 31, 2019)

8 Sec. 3. Definitions. As used in this Act:

9 "Health care facilities" means and includes the following
10 facilities, ~~and~~ organizations, and related persons:

11 1. An ambulatory surgical treatment center required to
12 be licensed pursuant to the Ambulatory Surgical Treatment
13 Center Act;

14 2. An institution, place, building, or agency required
15 to be licensed pursuant to the Hospital Licensing Act;

16 3. Skilled and intermediate long term care facilities
17 licensed under the Nursing Home Care Act;

18 3.5. Skilled and intermediate care facilities licensed
19 under the ID/DD Community Care Act;

20 3.7. Facilities licensed under the Specialized Mental
21 Health Rehabilitation Act;

22 4. Hospitals, nursing homes, ambulatory surgical
23 treatment centers, or kidney disease treatment centers

1 maintained by the State or any department or agency
2 thereof;

3 5. Kidney disease treatment centers, including a
4 free-standing hemodialysis unit required to be licensed
5 under the End Stage Renal Disease Facility Act;

6 6. An institution, place, building, or room used for
7 the performance of outpatient surgical procedures that is
8 leased, owned, or operated by or on behalf of an
9 out-of-state facility;

10 7. An institution, place, building, or room used for
11 provision of a health care category of service ~~as defined~~
12 ~~by the Board~~, including, but not limited to,
13 medical-surgical, pediatrics, cardiac catheterization, and
14 open heart surgery, regardless of whether the facility is
15 owned or operated by a physician, a partnership, a medical
16 or professional corporation, or an unincorporated medical
17 or professional group; and

18 8. An institution, place, building, or room used for
19 provision of major medical equipment used in the direct
20 clinical diagnosis or treatment of patients, and whose
21 project cost is in excess of the capital expenditure
22 minimum, regardless of whether the facility is owned or
23 operated by a physician, a partnership, a medical or
24 professional corporation, or an unincorporated medical or
25 professional group.

26 This Act shall not apply to the construction of any new

1 facility or the renovation of any existing facility located on
2 any campus facility as defined in Section 5-5.8b of the
3 Illinois Public Aid Code, provided that the campus facility
4 encompasses 30 or more contiguous acres and that the new or
5 renovated facility is intended for use by a licensed
6 residential facility.

7 No federally owned facility shall be subject to the
8 provisions of this Act, nor facilities used solely for healing
9 by prayer or spiritual means.

10 No facility licensed under the Supportive Residences
11 Licensing Act or the Assisted Living and Shared Housing Act
12 shall be subject to the provisions of this Act.

13 No facility established and operating under the
14 Alternative Health Care Delivery Act as a children's respite
15 care center alternative health care model demonstration
16 program or as an Alzheimer's Disease Management Center
17 alternative health care model demonstration program shall be
18 subject to the provisions of this Act.

19 A facility designated as a supportive living facility that
20 is in good standing with the program established under Section
21 5-5.01a of the Illinois Public Aid Code shall not be subject to
22 the provisions of this Act.

23 This Act does not apply to facilities granted waivers under
24 Section 3-102.2 of the Nursing Home Care Act. However, if a
25 demonstration project under that Act applies for a certificate
26 of need to convert to a nursing facility, it shall meet the

1 licensure and certificate of need requirements in effect as of
2 the date of application.

3 This Act does not apply to a dialysis facility that
4 provides only dialysis training, support, and related services
5 to individuals with end stage renal disease who have elected to
6 receive home dialysis. This Act does not apply to a dialysis
7 unit located in a licensed nursing home that offers or provides
8 dialysis-related services to residents with end stage renal
9 disease who have elected to receive home dialysis within the
10 nursing home. The Board, however, may require these dialysis
11 facilities and licensed nursing homes to report statistical
12 information on a quarterly basis to the Board to be used by the
13 Board to conduct analyses on the need for proposed kidney
14 disease treatment centers.

15 This Act shall not apply to the closure of an entity or a
16 portion of an entity licensed under the Nursing Home Care Act,
17 the Specialized Mental Health Rehabilitation Act, or the ID/DD
18 Community Care Act, with the exceptions of facilities operated
19 by a county or Illinois Veterans Homes, that elects to convert,
20 in whole or in part, to an assisted living or shared housing
21 establishment licensed under the Assisted Living and Shared
22 Housing Act.

23 This Act does not apply to any change of ownership of a
24 healthcare facility that is licensed under the Nursing Home
25 Care Act, the Specialized Mental Health Rehabilitation Act, or
26 the ID/DD Community Care Act, with the exceptions of facilities

1 operated by a county or Illinois Veterans Homes. Changes of
2 ownership of facilities licensed under the Nursing Home Care
3 Act must meet the requirements set forth in Sections 3-101
4 through 3-119 of the Nursing Home Care Act.

5 ~~With the exception of those health care facilities~~
6 ~~specifically included in this Section, nothing in this Act~~
7 ~~shall be intended to include facilities operated as a part of~~
8 ~~the practice of a physician or other licensed health care~~
9 ~~professional, whether practicing in his individual capacity or~~
10 ~~within the legal structure of any partnership, medical or~~
11 ~~professional corporation, or unincorporated medical or~~
12 ~~professional group. Further, this Act shall not apply to~~
13 ~~physicians or other licensed health care professional's~~
14 ~~practices where such practices are carried out in a portion of~~
15 ~~a health care facility under contract with such health care~~
16 ~~facility by a physician or by other licensed health care~~
17 ~~professionals, whether practicing in his individual capacity~~
18 ~~or within the legal structure of any partnership, medical or~~
19 ~~professional corporation, or unincorporated medical or~~
20 ~~professional groups. This Act shall apply to construction or~~
21 ~~modification and to establishment by such health care facility~~
22 ~~of such contracted portion which is subject to facility~~
23 ~~licensing requirements, irrespective of the party responsible~~
24 ~~for such action or attendant financial obligation.~~

25 No permit or exemption is required for a facility licensed
26 under the ID/DD Community Care Act prior to the reduction of

1 the number of beds at a facility. If there is a total reduction
2 of beds at a facility licensed under the ID/DD Community Care
3 Act, this is a discontinuation or closure of the facility.
4 However, if a facility licensed under the ID/DD Community Care
5 Act reduces the number of beds or discontinues the facility,
6 that facility must notify the Board as provided in Section 14.1
7 of this Act.

8 "Person" means any one or more natural persons, legal
9 entities, governmental bodies other than federal, or any
10 combination thereof.

11 "Consumer" means any person other than a person (a) whose
12 major occupation currently involves or whose official capacity
13 within the last 12 months has involved the providing,
14 administering or financing of any type of health care facility,
15 (b) who is engaged in health research or the teaching of
16 health, (c) who has a material financial interest in any
17 activity which involves the providing, administering or
18 financing of any type of health care facility, or (d) who is or
19 ever has been a member of the immediate family of the person
20 defined by (a), (b), or (c).

21 "State Board" or "Board" means the Health Facilities and
22 Services Review Board.

23 "Construction or modification" means the establishment,
24 erection, building, alteration, reconstruction, modernization,
25 improvement, extension, discontinuation, change of ownership,
26 of or by a health care facility, or the purchase or acquisition

1 by or through a health care facility of equipment or service
2 for diagnostic or therapeutic purposes or for facility
3 administration or operation, or any capital expenditure made by
4 or on behalf of a health care facility which exceeds the
5 capital expenditure minimum; however, any capital expenditure
6 made by or on behalf of a health care facility for (i) the
7 construction or modification of a facility licensed under the
8 Assisted Living and Shared Housing Act or (ii) a conversion
9 project undertaken in accordance with Section 30 of the Older
10 Adult Services Act shall be excluded from any obligations under
11 this Act.

12 "Establish" means the construction of a health care
13 facility or the replacement of an existing facility on another
14 site or the initiation of a category of service ~~as defined by~~
15 ~~the Board.~~

16 "Major medical equipment" means medical equipment which is
17 used for the provision of medical and other health services and
18 which costs in excess of the capital expenditure minimum,
19 except that such term does not include medical equipment
20 acquired by or on behalf of a clinical laboratory to provide
21 clinical laboratory services if the clinical laboratory is
22 independent of a physician's office and a hospital and it has
23 been determined under Title XVIII of the Social Security Act to
24 meet the requirements of paragraphs (10) and (11) of Section
25 1861(s) of such Act. In determining whether medical equipment
26 has a value in excess of the capital expenditure minimum, the

1 value of studies, surveys, designs, plans, working drawings,
2 specifications, and other activities essential to the
3 acquisition of such equipment shall be included.

4 "Capital Expenditure" means an expenditure: (A) made by or
5 on behalf of a health care facility (as such a facility is
6 defined in this Act); and (B) which under generally accepted
7 accounting principles is not properly chargeable as an expense
8 of operation and maintenance, or is made to obtain by lease or
9 comparable arrangement any facility or part thereof or any
10 equipment for a facility or part; and which exceeds the capital
11 expenditure minimum.

12 For the purpose of this paragraph, the cost of any studies,
13 surveys, designs, plans, working drawings, specifications, and
14 other activities essential to the acquisition, improvement,
15 expansion, or replacement of any plant or equipment with
16 respect to which an expenditure is made shall be included in
17 determining if such expenditure exceeds the capital
18 expenditures minimum. Unless otherwise interdependent, or
19 submitted as one project by the applicant, components of
20 construction or modification undertaken by means of a single
21 construction contract or financed through the issuance of a
22 single debt instrument shall not be grouped together as one
23 project. Donations of equipment or facilities to a health care
24 facility which if acquired directly by such facility would be
25 subject to review under this Act shall be considered capital
26 expenditures, and a transfer of equipment or facilities for

1 less than fair market value shall be considered a capital
2 expenditure for purposes of this Act if a transfer of the
3 equipment or facilities at fair market value would be subject
4 to review.

5 "Capital expenditure minimum" means \$11,500,000 for
6 projects by hospital applicants, \$6,500,000 for applicants for
7 projects related to skilled and intermediate care long-term
8 care facilities licensed under the Nursing Home Care Act, and
9 \$3,000,000 for projects by all other applicants, which shall be
10 annually adjusted to reflect the increase in construction costs
11 due to inflation, for major medical equipment and for all other
12 capital expenditures.

13 "Non-clinical service area" means an area (i) for the
14 benefit of the patients, visitors, staff, or employees of a
15 health care facility and (ii) not directly related to the
16 diagnosis, treatment, or rehabilitation of persons receiving
17 services from the health care facility. "Non-clinical service
18 areas" include, but are not limited to, chapels; gift shops;
19 news stands; computer systems; tunnels, walkways, and
20 elevators; telephone systems; projects to comply with life
21 safety codes; educational facilities; student housing;
22 patient, employee, staff, and visitor dining areas;
23 administration and volunteer offices; modernization of
24 structural components (such as roof replacement and masonry
25 work); boiler repair or replacement; vehicle maintenance and
26 storage facilities; parking facilities; mechanical systems for

1 heating, ventilation, and air conditioning; loading docks; and
2 repair or replacement of carpeting, tile, wall coverings,
3 window coverings or treatments, or furniture. Solely for the
4 purpose of this definition, "non-clinical service area" does
5 not include health and fitness centers.

6 "Areawide" means a major area of the State delineated on a
7 geographic, demographic, and functional basis for health
8 planning and for health service and having within it one or
9 more local areas for health planning and health service. The
10 term "region", as contrasted with the term "subregion", and the
11 word "area" may be used synonymously with the term "areawide".

12 "Local" means a subarea of a delineated major area that on
13 a geographic, demographic, and functional basis may be
14 considered to be part of such major area. The term "subregion"
15 may be used synonymously with the term "local".

16 "Physician" means a person licensed to practice in
17 accordance with the Medical Practice Act of 1987, as amended.

18 "Licensed health care professional" means a person
19 licensed to practice a health profession under pertinent
20 licensing statutes of the State of Illinois.

21 "Director" means the Director of the Illinois Department of
22 Public Health.

23 "Agency" means the Illinois Department of Public Health.

24 "Alternative health care model" means a facility or program
25 authorized under the Alternative Health Care Delivery Act.

26 "Out-of-state facility" means a person that is both (i)

1 licensed as a hospital or as an ambulatory surgery center under
2 the laws of another state or that qualifies as a hospital or an
3 ambulatory surgery center under regulations adopted pursuant
4 to the Social Security Act and (ii) not licensed under the
5 Ambulatory Surgical Treatment Center Act, the Hospital
6 Licensing Act, or the Nursing Home Care Act. Affiliates of
7 out-of-state facilities shall be considered out-of-state
8 facilities. Affiliates of Illinois licensed health care
9 facilities 100% owned by an Illinois licensed health care
10 facility, its parent, or Illinois physicians licensed to
11 practice medicine in all its branches shall not be considered
12 out-of-state facilities. Nothing in this definition shall be
13 construed to include an office or any part of an office of a
14 physician licensed to practice medicine in all its branches in
15 Illinois that is not required to be licensed under the
16 Ambulatory Surgical Treatment Center Act.

17 "Change of ownership of a health care facility" means a
18 change in the person who has ownership or control of a health
19 care facility's physical plant and capital assets. A change in
20 ownership is indicated by the following transactions: sale,
21 transfer, acquisition, lease, change of sponsorship, or other
22 means of transferring control.

23 "Related person" means any person that: (i) is at least 50%
24 owned, directly or indirectly, by either the health care
25 facility or a person owning, directly or indirectly, at least
26 50% of the health care facility; or (ii) owns, directly or

1 indirectly, at least 50% of the health care facility.

2 "Charity care" means care provided by a health care
3 facility for which the provider does not expect to receive
4 payment from the patient or a third-party payer.

5 "Freestanding emergency center" means a facility subject
6 to licensure under Section 32.5 of the Emergency Medical
7 Services (EMS) Systems Act.

8 "Category of service" means a grouping by generic class of
9 various types or levels of support functions, equipment, care,
10 or treatment provided to patients or residents, including, but
11 not limited to, classes such as medical-surgical, pediatrics,
12 or cardiac catheterization. A category of service may include
13 subcategories or levels of care that identify a particular
14 degree or type of care within the category of service.

15 (Source: P.A. 96-31, eff. 6-30-09; 96-339, eff. 7-1-10;
16 96-1000, eff. 7-2-10; 97-38, eff. 6-28-11; 97-277, eff. 1-1-12;
17 97-813, eff. 7-13-12; 97-980, eff. 8-17-12.)

18 (20 ILCS 3960/5) (from Ch. 111 1/2, par. 1155)

19 (Section scheduled to be repealed on December 31, 2019)

20 Sec. 5. Construction, modification, or establishment of
21 health care facilities or acquisition of major medical
22 equipment; permits or exemptions. No person shall construct,
23 modify or establish a health care facility or acquire major
24 medical equipment without first obtaining a permit or exemption
25 from the State Board. The State Board shall not delegate to the

1 staff of the State Board or any other person or entity the
2 authority to grant permits or exemptions whenever the staff or
3 other person or entity would be required to exercise any
4 discretion affecting the decision to grant a permit or
5 exemption. The State Board may, by rule, delegate authority to
6 the Chairman to grant permits or exemptions when applications
7 meet all of the State Board's review criteria and are
8 unopposed.

9 A permit or exemption shall be obtained prior to the
10 acquisition of major medical equipment or to the construction
11 or modification of a health care facility which:

12 (a) requires a total capital expenditure in excess of
13 the capital expenditure minimum; or

14 (b) substantially changes the scope or changes the
15 functional operation of the facility; or

16 (c) changes the bed capacity of a health care facility
17 by increasing the total number of beds or by distributing
18 beds among various categories of service or by relocating
19 beds from one physical facility or site to another by more
20 than 20 beds or more than 10% of total bed capacity as
21 defined by the State Board, whichever is less, over a 2
22 year period.

23 A permit shall be valid only for the defined construction
24 or modifications, site, amount and person named in the
25 application for such permit and shall not be transferable or
26 assignable. A permit shall be valid until such time as the

1 project has been completed, provided that the project commences
2 and proceeds to completion with due diligence by the completion
3 date or extension date approved by the Board.

4 A permit holder must do the following: (i) submit the final
5 completion and cost report for the project within 90 days after
6 the approved project completion date or extension date and (ii)
7 submit annual progress reports no earlier than 30 days before
8 and no later than 30 days after each anniversary date of the
9 Board's approval of the permit until the project is completed.
10 To maintain a valid permit and to monitor progress toward
11 project commencement and completion, routine post-permit
12 reports shall be limited to annual progress reports and the
13 final completion and cost report. Annual progress reports shall
14 include information regarding the committed funds expended
15 toward the approved project. If the project is not completed in
16 one year, then, by the second annual report, the permit holder
17 shall expend 33% or more of the total project cost or shall
18 make a commitment to expend 33% or more of the total project
19 cost by signed contracts or other legal means, and the report
20 shall contain information regarding those expenditures or
21 commitments. If the project is to be completed in one year,
22 then the first annual report shall contain the expenditure
23 commitment information for the total project cost. The State
24 Board may extend the expenditure commitment period after
25 considering a permit holder's showing of good cause and request
26 for additional time to complete the project.

1 The Certificate of Need process required under this Act is
2 designed to restrain rising health care costs by preventing
3 unnecessary construction or modification of health care
4 facilities. The Board must assure that the establishment,
5 construction, or modification of a health care facility or the
6 acquisition of major medical equipment is consistent with the
7 public interest and that the proposed project is consistent
8 with the orderly and economic development or acquisition of
9 those facilities and equipment and is in accord with the
10 standards, criteria, or plans of need adopted and approved by
11 the Board. Board decisions regarding the construction of health
12 care facilities must consider capacity, quality, value, and
13 equity. Projects may deviate from the costs, fees, and expenses
14 provided in their project cost information for the project's
15 cost components, provided that the final total project cost
16 does not exceed the approved permit amount. Project alterations
17 shall not increase the total approved permit amount by more
18 than the limit set forth under the Board's rules.

19 Major construction projects, for the purposes of this Act,
20 shall include but are not limited to: projects for the
21 construction of new buildings; additions to existing
22 facilities; modernization projects whose cost is in excess of
23 \$1,000,000 or 10% of the facilities' operating revenue,
24 whichever is less; and such other projects as the State Board
25 shall define and prescribe pursuant to this Act.

26 ~~Permits for projects that have not been obligated within~~

1 ~~the prescribed obligation period shall expire on the last day~~
2 ~~of that period.~~

3 The acquisition by any person of major medical equipment
4 that will not be owned by or located in a health care facility
5 and that will not be used to provide services to inpatients of
6 a health care facility shall be exempt from review provided
7 that a notice is filed in accordance with exemption
8 requirements.

9 Notwithstanding any other provision of this Act, no permit
10 or exemption is required for the construction or modification
11 of a non-clinical service area of a health care facility.

12 (Source: P.A. 96-31, eff. 6-30-09; 97-1115, eff. 8-27-12.)

13 (20 ILCS 3960/12) (from Ch. 111 1/2, par. 1162)

14 (Section scheduled to be repealed on December 31, 2019)

15 Sec. 12. Powers and duties of State Board. For purposes of
16 this Act, the State Board shall exercise the following powers
17 and duties:

18 (1) Prescribe rules, regulations, standards, criteria,
19 procedures or reviews which may vary according to the purpose
20 for which a particular review is being conducted or the type of
21 project reviewed and which are required to carry out the
22 provisions and purposes of this Act. Policies and procedures of
23 the State Board shall take into consideration the priorities
24 and needs of medically underserved areas and other health care
25 services identified through the comprehensive health planning

1 process, giving special consideration to the impact of projects
2 on access to safety net services.

3 (2) Adopt procedures for public notice and hearing on all
4 proposed rules, regulations, standards, criteria, and plans
5 required to carry out the provisions of this Act.

6 (3) (Blank).

7 (4) Develop criteria and standards for health care
8 facilities planning, conduct statewide inventories of health
9 care facilities, maintain an updated inventory on the Board's
10 web site reflecting the most recent bed and service changes and
11 updated need determinations when new census data become
12 available or new need formulae are adopted, and develop health
13 care facility plans which shall be utilized in the review of
14 applications for permit under this Act. Such health facility
15 plans shall be coordinated by the Board with pertinent State
16 Plans. Inventories pursuant to this Section of skilled or
17 intermediate care facilities licensed under the Nursing Home
18 Care Act, skilled or intermediate care facilities licensed
19 under the ID/DD Community Care Act, facilities licensed under
20 the Specialized Mental Health Rehabilitation Act, or nursing
21 homes licensed under the Hospital Licensing Act shall be
22 conducted on an annual basis no later than July 1 of each year
23 and shall include among the information requested a list of all
24 services provided by a facility to its residents and to the
25 community at large and differentiate between active and
26 inactive beds.

1 In developing health care facility plans, the State Board
2 shall consider, but shall not be limited to, the following:

3 (a) The size, composition and growth of the population
4 of the area to be served;

5 (b) The number of existing and planned facilities
6 offering similar programs;

7 (c) The extent of utilization of existing facilities;

8 (d) The availability of facilities which may serve as
9 alternatives or substitutes;

10 (e) The availability of personnel necessary to the
11 operation of the facility;

12 (f) Multi-institutional planning and the establishment
13 of multi-institutional systems where feasible;

14 (g) The financial and economic feasibility of proposed
15 construction or modification; and

16 (h) In the case of health care facilities established
17 by a religious body or denomination, the needs of the
18 members of such religious body or denomination may be
19 considered to be public need.

20 The health care facility plans which are developed and
21 adopted in accordance with this Section shall form the basis
22 for the plan of the State to deal most effectively with
23 statewide health needs in regard to health care facilities.

24 (5) Coordinate with the Center for Comprehensive Health
25 Planning and other state agencies having responsibilities
26 affecting health care facilities, including those of licensure

1 and cost reporting. Beginning no later than January 1, 2013,
2 the Department of Public Health shall produce a written annual
3 report to the Governor and the General Assembly regarding the
4 development of the Center for Comprehensive Health Planning.
5 The Chairman of the State Board and the State Board
6 Administrator shall also receive a copy of the annual report.

7 (6) Solicit, accept, hold and administer on behalf of the
8 State any grants or bequests of money, securities or property
9 for use by the State Board or Center for Comprehensive Health
10 Planning in the administration of this Act; and enter into
11 contracts consistent with the appropriations for purposes
12 enumerated in this Act.

13 (7) The State Board shall prescribe procedures for review,
14 standards, and criteria which shall be utilized to make
15 periodic reviews and determinations of the appropriateness of
16 any existing health services being rendered by health care
17 facilities subject to the Act. The State Board shall consider
18 recommendations of the Board in making its determinations.

19 (8) Prescribe, in consultation with the Center for
20 Comprehensive Health Planning, rules, regulations, standards,
21 and criteria for the conduct of an expeditious review of
22 applications for permits for projects of construction or
23 modification of a health care facility, which projects are
24 classified as emergency, substantive, or non-substantive in
25 nature.

26 Six months after June 30, 2009 (the effective date of

1 Public Act 96-31), substantive projects shall include no more
2 than the following:

3 (a) Projects to construct (1) a new or replacement
4 facility located on a new site or (2) a replacement
5 facility located on the same site as the original facility
6 and the cost of the replacement facility exceeds the
7 capital expenditure minimum, which shall be reviewed by the
8 Board within 120 days;

9 (b) Projects proposing a (1) new service within an
10 existing healthcare facility or (2) discontinuation of a
11 service within an existing healthcare facility, which
12 shall be reviewed by the Board within 60 days; or

13 (c) Projects proposing a change in the bed capacity of
14 a health care facility by an increase in the total number
15 of beds or by a redistribution of beds among various
16 categories of service or by a relocation of beds from one
17 physical facility or site to another by more than 20 beds
18 or more than 10% of total bed capacity, as defined by the
19 State Board, whichever is less, over a 2-year period.

20 The Chairman may approve applications for exemption that
21 meet the criteria set forth in rules or refer them to the full
22 Board. The Chairman may approve any unopposed application that
23 meets all of the review criteria or refer them to the full
24 Board.

25 Such rules shall not abridge the right of the Center for
26 Comprehensive Health Planning to make recommendations on the

1 classification and approval of projects, nor shall such rules
2 prevent the conduct of a public hearing upon the timely request
3 of an interested party. Such reviews shall not exceed 60 days
4 from the date the application is declared to be complete.

5 (9) Prescribe rules, regulations, standards, and criteria
6 pertaining to the granting of permits for construction and
7 modifications which are emergent in nature and must be
8 undertaken immediately to prevent or correct structural
9 deficiencies or hazardous conditions that may harm or injure
10 persons using the facility, as defined in the rules and
11 regulations of the State Board. This procedure is exempt from
12 public hearing requirements of this Act.

13 (10) Prescribe rules, regulations, standards and criteria
14 for the conduct of an expeditious review, not exceeding 60
15 days, of applications for permits for projects to construct or
16 modify health care facilities which are needed for the care and
17 treatment of persons who have acquired immunodeficiency
18 syndrome (AIDS) or related conditions.

19 (11) Issue written decisions upon request of the applicant
20 or an adversely affected party to the Board ~~within 30 days of~~
21 ~~the meeting in which a final decision has been made.~~ Requests
22 for a written decision shall be made within 30 days after the
23 Board meeting in which a final decision has been made. A "final
24 decision" for purposes of this Act is the decision to approve
25 or deny an application, or take other actions permitted under
26 this Act, at the time and date of the meeting that such action

1 is scheduled by the Board. The staff of the ~~State~~ Board shall
2 prepare a written copy of the final decision and the ~~State~~
3 Board shall approve a final copy for inclusion in the formal
4 record. The Board shall consider, for approval, the written
5 draft of the final decision no later than the next scheduled
6 Board meeting. The written decision shall identify the
7 applicable criteria and factors listed in this Act and the
8 Board's regulations that were taken into consideration by the
9 Board when coming to a final decision. If the ~~State~~ Board
10 denies or fails to approve an application for permit or
11 exemption certificate, the ~~State~~ Board shall include in the
12 final decision a detailed explanation as to why the application
13 was denied and identify what specific criteria or standards the
14 applicant did not fulfill.

15 (12) Require at least one of its members to participate in
16 any public hearing, after the appointment of a majority of the
17 members to the Board.

18 (13) Provide a mechanism for the public to comment on, and
19 request changes to, draft rules and standards.

20 (14) Implement public information campaigns to regularly
21 inform the general public about the opportunity for public
22 hearings and public hearing procedures.

23 (15) Establish a separate set of rules and guidelines for
24 long-term care that recognizes that nursing homes are a
25 different business line and service model from other regulated
26 facilities. An open and transparent process shall be developed

1 that considers the following: how skilled nursing fits in the
2 continuum of care with other care providers, modernization of
3 nursing homes, establishment of more private rooms,
4 development of alternative services, and current trends in
5 long-term care services. The Chairman of the Board shall
6 appoint a permanent Health Services Review Board Long-term Care
7 Facility Advisory Subcommittee that shall develop and
8 recommend to the Board the rules to be established by the Board
9 under this paragraph (15). The Subcommittee shall also provide
10 continuous review and commentary on policies and procedures
11 relative to long-term care and the review of related projects.
12 In consultation with other experts from the health field of
13 long-term care, the Board and the Subcommittee shall study new
14 approaches to the current bed need formula and Health Service
15 Area boundaries to encourage flexibility and innovation in
16 design models reflective of the changing long-term care
17 marketplace and consumer preferences. The Subcommittee shall
18 evaluate, and make recommendations to the State Board
19 regarding, the buying, selling, and exchange of beds between
20 long-term care facilities within a specified geographic area or
21 drive time. The Board shall file the proposed related
22 administrative rules for the separate rules and guidelines for
23 long-term care required by this paragraph (15) by no later than
24 September 30, 2011. The Subcommittee shall be provided a
25 reasonable and timely opportunity to review and comment on any
26 review, revision, or updating of the criteria, standards,

1 procedures, and rules used to evaluate project applications as
2 provided under Section 12.3 of this Act.

3 (Source: P.A. 96-31, eff. 6-30-09; 96-339, eff. 7-1-10;
4 96-1000, eff. 7-2-10; 97-38, eff. 6-28-11; 97-227, eff. 1-1-12;
5 97-813, eff. 7-13-12; 97-1045, eff. 8-21-13; 97-1115, eff.
6 8-27-12; revised 10-11-12.)