

HB3139



99TH GENERAL ASSEMBLY

State of Illinois

2015 and 2016

HB3139

by Rep. David Harris

SYNOPSIS AS INTRODUCED:

See Index

Repeals the Illinois Health Facilities Planning Act and abolishes the Health Facilities and Services Review Board. Repeals the Health Care Worker Self-Referral Act. Amends various other Acts to eliminate references to the Board or the Act.

LRB099 07883 JLK 28023 b

A BILL FOR

1 AN ACT concerning State agencies.

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

4 Section 5. The Open Meetings Act is amended by changing
5 Section 1.02 as follows:

6 (5 ILCS 120/1.02) (from Ch. 102, par. 41.02)

7 Sec. 1.02. For the purposes of this Act:

8 "Meeting" means any gathering, whether in person or by
9 video or audio conference, telephone call, electronic means
10 (such as, without limitation, electronic mail, electronic
11 chat, and instant messaging), or other means of contemporaneous
12 interactive communication, of a majority of a quorum of the
13 members of a public body held for the purpose of discussing
14 public business or, for a 5-member public body, a quorum of the
15 members of a public body held for the purpose of discussing
16 public business.

17 Accordingly, for a 5-member public body, 3 members of the
18 body constitute a quorum and the affirmative vote of 3 members
19 is necessary to adopt any motion, resolution, or ordinance,
20 unless a greater number is otherwise required.

21 "Public body" includes all legislative, executive,
22 administrative or advisory bodies of the State, counties,
23 townships, cities, villages, incorporated towns, school

1 districts and all other municipal corporations, boards,
2 bureaus, committees or commissions of this State, and any
3 subsidiary bodies of any of the foregoing including but not
4 limited to committees and subcommittees which are supported in
5 whole or in part by tax revenue, or which expend tax revenue,
6 except the General Assembly and committees or commissions
7 thereof. "Public body" includes tourism boards and convention
8 or civic center boards located in counties that are contiguous
9 to the Mississippi River with populations of more than 250,000
10 but less than 300,000. ~~"Public body" includes the Health~~
11 ~~Facilities and Services Review Board.~~ "Public body" does not
12 include a child death review team or the Illinois Child Death
13 Review Teams Executive Council established under the Child
14 Death Review Team Act, an ethics commission acting under the
15 State Officials and Employees Ethics Act, a regional youth
16 advisory board or the Statewide Youth Advisory Board
17 established under the Department of Children and Family
18 Services Statewide Youth Advisory Board Act, or the Illinois
19 Independent Tax Tribunal.

20 (Source: P.A. 97-1129, eff. 8-28-12; 98-806, eff. 1-1-15.)

21 Section 10. The State Officials and Employees Ethics Act is
22 amended by changing Section 5-50 as follows:

23 (5 ILCS 430/5-50)

24 Sec. 5-50. Ex parte communications; special government

1 agents.

2 (a) This Section applies to ex parte communications made to
3 any agency listed in subsection (e).

4 (b) "Ex parte communication" means any written or oral
5 communication by any person that imparts or requests material
6 information or makes a material argument regarding potential
7 action concerning regulatory, quasi-adjudicatory, investment,
8 or licensing matters pending before or under consideration by
9 the agency. "Ex parte communication" does not include the
10 following: (i) statements by a person publicly made in a public
11 forum; (ii) statements regarding matters of procedure and
12 practice, such as format, the number of copies required, the
13 manner of filing, and the status of a matter; and (iii)
14 statements made by a State employee of the agency to the agency
15 head or other employees of that agency.

16 (b-5) An ex parte communication received by an agency,
17 agency head, or other agency employee from an interested party
18 or his or her official representative or attorney shall
19 promptly be memorialized and made a part of the record.

20 (c) An ex parte communication received by any agency,
21 agency head, or other agency employee, other than an ex parte
22 communication described in subsection (b-5), shall immediately
23 be reported to that agency's ethics officer by the recipient of
24 the communication and by any other employee of that agency who
25 responds to the communication. The ethics officer shall require
26 that the ex parte communication be promptly made a part of the

1 record. The ethics officer shall promptly file the ex parte
2 communication with the Executive Ethics Commission, including
3 all written communications, all written responses to the
4 communications, and a memorandum prepared by the ethics officer
5 stating the nature and substance of all oral communications,
6 the identity and job title of the person to whom each
7 communication was made, all responses made, the identity and
8 job title of the person making each response, the identity of
9 each person from whom the written or oral ex parte
10 communication was received, the individual or entity
11 represented by that person, any action the person requested or
12 recommended, and any other pertinent information. The
13 disclosure shall also contain the date of any ex parte
14 communication.

15 (d) "Interested party" means a person or entity whose
16 rights, privileges, or interests are the subject of or are
17 directly affected by a regulatory, quasi-adjudicatory,
18 investment, or licensing matter.

19 (e) This Section applies to the following agencies:

20 Executive Ethics Commission

21 Illinois Commerce Commission

22 Educational Labor Relations Board

23 State Board of Elections

24 Illinois Gaming Board

25 ~~Health Facilities and Services Review Board~~

26 Illinois Workers' Compensation Commission

1 Illinois Labor Relations Board
2 Illinois Liquor Control Commission
3 Pollution Control Board
4 Property Tax Appeal Board
5 Illinois Racing Board
6 Illinois Purchased Care Review Board
7 Department of State Police Merit Board
8 Motor Vehicle Review Board
9 Prisoner Review Board
10 Civil Service Commission
11 Personnel Review Board for the Treasurer
12 Merit Commission for the Secretary of State
13 Merit Commission for the Office of the Comptroller
14 Court of Claims
15 Board of Review of the Department of Employment Security
16 Department of Insurance
17 Department of Professional Regulation and licensing boards
18 under the Department
19 Department of Public Health and licensing boards under the
20 Department
21 Office of Banks and Real Estate and licensing boards under
22 the Office
23 State Employees Retirement System Board of Trustees
24 Judges Retirement System Board of Trustees
25 General Assembly Retirement System Board of Trustees
26 Illinois Board of Investment

1 State Universities Retirement System Board of Trustees

2 Teachers Retirement System Officers Board of Trustees

3 (f) Any person who fails to (i) report an ex parte
4 communication to an ethics officer, (ii) make information part
5 of the record, or (iii) make a filing with the Executive Ethics
6 Commission as required by this Section or as required by
7 Section 5-165 of the Illinois Administrative Procedure Act
8 violates this Act.

9 (Source: P.A. 95-331, eff. 8-21-07; 96-31, eff. 6-30-09.)

10 Section 15. The Department of Public Health Powers and
11 Duties Law of the Civil Administrative Code of Illinois is
12 amended by changing Sections 2310-217 and 2310-640 as follows:

13 (20 ILCS 2310/2310-217)

14 Sec. 2310-217. Center for Comprehensive Health Planning.

15 (a) The Center for Comprehensive Health Planning
16 ("Center") is hereby created to promote the distribution of
17 health care services and improve the healthcare delivery system
18 in Illinois by establishing a statewide Comprehensive Health
19 Plan ~~and ensuring a predictable, transparent, and efficient~~
20 ~~Certificate of Need process under the Illinois Health~~
21 ~~Facilities Planning Act.~~ The objectives of the Comprehensive
22 Health Plan include: to assess existing community resources and
23 determine health care needs; to support safety net services for
24 uninsured and underinsured residents; to promote adequate

1 financing for health care services; and to recognize and
2 respond to changes in community health care needs, including
3 public health emergencies and natural disasters. The Center
4 shall comprehensively assess health and mental health
5 services; assess health needs with a special focus on the
6 identification of health disparities; identify State-level and
7 regional needs; and make findings that identify the impact of
8 market forces on the access to high quality services for
9 uninsured and underinsured residents. The Center shall conduct
10 a biennial comprehensive assessment of health resources and
11 service needs, including, but not limited to, facilities,
12 clinical services, and workforce; conduct needs assessments
13 using key indicators of population health status and
14 determinations of potential benefits that could occur with
15 certain changes in the health care delivery system; collect and
16 analyze relevant, objective, and accurate data, including
17 health care utilization data; identify issues related to health
18 care financing such as revenue streams, federal opportunities,
19 better utilization of existing resources, development of
20 resources, and incentives for new resource development;
21 evaluate findings by the needs assessments; and annually report
22 to the General Assembly and the public.

23 The Illinois Department of Public Health shall establish a
24 Center for Comprehensive Health Planning to develop a
25 long-range Comprehensive Health Plan, which Plan shall guide
26 the development of clinical services, facilities, and

1 workforce that meet the health and mental health care needs of
2 this State.

3 (b) Center for Comprehensive Health Planning.

4 (1) Responsibilities and duties of the Center include:

5 (A) (blank) ~~providing technical assistance to the~~
6 ~~Health Facilities and Services Review Board to permit~~
7 ~~that Board to apply relevant components of the~~
8 ~~Comprehensive Health Plan in its deliberations;~~

9 (B) attempting to identify unmet health needs and
10 assist in any inter-agency State planning for health
11 resource development;

12 (C) considering health plans and other related
13 publications that have been developed in Illinois and
14 nationally;

15 (D) establishing priorities and recommend methods
16 for meeting identified health service, facilities, and
17 workforce needs. Plan recommendations shall be
18 short-term, mid-term, and long-range;

19 (E) conducting an analysis regarding the
20 availability of long-term care resources throughout
21 the State, using data and plans developed under the
22 Illinois Older Adult Services Act, to adjust existing
23 bed need criteria and standards ~~under the Health~~
24 ~~Facilities Planning Act~~ for changes in utilization of
25 institutional and non-institutional care options, with
26 special consideration of the availability of the

1 least-restrictive options in accordance with the needs
2 and preferences of persons requiring long-term care;
3 and

4 (F) considering and recognizing health resource
5 development projects or information on methods by
6 which a community may receive benefit, that are
7 consistent with health resource needs identified
8 through the comprehensive health planning process.

9 (2) A Comprehensive Health Planner shall be appointed
10 by the Governor, with the advice and consent of the Senate,
11 to supervise the Center and its staff for a paid 3-year
12 term, subject to review and re-approval every 3 years. The
13 Planner shall receive an annual salary of \$120,000, or an
14 amount set by the Compensation Review Board, whichever is
15 greater. The Planner shall prepare a budget for review and
16 approval by the Illinois General Assembly, which shall
17 become part of the annual report available on the
18 Department website.

19 (c) Comprehensive Health Plan.

20 (1) The Plan shall be developed with a 5 to 10 year
21 range, and updated every 2 years, or annually, if needed.

22 (2) Components of the Plan shall include:

23 (A) an inventory to map the State for growth,
24 population shifts, and utilization of available
25 healthcare resources, using both State-level and
26 regionally defined areas;

1 (B) an evaluation of health service needs,
2 addressing gaps in service, over-supply, and
3 continuity of care, including an assessment of
4 existing safety net services;

5 (C) an inventory of health care facility
6 infrastructure, including regulated facilities and
7 services, and unregulated facilities and services, as
8 determined by the Center;

9 (D) recommendations on ensuring access to care,
10 especially for safety net services, including rural
11 and medically underserved communities; and

12 (E) an integration between health planning for
13 clinical services, facilities and workforce ~~under the~~
14 ~~Illinois Health Facilities Planning Act~~ and other
15 health planning laws and activities of the State.

16 (3) (Blank). ~~Components of the Plan may include~~
17 ~~recommendations that will be integrated into any relevant~~
18 ~~certificate of need review criteria, standards, and~~
19 ~~procedures.~~

20 (d) Within 60 days of receiving the Comprehensive Health
21 Plan, the State Board of Health shall review and comment upon
22 the Plan and any policy change recommendations. The first Plan
23 shall be submitted to the State Board of Health within one year
24 after hiring the Comprehensive Health Planner. The Plan shall
25 be submitted to the General Assembly by the following March 1.
26 The Center and State Board shall hold public hearings on the

1 Plan and its updates. The Center shall permit the public to
2 request the Plan to be updated more frequently to address
3 emerging population and demographic trends.

4 (e) Current comprehensive health planning data and
5 information about Center funding shall be available to the
6 public on the Department website.

7 (f) The Department shall submit to a performance audit of
8 the Center by the Auditor General in order to assess whether
9 progress is being made to develop a Comprehensive Health Plan
10 and whether resources are sufficient to meet the goals of the
11 Center for Comprehensive Health Planning.

12 (Source: P.A. 96-31, eff. 6-30-09.)

13 (20 ILCS 2310/2310-640)

14 Sec. 2310-640. Hospital Capital Investment Program.

15 (a) Subject to appropriation, the Department shall
16 establish and administer a program to award capital grants to
17 Illinois hospitals licensed under the Hospital Licensing Act.
18 Grants awarded under this program shall only be used to fund
19 capital projects to improve or renovate the hospital's facility
20 or to improve, replace or acquire the hospital's equipment or
21 technology. Such projects may include, but are not limited to,
22 projects to satisfy any building code, safety standard or life
23 safety code; projects to maintain, improve, renovate, expand or
24 construct buildings or structures; projects to maintain,
25 establish or improve health information technology; or

1 projects to maintain or improve patient safety, quality of care
2 or access to care.

3 The Department shall establish rules necessary to
4 implement the Hospital Capital Investment Program, including
5 application standards, requirements for the distribution and
6 obligation of grant funds, accounting for the use of the funds,
7 reporting the status of funded projects, and standards for
8 monitoring compliance with standards. In awarding grants under
9 this Section, the Department shall consider criteria that
10 include but are not limited to: the financial requirements of
11 the project and the extent to which the grant makes it possible
12 to implement the project; the proposed project's likely benefit
13 in terms of patient safety or quality of care; and the proposed
14 project's likely benefit in terms of maintaining or improving
15 access to care.

16 The Department shall approve a hospital's eligibility for a
17 hospital capital investment grant pursuant to the standards
18 established by this Section. The Department shall determine
19 eligible project costs, including but not limited to the use of
20 funds for the acquisition, development, construction,
21 reconstruction, rehabilitation, improvement, architectural
22 planning, engineering, and installation of capital facilities
23 consisting of buildings, structures, technology and durable
24 equipment for hospital purposes. No portion of a hospital
25 capital investment grant awarded by the Department may be used
26 by a hospital to pay for any on-going operational costs, pay

1 outstanding debt, or be allocated to an endowment or other
2 invested fund.

3 ~~Nothing in this Section shall exempt nor relieve any~~
4 ~~hospital receiving a grant under this Section from any~~
5 ~~requirement of the Illinois Health Facilities Planning Act.~~

6 (b) Safety Net Hospital Grants. The Department shall make
7 capital grants to hospitals eligible for safety net hospital
8 grants under this subsection. The total amount of grants to any
9 individual hospital shall be no less than \$2,500,000 and no
10 more than \$7,000,000. The total amount of grants to hospitals
11 under this subsection shall not exceed \$100,000,000. Hospitals
12 that satisfy one of the following criteria shall be eligible to
13 apply for safety net hospital grants:

14 (1) Any general acute care hospital located in a county
15 of over 3,000,000 inhabitants that has a Medicaid inpatient
16 utilization rate for the rate year beginning on October 1,
17 2008 greater than 43%, that is not affiliated with a
18 hospital system that owns or operates more than 3
19 hospitals, and that has more than 13,500 Medicaid inpatient
20 days.

21 (2) Any general acute care hospital that is located in
22 a county of more than 3,000,000 inhabitants and has a
23 Medicaid inpatient utilization rate for the rate year
24 beginning on October 1, 2008 greater than 55% and has
25 authorized beds for the obstetric-gynecology category of
26 service as reported in the 2008 Annual Hospital Bed Report,

1 issued by the Illinois Department of Public Health.

2 (3) Any hospital that is defined in 89 Illinois
3 Administrative Code Section 149.50(c)(3)(A) and that has
4 less than 20,000 Medicaid inpatient days.

5 (4) Any general acute care hospital that is located in
6 a county of less than 3,000,000 inhabitants and has a
7 Medicaid inpatient utilization rate for the rate year
8 beginning on October 1, 2008 greater than 64%.

9 (5) Any general acute care hospital that is located in
10 a county of over 3,000,000 inhabitants and a city of less
11 than 1,000,000 inhabitants, that has a Medicaid inpatient
12 utilization rate for the rate year beginning on October 1,
13 2008 greater than 22%, that has more than 12,000 Medicaid
14 inpatient days, and that has a case mix index greater than
15 0.71.

16 (c) Community Hospital Grants. The Department shall make a
17 one-time capital grant to any public or not-for-profit
18 hospitals located in counties of less than 3,000,000
19 inhabitants that are not otherwise eligible for a grant under
20 subsection (b) of this Section and that have a Medicaid
21 inpatient utilization rate for the rate year beginning on
22 October 1, 2008 of at least 10%. The total amount of grants
23 under this subsection shall not exceed \$50,000,000. This grant
24 shall be the sum of the following payments:

25 (1) For each acute care hospital, a base payment of:

26 (i) \$170,000 if it is located in an urban area; or

1 (ii) \$340,000 if it is located in a rural area.

2 (2) A payment equal to the product of \$45 multiplied by
3 total Medicaid inpatient days for each hospital.

4 (d) Annual report. The Department of Public Health shall
5 prepare and submit to the Governor and the General Assembly an
6 annual report by January 1 of each year regarding its
7 administration of the Hospital Capital Investment Program,
8 including an overview of the program and information about the
9 specific purpose and amount of each grant and the status of
10 funded projects. ~~The report shall include information as to
11 whether each project is subject to and authorized under the
12 Illinois Health Facilities Planning Act, if applicable.~~

13 (e) Definitions. As used in this Section, the following
14 terms shall be defined as follows:

15 "General acute care hospital" shall have the same meaning
16 as general acute care hospital in Section 5A-12.2 of the
17 Illinois Public Aid Code.

18 "Hospital" shall have the same meaning as defined in
19 Section 3 of the Hospital Licensing Act, but in no event shall
20 it include a hospital owned or operated by a State agency, a
21 State university, or a county with a population of 3,000,000 or
22 more.

23 "Medicaid inpatient day" shall have the same meaning as
24 defined in Section 5A-12.2(n) of the Illinois Public Aid Code.

25 "Medicaid inpatient utilization rate" shall have the same
26 meaning as provided in Title 89, Chapter I, subchapter d, Part

1 148, Section 148.120 of the Illinois Administrative Code.

2 "Rural" shall have the same meaning as provided in Title
3 89, Chapter I, subchapter d, Part 148, Section 148.25(g) (3) of
4 the Illinois Administrative Code.

5 "Urban" shall have the same meaning as provided in Title
6 89, Chapter I, subchapter d, Part 148, Section 148.25(g) (4) of
7 the Illinois Administrative Code.

8 (Source: P.A. 96-37, eff. 7-13-09; 96-1000, eff. 7-2-10.)

9 (20 ILCS 3960/Act rep.)

10 Section 20. The Illinois Health Facilities Planning Act is
11 repealed.

12 (20 ILCS 4050/15 rep.)

13 Section 25. The Hospital Basic Services Preservation Act is
14 amended by repealing Section 15.

15 Section 30. The Illinois State Auditing Act is amended by
16 changing Section 3-1 as follows:

17 (30 ILCS 5/3-1) (from Ch. 15, par. 303-1)

18 Sec. 3-1. Jurisdiction of Auditor General. The Auditor
19 General has jurisdiction over all State agencies to make post
20 audits and investigations authorized by or under this Act or
21 the Constitution.

22 The Auditor General has jurisdiction over local government

1 agencies and private agencies only:

2 (a) to make such post audits authorized by or under
3 this Act as are necessary and incidental to a post audit of
4 a State agency or of a program administered by a State
5 agency involving public funds of the State, but this
6 jurisdiction does not include any authority to review local
7 governmental agencies in the obligation, receipt,
8 expenditure or use of public funds of the State that are
9 granted without limitation or condition imposed by law,
10 other than the general limitation that such funds be used
11 for public purposes;

12 (b) to make investigations authorized by or under this
13 Act or the Constitution; and

14 (c) to make audits of the records of local government
15 agencies to verify actual costs of state-mandated programs
16 when directed to do so by the Legislative Audit Commission
17 at the request of the State Board of Appeals under the
18 State Mandates Act.

19 In addition to the foregoing, the Auditor General may
20 conduct an audit of the Metropolitan Pier and Exposition
21 Authority, the Regional Transportation Authority, the Suburban
22 Bus Division, the Commuter Rail Division and the Chicago
23 Transit Authority and any other subsidized carrier when
24 authorized by the Legislative Audit Commission. Such audit may
25 be a financial, management or program audit, or any combination
26 thereof.

1 The audit shall determine whether they are operating in
2 accordance with all applicable laws and regulations. Subject to
3 the limitations of this Act, the Legislative Audit Commission
4 may by resolution specify additional determinations to be
5 included in the scope of the audit.

6 In addition to the foregoing, the Auditor General must also
7 conduct a financial audit of the Illinois Sports Facilities
8 Authority's expenditures of public funds in connection with the
9 reconstruction, renovation, remodeling, extension, or
10 improvement of all or substantially all of any existing
11 "facility", as that term is defined in the Illinois Sports
12 Facilities Authority Act.

13 The Auditor General may also conduct an audit, when
14 authorized by the Legislative Audit Commission, of any hospital
15 which receives 10% or more of its gross revenues from payments
16 from the State of Illinois, Department of Healthcare and Family
17 Services (formerly Department of Public Aid), Medical
18 Assistance Program.

19 The Auditor General is authorized to conduct financial and
20 compliance audits of the Illinois Distance Learning Foundation
21 and the Illinois Conservation Foundation.

22 As soon as practical after the effective date of this
23 amendatory Act of 1995, the Auditor General shall conduct a
24 compliance and management audit of the City of Chicago and any
25 other entity with regard to the operation of Chicago O'Hare
26 International Airport, Chicago Midway Airport and Merrill C.

1 Meigs Field. The audit shall include, but not be limited to, an
2 examination of revenues, expenses, and transfers of funds;
3 purchasing and contracting policies and practices; staffing
4 levels; and hiring practices and procedures. When completed,
5 the audit required by this paragraph shall be distributed in
6 accordance with Section 3-14.

7 The Auditor General shall conduct a financial and
8 compliance and program audit of distributions from the
9 Municipal Economic Development Fund during the immediately
10 preceding calendar year pursuant to Section 8-403.1 of the
11 Public Utilities Act at no cost to the city, village, or
12 incorporated town that received the distributions.

13 ~~The Auditor General must conduct an audit of the Health~~
14 ~~Facilities and Services Review Board pursuant to Section 19.5~~
15 ~~of the Illinois Health Facilities Planning Act.~~

16 The Auditor General of the State of Illinois shall annually
17 conduct or cause to be conducted a financial and compliance
18 audit of the books and records of any county water commission
19 organized pursuant to the Water Commission Act of 1985 and
20 shall file a copy of the report of that audit with the Governor
21 and the Legislative Audit Commission. The filed audit shall be
22 open to the public for inspection. The cost of the audit shall
23 be charged to the county water commission in accordance with
24 Section 6z-27 of the State Finance Act. The county water
25 commission shall make available to the Auditor General its
26 books and records and any other documentation, whether in the

1 possession of its trustees or other parties, necessary to
2 conduct the audit required. These audit requirements apply only
3 through July 1, 2007.

4 The Auditor General must conduct audits of the Rend Lake
5 Conservancy District as provided in Section 25.5 of the River
6 Conservancy Districts Act.

7 The Auditor General must conduct financial audits of the
8 Southeastern Illinois Economic Development Authority as
9 provided in Section 70 of the Southeastern Illinois Economic
10 Development Authority Act.

11 The Auditor General shall conduct a compliance audit in
12 accordance with subsections (d) and (f) of Section 30 of the
13 Innovation Development and Economy Act.

14 (Source: P.A. 95-331, eff. 8-21-07; 96-31, eff. 6-30-09;
15 96-939, eff. 6-24-10.)

16 (30 ILCS 105/5.213 rep.) (from Ch. 127, par. 141.213)

17 Section 35. The State Finance Act is amended by repealing
18 Section 5.213.

19 Section 40. The Hospital District Law is amended by
20 changing Section 15 as follows:

21 (70 ILCS 910/15) (from Ch. 23, par. 1265)

22 Sec. 15. A Hospital District shall constitute a municipal
23 corporation and body politic separate and apart from any other

1 municipality, the State of Illinois or any other public or
2 governmental agency and shall have and exercise the following
3 governmental powers, and all other powers incidental,
4 necessary, convenient, or desirable to carry out and effectuate
5 such express powers.

6 1. To establish and maintain a hospital and hospital
7 facilities within or outside its corporate limits, and to
8 construct, acquire, develop, expand, extend and improve any
9 such hospital or hospital facility. If a Hospital District
10 utilizes its authority to levy a tax pursuant to Section 20 of
11 this Act for the purpose of establishing and maintaining
12 hospitals or hospital facilities, such District shall be
13 prohibited from establishing and maintaining hospitals or
14 hospital facilities located outside of its district unless so
15 authorized by referendum. To approve the provision of any
16 service and to approve any contract or other arrangement not
17 prohibited by a hospital licensed under the Hospital Licensing
18 Act, incorporated under the General Not-For-Profit Corporation
19 Act, and exempt from taxation under paragraph (3) of subsection
20 (c) of Section 501 of the Internal Revenue Code.

21 2. To acquire land in fee simple, rights in land and
22 easements upon, over or across land and leasehold interests in
23 land and tangible and intangible personal property used or
24 useful for the location, establishment, maintenance,
25 development, expansion, extension or improvement of any such
26 hospital or hospital facility. Such acquisition may be by

1 dedication, purchase, gift, agreement, lease, use or adverse
2 possession or by condemnation.

3 3. To operate, maintain and manage such hospital and
4 hospital facility, and to make and enter into contracts for the
5 use, operation or management of and to provide rules and
6 regulations for the operation, management or use of such
7 hospital or hospital facility.

8 Such contracts may include the lease by the District of all
9 or any portion of its facilities to a not-for-profit
10 corporation organized by the District's board of directors. The
11 rent to be paid pursuant to any such lease shall be in an
12 amount deemed appropriate by the board of directors. Any of the
13 remaining assets which are not the subject of such a lease may
14 be conveyed and transferred to the not-for-profit corporation
15 organized by the District's board of directors provided that
16 the not-for-profit corporation agrees to discharge or assume
17 such debts, liabilities, and obligations of the District as
18 determined to be appropriate by the District's board of
19 directors.

20 4. To fix, charge and collect reasonable fees and
21 compensation for the use or occupancy of such hospital or any
22 part thereof, or any hospital facility, and for nursing care,
23 medicine, attendance, or other services furnished by such
24 hospital or hospital facilities, according to the rules and
25 regulations prescribed by the board from time to time.

26 5. To borrow money and to issue general obligation bonds,

1 revenue bonds, notes, certificates, or other evidences of
2 indebtedness for the purpose of accomplishing any of its
3 corporate purposes, subject to compliance with any conditions
4 or limitations set forth in this Act ~~or the Health Facilities~~
5 ~~Planning Act~~ or otherwise provided by the constitution of the
6 State of Illinois and to execute, deliver, and perform
7 mortgages and security agreements to secure such borrowing.

8 6. To employ or enter into contracts for the employment of
9 any person, firm, or corporation, and for professional
10 services, necessary or desirable for the accomplishment of the
11 corporate objects of the District or the proper administration,
12 management, protection or control of its property.

13 7. To maintain such hospital for the benefit of the
14 inhabitants of the area comprising the District who are sick,
15 injured, or maimed regardless of race, creed, religion, sex,
16 national origin or color, and to adopt such reasonable rules
17 and regulations as may be necessary to render the use of the
18 hospital of the greatest benefit to the greatest number; to
19 exclude from the use of the hospital all persons who wilfully
20 disregard any of the rules and regulations so established; to
21 extend the privileges and use of the hospital to persons
22 residing outside the area of the District upon such terms and
23 conditions as the board of directors prescribes by its rules
24 and regulations.

25 8. To police its property and to exercise police powers in
26 respect thereto or in respect to the enforcement of any rule or

1 regulation provided by the ordinances of the District and to
2 employ and commission police officers and other qualified
3 persons to enforce the same.

4 The use of any such hospital or hospital facility of a
5 District shall be subject to the reasonable regulation and
6 control of the District and upon such reasonable terms and
7 conditions as shall be established by its board of directors.

8 A regulatory ordinance of a District adopted under any
9 provision of this Section may provide for a suspension or
10 revocation of any rights or privileges within the control of
11 the District for a violation of any such regulatory ordinance.

12 Nothing in this Section or in other provisions of this Act
13 shall be construed to authorize the District or board to
14 establish or enforce any regulation or rule in respect to
15 hospitalization or in the operation or maintenance of such
16 hospital or any hospital facilities within its jurisdiction
17 which is in conflict with any federal or state law or
18 regulation applicable to the same subject matter.

19 9. To provide for the benefit of its employees group life,
20 health, accident, hospital and medical insurance, or any
21 combination of such types of insurance, and to further provide
22 for its employees by the establishment of a pension or
23 retirement plan or system; to effectuate the establishment of
24 any such insurance program or pension or retirement plan or
25 system, a Hospital District may make, enter into or subscribe
26 to agreements, contracts, policies or plans with private

1 insurance companies. Such insurance may include provisions for
2 employees who rely on treatment by spiritual means alone
3 through prayer for healing in accord with the tenets and
4 practice of a well-recognized religious denomination. The
5 board of directors of a Hospital District may provide for
6 payment by the District of a portion of the premium or charge
7 for such insurance or for a pension or retirement plan for
8 employees with the employee paying the balance of such premium
9 or charge. If the board of directors of a Hospital District
10 undertakes a plan pursuant to which the Hospital District pays
11 a portion of such premium or charge, the board shall provide
12 for the withholding and deducting from the compensation of such
13 employees as consent to joining such insurance program or
14 pension or retirement plan or system, the balance of the
15 premium or charge for such insurance or plan or system.

16 If the board of directors of a Hospital District does not
17 provide for a program or plan pursuant to which such District
18 pays a portion of the premium or charge for any group insurance
19 program or pension or retirement plan or system, the board may
20 provide for the withholding and deducting from the compensation
21 of such employees as consent thereto the premium or charge for
22 any group life, health, accident, hospital and medical
23 insurance or for any pension or retirement plan or system.

24 A Hospital District deducting from the compensation of its
25 employees for any group insurance program or pension or
26 retirement plan or system, pursuant to this Section, may agree

1 to receive and may receive reimbursement from the insurance
2 company for the cost of withholding and transferring such
3 amount to the company.

4 10. Except as provided in Section 15.3, to sell at public
5 auction or by sealed bid and convey any real estate held by the
6 District which the board of directors, by ordinance adopted by
7 at least 2/3rds of the members of the board then holding
8 office, has determined to be no longer necessary or useful to,
9 or for the best interests of, the District.

10 An ordinance directing the sale of real estate shall
11 include the legal description of the real estate, its present
12 use, a statement that the property is no longer necessary or
13 useful to, or for the best interests of, the District, the
14 terms and conditions of the sale, whether the sale is to be at
15 public auction or sealed bid, and the date, time, and place the
16 property is to be sold at auction or sealed bids opened.

17 Before making a sale by virtue of the ordinance, the board
18 of directors shall cause notice of the proposal to sell to be
19 published once each week for 3 successive weeks in a newspaper
20 published, or, if none is published, having a general
21 circulation, in the district, the first publication to be not
22 less than 30 days before the day provided in the notice for the
23 public sale or opening of bids for the real estate.

24 The notice of the proposal to sell shall include the same
25 information included in the ordinance directing the sale and
26 shall advertise for bids therefor. A sale of property by public

1 auction shall be held at the property to be sold at a time and
2 date determined by the board of directors. The board of
3 directors may accept the high bid or any other bid determined
4 to be in the best interests of the district by a vote of 2/3rds
5 of the board then holding office, but by a majority vote of
6 those holding office, they may reject any and all bids.

7 The chairman and secretary of the board of directors shall
8 execute all documents necessary for the conveyance of such real
9 property sold pursuant to the foregoing authority.

10 11. To establish and administer a program of loans for
11 postsecondary students pursuing degrees in accredited public
12 health-related educational programs at public institutions of
13 higher education. If a student is awarded a loan, the
14 individual shall agree to accept employment within the hospital
15 district upon graduation from the public institution of higher
16 education. For the purposes of this Act, "public institutions
17 of higher education" means the University of Illinois; Southern
18 Illinois University; Chicago State University; Eastern
19 Illinois University; Governors State University; Illinois
20 State University; Northeastern Illinois University; Northern
21 Illinois University; Western Illinois University; the public
22 community colleges of the State; and any other public colleges,
23 universities or community colleges now or hereafter
24 established or authorized by the General Assembly. The
25 district's board of directors shall by resolution provide for
26 eligibility requirements, award criteria, terms of financing,

1 duration of employment accepted within the district and such
2 other aspects of the loan program as its establishment and
3 administration may necessitate.

4 12. To establish and maintain congregate housing units; to
5 acquire land in fee simple and leasehold interests in land for
6 the location, establishment, maintenance, and development of
7 those housing units; to borrow funds and give debt instruments,
8 real estate mortgages, and security interests in personal
9 property, contract rights, and general intangibles; and to
10 enter into any contract required for participation in any
11 federal or State programs.

12 (Source: P.A. 92-534, eff. 5-14-02; 92-611, eff. 7-3-02.)

13 Section 45. The Alternative Health Care Delivery Act is
14 amended by changing Sections 20, 30, and 36.5 as follows:

15 (210 ILCS 3/20)

16 Sec. 20. Board responsibilities. The State Board of Health
17 shall have the responsibilities set forth in this Section.

18 (a) The Board shall investigate new health care delivery
19 models and recommend to the Governor and the General Assembly,
20 through the Department, those models that should be authorized
21 as alternative health care models for which demonstration
22 programs should be initiated. In its deliberations, the Board
23 shall use the following criteria:

24 (1) The feasibility of operating the model in Illinois,

1 based on a review of the experience in other states
2 including the impact on health professionals of other
3 health care programs or facilities.

4 (2) The potential of the model to meet an unmet need.

5 (3) The potential of the model to reduce health care
6 costs to consumers, costs to third party payors, and
7 aggregate costs to the public.

8 (4) The potential of the model to maintain or improve
9 the standards of health care delivery in some measurable
10 fashion.

11 (5) The potential of the model to provide increased
12 choices or access for patients.

13 (b) The Board shall evaluate and make recommendations to
14 the Governor and the General Assembly, through the Department,
15 regarding alternative health care model demonstration programs
16 established under this Act, at the midpoint and end of the
17 period of operation of the demonstration programs. The report
18 shall include, at a minimum, the following:

19 (1) Whether the alternative health care models
20 improved access to health care for their service
21 populations in the State.

22 (2) The quality of care provided by the alternative
23 health care models as may be evidenced by health outcomes,
24 surveillance reports, and administrative actions taken by
25 the Department.

26 (3) The cost and cost effectiveness to the public,

1 third-party payors, and government of the alternative
2 health care models, including the impact of pilot programs
3 on aggregate health care costs in the area. In addition to
4 any other information collected by the Board under this
5 Section, the Board shall collect from postsurgical
6 recovery care centers uniform billing data substantially
7 the same as specified in Section 4-2(e) of the Illinois
8 Health Finance Reform Act. To facilitate its evaluation of
9 that data, the Board shall forward a copy of the data to
10 the Illinois Health Care Cost Containment Council. All
11 patient identifiers shall be removed from the data before
12 it is submitted to the Board or Council.

13 (4) The impact of the alternative health care models on
14 the health care system in that area, including changing
15 patterns of patient demand and utilization, financial
16 viability, and feasibility of operation of service in
17 inpatient and alternative models in the area.

18 (5) The implementation by alternative health care
19 models of any special commitments made during application
20 review ~~to the Health Facilities and Services Review Board.~~

21 (6) The continuation, expansion, or modification of
22 the alternative health care models.

23 (c) The Board shall advise the Department on the definition
24 and scope of alternative health care models demonstration
25 programs.

26 (d) In carrying out its responsibilities under this

1 Section, the Board shall seek the advice of other Department
2 advisory boards or committees that may be impacted by the
3 alternative health care model or the proposed model of health
4 care delivery. The Board shall also seek input from other
5 interested parties, which may include holding public hearings.

6 (e) The Board shall otherwise advise the Department on the
7 administration of the Act as the Board deems appropriate.

8 (Source: P.A. 96-31, eff. 6-30-09.)

9 (210 ILCS 3/30)

10 Sec. 30. Demonstration program requirements. The
11 requirements set forth in this Section shall apply to
12 demonstration programs.

13 (a) (Blank).

14 (a-5) (Blank). ~~There shall be no more than the total number~~
15 ~~of postsurgical recovery care centers with a certificate of~~
16 ~~need for beds as of January 1, 2008.~~

17 (a-10) There shall be no more than a total of 9 children's
18 community-based health care center alternative health care
19 models in the demonstration program, which shall be located as
20 follows:

21 (1) Two in the City of Chicago.

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

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

25 (4) A total of 2 in municipalities with a population of

1 50,000 or more and not located in the areas described in
2 paragraphs (1), (2), or (3).

3 (5) A total of 2 in rural areas, as defined by the
4 ~~Health Facilities and Services Review Board.~~

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

9 (a-15) There shall be 5 authorized community-based
10 residential rehabilitation center alternative health care
11 models in the demonstration program.

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

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

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

26 (2) Three in municipalities with a population of 50,000

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

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

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

24 (b) (Blank) ~~Alternative health care models, other than a~~
25 ~~model authorized under subsection (a-10) or (a-20), shall~~
26 ~~obtain a certificate of need from the Health Facilities and~~

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

11 (c) An alternative health care model license shall be
12 issued for a period of one year and shall be annually renewed
13 if the facility or program is in substantial compliance with
14 the Department's rules adopted under this Act. A licensed
15 alternative health care model that continues to be in
16 substantial compliance after the conclusion of the
17 demonstration program shall be eligible for annual renewals
18 unless and until a different licensure program for that type of
19 health care model is established by legislation, except that a
20 postsurgical recovery care center meeting the following
21 requirements may apply within 3 years after August 25, 2009
22 (the effective date of Public Act 96-669) ~~for a Certificate of~~
23 ~~Need permit~~ to operate as a hospital:

24 (1) (Blank). ~~The postsurgical recovery care center~~
25 ~~shall apply to the Health Facilities and Services Review~~
26 ~~Board for a Certificate of Need permit to discontinue the~~

1 ~~postsurgical recovery care center and to establish a~~
2 ~~hospital.~~

3 (2) The ~~If the~~ postsurgical recovery care center
4 ~~obtains a Certificate of Need permit to operate as a~~
5 ~~hospital, it~~ shall apply for licensure as a hospital under
6 the Hospital Licensing Act and shall meet all statutory and
7 regulatory requirements of a hospital.

8 (3) After obtaining licensure as a hospital, any
9 license as an ambulatory surgical treatment center and any
10 license as a postsurgical recovery care center shall be
11 null and void.

12 (4) The former postsurgical recovery care center that
13 receives a hospital license must seek and use its best
14 efforts to maintain certification under Titles XVIII and
15 XIX of the federal Social Security Act.

16 The Department may issue a provisional license to any
17 alternative health care model that does not substantially
18 comply with the provisions of this Act and the rules adopted
19 under this Act if (i) the Department finds that the alternative
20 health care model has undertaken changes and corrections which
21 upon completion will render the alternative health care model
22 in substantial compliance with this Act and rules and (ii) the
23 health and safety of the patients of the alternative health
24 care model will be protected during the period for which the
25 provisional license is issued. The Department shall advise the
26 licensee of the conditions under which the provisional license

1 is issued, including the manner in which the alternative health
2 care model fails to comply with the provisions of this Act and
3 rules, and the time within which the changes and corrections
4 necessary for the alternative health care model to
5 substantially comply with this Act and rules shall be
6 completed.

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

12 (d-5) (Blank).

13 (e) Alternative health care models shall, to the extent
14 possible, link and integrate their services with nearby health
15 care facilities.

16 (f) Each alternative health care model shall implement a
17 quality assurance program with measurable benefits and at
18 reasonable cost.

19 (Source: P.A. 97-135, eff. 7-14-11; 97-333, eff. 8-12-11;
20 97-813, eff. 7-13-12; 98-629, eff. 1-1-15; 98-756, eff.
21 7-16-14; revised 10-3-14.)

22 Section 50. The Assisted Living and Shared Housing Act is
23 amended by changing Sections 10, 145, and 155 as follows:

24 (210 ILCS 9/10)

1 Sec. 10. Definitions. For purposes of this Act:

2 "Activities of daily living" means eating, dressing,
3 bathing, toileting, transferring, or personal hygiene.

4 "Assisted living establishment" or "establishment" means a
5 home, building, residence, or any other place where sleeping
6 accommodations are provided for at least 3 unrelated adults, at
7 least 80% of whom are 55 years of age or older and where the
8 following are provided consistent with the purposes of this
9 Act:

10 (1) services consistent with a social model that is
11 based on the premise that the resident's unit in assisted
12 living and shared housing is his or her own home;

13 (2) community-based residential care for persons who
14 need assistance with activities of daily living, including
15 personal, supportive, and intermittent health-related
16 services available 24 hours per day, if needed, to meet the
17 scheduled and unscheduled needs of a resident;

18 (3) mandatory services, whether provided directly by
19 the establishment or by another entity arranged for by the
20 establishment, with the consent of the resident or
21 resident's representative; and

22 (4) a physical environment that is a homelike setting
23 that includes the following and such other elements as
24 established by the Department: individual living units
25 each of which shall accommodate small kitchen appliances
26 and contain private bathing, washing, and toilet

1 facilities, or private washing and toilet facilities with a
2 common bathing room readily accessible to each resident.
3 Units shall be maintained for single occupancy except in
4 cases in which 2 residents choose to share a unit.
5 Sufficient common space shall exist to permit individual
6 and group activities.

7 "Assisted living establishment" or "establishment" does
8 not mean any of the following:

9 (1) A home, institution, or similar place operated by
10 the federal government or the State of Illinois.

11 (2) A long term care facility licensed under the
12 Nursing Home Care Act, a facility licensed under the
13 Specialized Mental Health Rehabilitation Act of 2013, or a
14 facility licensed under the ID/DD Community Care Act.
15 However, a facility licensed under either of those Acts may
16 convert distinct parts of the facility to assisted living.
17 ~~If the facility elects to do so, the facility shall retain~~
18 ~~the Certificate of Need for its nursing and sheltered care~~
19 ~~beds that were converted.~~

20 (3) A hospital, sanitarium, or other institution, the
21 principal activity or business of which is the diagnosis,
22 care, and treatment of human illness and that is required
23 to be licensed under the Hospital Licensing Act.

24 (4) A facility for child care as defined in the Child
25 Care Act of 1969.

26 (5) A community living facility as defined in the

1 Community Living Facilities Licensing Act.

2 (6) A nursing home or sanitarium operated solely by and
3 for persons who rely exclusively upon treatment by
4 spiritual means through prayer in accordance with the creed
5 or tenants of a well-recognized church or religious
6 denomination.

7 (7) A facility licensed by the Department of Human
8 Services as a community-integrated living arrangement as
9 defined in the Community-Integrated Living Arrangements
10 Licensure and Certification Act.

11 (8) A supportive residence licensed under the
12 Supportive Residences Licensing Act.

13 (9) The portion of a life care facility as defined in
14 the Life Care Facilities Act not licensed as an assisted
15 living establishment under this Act; a life care facility
16 may apply under this Act to convert sections of the
17 community to assisted living.

18 (10) A free-standing hospice facility licensed under
19 the Hospice Program Licensing Act.

20 (11) A shared housing establishment.

21 (12) A supportive living facility as described in
22 Section 5-5.01a of the Illinois Public Aid Code.

23 "Department" means the Department of Public Health.

24 "Director" means the Director of Public Health.

25 "Emergency situation" means imminent danger of death or
26 serious physical harm to a resident of an establishment.

1 "License" means any of the following types of licenses
2 issued to an applicant or licensee by the Department:

3 (1) "Probationary license" means a license issued to an
4 applicant or licensee that has not held a license under
5 this Act prior to its application or pursuant to a license
6 transfer in accordance with Section 50 of this Act.

7 (2) "Regular license" means a license issued by the
8 Department to an applicant or licensee that is in
9 substantial compliance with this Act and any rules
10 promulgated under this Act.

11 "Licensee" means a person, agency, association,
12 corporation, partnership, or organization that has been issued
13 a license to operate an assisted living or shared housing
14 establishment.

15 "Licensed health care professional" means a registered
16 professional nurse, an advanced practice nurse, a physician
17 assistant, and a licensed practical nurse.

18 "Mandatory services" include the following:

19 (1) 3 meals per day available to the residents prepared
20 by the establishment or an outside contractor;

21 (2) housekeeping services including, but not limited
22 to, vacuuming, dusting, and cleaning the resident's unit;

23 (3) personal laundry and linen services available to
24 the residents provided or arranged for by the
25 establishment;

26 (4) security provided 24 hours each day including, but

1 not limited to, locked entrances or building or contract
2 security personnel;

3 (5) an emergency communication response system, which
4 is a procedure in place 24 hours each day by which a
5 resident can notify building management, an emergency
6 response vendor, or others able to respond to his or her
7 need for assistance; and

8 (6) assistance with activities of daily living as
9 required by each resident.

10 "Negotiated risk" is the process by which a resident, or
11 his or her representative, may formally negotiate with
12 providers what risks each are willing and unwilling to assume
13 in service provision and the resident's living environment. The
14 provider assures that the resident and the resident's
15 representative, if any, are informed of the risks of these
16 decisions and of the potential consequences of assuming these
17 risks.

18 "Owner" means the individual, partnership, corporation,
19 association, or other person who owns an assisted living or
20 shared housing establishment. In the event an assisted living
21 or shared housing establishment is operated by a person who
22 leases or manages the physical plant, which is owned by another
23 person, "owner" means the person who operates the assisted
24 living or shared housing establishment, except that if the
25 person who owns the physical plant is an affiliate of the
26 person who operates the assisted living or shared housing

1 establishment and has significant control over the day to day
2 operations of the assisted living or shared housing
3 establishment, the person who owns the physical plant shall
4 incur jointly and severally with the owner all liabilities
5 imposed on an owner under this Act.

6 "Physician" means a person licensed under the Medical
7 Practice Act of 1987 to practice medicine in all of its
8 branches.

9 "Resident" means a person residing in an assisted living or
10 shared housing establishment.

11 "Resident's representative" means a person, other than the
12 owner, agent, or employee of an establishment or of the health
13 care provider unless related to the resident, designated in
14 writing by a resident to be his or her representative. This
15 designation may be accomplished through the Illinois Power of
16 Attorney Act, pursuant to the guardianship process under the
17 Probate Act of 1975, or pursuant to an executed designation of
18 representative form specified by the Department.

19 "Self" means the individual or the individual's designated
20 representative.

21 "Shared housing establishment" or "establishment" means a
22 publicly or privately operated free-standing residence for 16
23 or fewer persons, at least 80% of whom are 55 years of age or
24 older and who are unrelated to the owners and one manager of
25 the residence, where the following are provided:

26 (1) services consistent with a social model that is

1 based on the premise that the resident's unit is his or her
2 own home;

3 (2) community-based residential care for persons who
4 need assistance with activities of daily living, including
5 housing and personal, supportive, and intermittent
6 health-related services available 24 hours per day, if
7 needed, to meet the scheduled and unscheduled needs of a
8 resident; and

9 (3) mandatory services, whether provided directly by
10 the establishment or by another entity arranged for by the
11 establishment, with the consent of the resident or the
12 resident's representative.

13 "Shared housing establishment" or "establishment" does not
14 mean any of the following:

15 (1) A home, institution, or similar place operated by
16 the federal government or the State of Illinois.

17 (2) A long term care facility licensed under the
18 Nursing Home Care Act, a facility licensed under the
19 Specialized Mental Health Rehabilitation Act of 2013, or a
20 facility licensed under the ID/DD Community Care Act. A
21 facility licensed under either of those Acts may, however,
22 convert sections of the facility to assisted living. ~~If the~~
23 ~~facility elects to do so, the facility shall retain the~~
24 ~~Certificate of Need for its nursing beds that were~~
25 ~~converted.~~

26 (3) A hospital, sanitarium, or other institution, the

1 principal activity or business of which is the diagnosis,
2 care, and treatment of human illness and that is required
3 to be licensed under the Hospital Licensing Act.

4 (4) A facility for child care as defined in the Child
5 Care Act of 1969.

6 (5) A community living facility as defined in the
7 Community Living Facilities Licensing Act.

8 (6) A nursing home or sanitarium operated solely by and
9 for persons who rely exclusively upon treatment by
10 spiritual means through prayer in accordance with the creed
11 or tenants of a well-recognized church or religious
12 denomination.

13 (7) A facility licensed by the Department of Human
14 Services as a community-integrated living arrangement as
15 defined in the Community-Integrated Living Arrangements
16 Licensure and Certification Act.

17 (8) A supportive residence licensed under the
18 Supportive Residences Licensing Act.

19 (9) A life care facility as defined in the Life Care
20 Facilities Act; a life care facility may apply under this
21 Act to convert sections of the community to assisted
22 living.

23 (10) A free-standing hospice facility licensed under
24 the Hospice Program Licensing Act.

25 (11) An assisted living establishment.

26 (12) A supportive living facility as described in

1 Section 5-5.01a of the Illinois Public Aid Code.

2 "Total assistance" means that staff or another individual
3 performs the entire activity of daily living without
4 participation by the resident.

5 (Source: P.A. 97-38, eff. 6-28-11; 97-227, eff. 1-1-12; 97-813,
6 eff. 7-13-12; 98-104, eff. 7-22-13.)

7 (210 ILCS 9/145)

8 Sec. 145. Conversion of facilities. Entities licensed as
9 facilities under the Nursing Home Care Act, the Specialized
10 Mental Health Rehabilitation Act of 2013, or the ID/DD
11 Community Care Act may elect to convert to a license under this
12 Act. Any facility that chooses to convert, in whole or in part,
13 shall follow the requirements in the Nursing Home Care Act, the
14 Specialized Mental Health Rehabilitation Act of 2013, or the
15 ID/DD Community Care Act, as applicable, and rules promulgated
16 under those Acts regarding voluntary closure and notice to
17 residents. ~~Any conversion of existing beds licensed under the~~
18 ~~Nursing Home Care Act, the Specialized Mental Health~~
19 ~~Rehabilitation Act of 2013, or the ID/DD Community Care Act to~~
20 ~~licensure under this Act is exempt from review by the Health~~
21 ~~Facilities and Services Review Board.~~

22 (Source: P.A. 97-38, eff. 6-28-11; 97-227, eff. 1-1-12; 97-813,
23 eff. 7-13-12; 98-104, eff. 7-22-13.)

24 (210 ILCS 9/155)

1 Sec. 155. Application of Act. An establishment licensed
2 under this Act shall obtain and maintain all other licenses,
3 permits, certificates, and other governmental approvals
4 required of it, ~~except that a licensed assisted living or~~
5 ~~shared housing establishment is exempt from the provisions of~~
6 ~~the Illinois Health Facilities Planning Act.~~ An establishment
7 licensed under this Act shall comply with the requirements of
8 all local, State, federal, and other applicable laws, rules,
9 and ordinances and the National Fire Protection Association's
10 Life Safety Code.

11 (Source: P.A. 91-656, eff. 1-1-01.)

12 Section 55. The Life Care Facilities Act is amended by
13 changing Sections 2 and 7 as follows:

14 (210 ILCS 40/2) (from Ch. 111 1/2, par. 4160-2)

15 Sec. 2. As used in this Act, unless the context otherwise
16 requires:

17 (a) "Department" means the Department of Public Health.

18 (b) "Director" means the Director of the Department.

19 (c) "Life care contract" means a contract to provide to a
20 person for the duration of such person's life or for a term in
21 excess of one year, nursing services, medical services or
22 personal care services, in addition to maintenance services for
23 such person in a facility, conditioned upon the transfer of an
24 entrance fee to the provider of such services in addition to or

1 in lieu of the payment of regular periodic charges for the care
2 and services involved.

3 (d) "Provider" means a person who provides services
4 pursuant to a life care contract.

5 (e) "Resident" means a person who enters into a life care
6 contract with a provider, or who is designated in a life care
7 contract to be a person provided with maintenance and nursing,
8 medical or personal care services.

9 (f) "Facility" means a place or places in which a provider
10 undertakes to provide a resident with nursing services, medical
11 services or personal care services, in addition to maintenance
12 services for a term in excess of one year or for life pursuant
13 to a life care contract. The term also means a place or places
14 in which a provider undertakes to provide such services to a
15 non-resident.

16 (g) "Living unit" means an apartment, room or other area
17 within a facility set aside for the exclusive use of one or
18 more identified residents.

19 (h) "Entrance fee" means an initial or deferred transfer to
20 a provider of a sum of money or property, made or promised to
21 be made by a person entering into a life care contract, which
22 assures a resident of services pursuant to a life care
23 contract.

24 (i) "Permit" means a written authorization to enter into
25 life care contracts issued by the Department to a provider.

26 (j) "Medical services" means those services pertaining to

1 medical or dental care that are performed in behalf of patients
2 at the direction of a physician licensed under the Medical
3 Practice Act of 1987 or a dentist licensed under the Illinois
4 Dental Practice Act by such physicians or dentists, or by a
5 registered or licensed practical nurse as defined in the Nurse
6 Practice Act or by other professional and technical personnel.

7 (k) "Nursing services" means those services pertaining to
8 the curative, restorative and preventive aspects of nursing
9 care that are performed at the direction of a physician
10 licensed under the Medical Practice Act of 1987 by or under the
11 supervision of a registered or licensed practical nurse as
12 defined in the Nurse Practice Act.

13 (l) "Personal care services" means assistance with meals,
14 dressing, movement, bathing or other personal needs or
15 maintenance, or general supervision and oversight of the
16 physical and mental well-being of an individual, who is
17 incapable of maintaining a private, independent residence or
18 who is incapable of managing his person whether or not a
19 guardian has been appointed for such individual.

20 (m) "Maintenance services" means food, shelter and laundry
21 services.

22 (n) (Blank) ~~"Certificates of Need" means those permits~~
23 ~~issued pursuant to the Illinois Health Facilities Planning Act~~
24 ~~as now or hereafter amended.~~

25 (o) "Non-resident" means a person admitted to a facility
26 who has not entered into a life care contract.

1 (Source: P.A. 95-639, eff. 10-5-07.)

2 (210 ILCS 40/7) (from Ch. 111 1/2, par. 4160-7)

3 Sec. 7. As a condition for the issuance of a permit
4 pursuant to this Act, the provider shall establish and maintain
5 on a current basis, a letter of credit or an escrow account
6 with a bank, trust company, or other financial institution
7 located in the State of Illinois. The letter of credit shall be
8 in an amount and form acceptable to the Department, but in no
9 event shall the amount exceed that applicable to the
10 corresponding escrow agreement alternative, as described
11 below. The terms of the escrow agreement shall meet the
12 following provisions:

13 (a) Requirements for new facilities.

14 (1) If the entrance fee applies to a living unit which has
15 not previously been occupied by any resident, all entrance fee
16 payments representing either all or any smaller portion of the
17 total entrance fee shall be paid to the escrow agent by the
18 resident.

19 (2) When the provider has sold at least 1/2 of its living
20 units, obtained a mortgage commitment, if needed, and obtained
21 all necessary zoning permits ~~and Certificates of Need, if~~
22 ~~required~~, the escrow agent may release a sum representing 1/5
23 of the resident's total entrance fee to the provider. Upon
24 completion of the foundation of the living unit an additional
25 1/5 of the resident's total entrance fee may be released to the

1 provider. When the living unit is under roof a further and
2 additional 1/5 of the resident's total entrance fee may be
3 released to the provider. All remaining monies, if any, shall
4 remain in escrow until the resident's living unit is
5 substantially completed and ready for occupancy by the
6 resident. When the living unit is ready for occupancy the
7 escrow agent may release the remaining escrow amount to the
8 provider and further entrance fee payments, if any, may be paid
9 by the resident to the provider directly. All monies released
10 from escrow shall be used for the facility and for no other
11 purpose.

12 (b) General requirements for all facilities, including new
13 and existing facilities.

14 (1) At the time of resident occupancy and at all times
15 thereafter, the escrow amount shall be in an amount which
16 equals or exceeds the aggregate principal and interest payments
17 due during the next 6 months on account of any first mortgage
18 or other long-term financing of the facility. Existing
19 facilities shall have 2 years from the date of this Act
20 becoming law to comply with this subsection. Upon application
21 from a facility showing good cause, the Director may extend
22 compliance with this subsection one additional year.

23 (2) Notwithstanding paragraph (1) of this subsection, the
24 escrow monies required under paragraph (1) of this subsection
25 may be released to the provider upon approval by the Director.
26 The Director may attach such conditions on the release of

1 monies as he deems fit including, but not limited to, the
2 performance of an audit which satisfies the Director that the
3 facility is solvent, a plan from the facility to bring the
4 facility back in compliance with paragraph (1) of this
5 subsection, and a repayment schedule.

6 (3) The principal of the escrow account may be invested
7 with the earnings thereon payable to the provider as it
8 accrues.

9 (4) If the facility ceases to operate all monies in the
10 escrow account except the amount representing principal and
11 interest shall be repaid by the escrow agent to the resident.

12 (5) Balloon payments due at conclusion of the mortgage
13 shall not be subject to the escrow requirements of paragraph
14 (1) this subsection.

15 (Source: P.A. 85-1349.)

16 Section 60. The Nursing Home Care Act is amended by
17 changing Sections 3-102.2 and 3-103 as follows:

18 (210 ILCS 45/3-102.2)

19 Sec. 3-102.2. Supported congregate living arrangement
20 demonstration. The Illinois Department may grant no more than 3
21 waivers from the requirements of this Act for facilities
22 participating in the supported congregate living arrangement
23 demonstration. A joint waiver request must be made by an
24 applicant and the Department on Aging. If the Department on

1 Aging does not act upon an application within 60 days, the
2 applicant may submit a written waiver request on its own
3 behalf. The waiver request must include a specific program plan
4 describing the types of residents to be served and the services
5 that will be provided in the facility. The Department shall
6 conduct an on-site review at each facility annually or as often
7 as necessary to ascertain compliance with the program plan. The
8 Department may revoke the waiver if it determines that the
9 facility is not in compliance with the program plan. Nothing in
10 this Section prohibits the Department from conducting
11 complaint investigations.

12 ~~A facility granted a waiver under this Section is not~~
13 ~~subject to the Illinois Health Facilities Planning Act, unless~~
14 ~~it subsequently applies for a certificate of need to convert to~~
15 ~~a nursing facility.~~ A facility applying for conversion shall
16 meet the licensure ~~and certificate of need~~ requirements in
17 effect as of the date of application, and this provision may
18 not be waived.

19 (Source: P.A. 89-530, eff. 7-19-96.)

20 (210 ILCS 45/3-103) (from Ch. 111 1/2, par. 4153-103)

21 Sec. 3-103. The procedure for obtaining a valid license
22 shall be as follows:

23 (1) Application to operate a facility shall be made to
24 the Department on forms furnished by the Department.

25 (2) All license applications shall be accompanied with

1 an application fee. The fee for an annual license shall be
2 \$1,990. Facilities that pay a fee or assessment pursuant to
3 Article V-C of the Illinois Public Aid Code shall be exempt
4 from the license fee imposed under this item (2). The fee
5 for a 2-year license shall be double the fee for the annual
6 license. The fees collected shall be deposited with the
7 State Treasurer into the Long Term Care Monitor/Receiver
8 Fund, which has been created as a special fund in the State
9 treasury. This special fund is to be used by the Department
10 for expenses related to the appointment of monitors and
11 receivers as contained in Sections 3-501 through 3-517 of
12 this Act, for the enforcement of this Act, for expenses
13 related to surveyor development, and for implementation of
14 the Abuse Prevention Review Team Act. All federal moneys
15 received as a result of expenditures from the Fund shall be
16 deposited into the Fund. The Department may reduce or waive
17 a penalty pursuant to Section 3-308 only if that action
18 will not threaten the ability of the Department to meet the
19 expenses required to be met by the Long Term Care
20 Monitor/Receiver Fund. The application shall be under oath
21 and the submission of false or misleading information shall
22 be a Class A misdemeanor. The application shall contain the
23 following information:

24 (a) The name and address of the applicant if an
25 individual, and if a firm, partnership, or
26 association, of every member thereof, and in the case

1 of a corporation, the name and address thereof and of
2 its officers and its registered agent, and in the case
3 of a unit of local government, the name and address of
4 its chief executive officer;

5 (b) The name and location of the facility for which
6 a license is sought;

7 (c) The name of the person or persons under whose
8 management or supervision the facility will be
9 conducted;

10 (d) The number and type of residents for which
11 maintenance, personal care, or nursing is to be
12 provided; and

13 (e) Such information relating to the number,
14 experience, and training of the employees of the
15 facility, any management agreements for the operation
16 of the facility, and of the moral character of the
17 applicant and employees as the Department may deem
18 necessary.

19 (3) Each initial application shall be accompanied by a
20 financial statement setting forth the financial condition
21 of the applicant and by a statement from the unit of local
22 government having zoning jurisdiction over the facility's
23 location stating that the location of the facility is not
24 in violation of a zoning ordinance. ~~An initial application~~
25 ~~for a new facility shall be accompanied by a permit as~~
26 ~~required by the "Illinois Health Facilities Planning Act".~~

1 After the application is approved, the applicant shall
2 advise the Department every 6 months of any changes in the
3 information originally provided in the application.

4 (4) Other information necessary to determine the
5 identity and qualifications of an applicant to operate a
6 facility in accordance with this Act shall be included in
7 the application as required by the Department in
8 regulations.

9 (Source: P.A. 96-758, eff. 8-25-09; 96-1372, eff. 7-29-10;
10 96-1504, eff. 1-27-11; 96-1530, eff. 2-16-11; 97-489, eff.
11 1-1-12.)

12 Section 65. The ID/DD Community Care Act is amended by
13 changing Section 3-103 as follows:

14 (210 ILCS 47/3-103)

15 Sec. 3-103. Application for license; financial statement.
16 The procedure for obtaining a valid license shall be as
17 follows:

18 (1) Application to operate a facility shall be made to
19 the Department on forms furnished by the Department.

20 (2) All license applications shall be accompanied with
21 an application fee. The fee for an annual license shall be
22 \$995. Facilities that pay a fee or assessment pursuant to
23 Article V-C of the Illinois Public Aid Code shall be exempt
24 from the license fee imposed under this item (2). The fee

1 for a 2-year license shall be double the fee for the annual
2 license set forth in the preceding sentence. The fees
3 collected shall be deposited with the State Treasurer into
4 the Long Term Care Monitor/Receiver Fund, which has been
5 created as a special fund in the State treasury. This
6 special fund is to be used by the Department for expenses
7 related to the appointment of monitors and receivers as
8 contained in Sections 3-501 through 3-517. At the end of
9 each fiscal year, any funds in excess of \$1,000,000 held in
10 the Long Term Care Monitor/Receiver Fund shall be deposited
11 in the State's General Revenue Fund. The application shall
12 be under oath and the submission of false or misleading
13 information shall be a Class A misdemeanor. The application
14 shall contain the following information:

15 (a) The name and address of the applicant if an
16 individual, and if a firm, partnership, or
17 association, of every member thereof, and in the case
18 of a corporation, the name and address thereof and of
19 its officers and its registered agent, and in the case
20 of a unit of local government, the name and address of
21 its chief executive officer;

22 (b) The name and location of the facility for which
23 a license is sought;

24 (c) The name of the person or persons under whose
25 management or supervision the facility will be
26 conducted;

1 (d) The number and type of residents for which
2 maintenance, personal care, or nursing is to be
3 provided; and

4 (e) Such information relating to the number,
5 experience, and training of the employees of the
6 facility, any management agreements for the operation
7 of the facility, and of the moral character of the
8 applicant and employees as the Department may deem
9 necessary.

10 (3) Each initial application shall be accompanied by a
11 financial statement setting forth the financial condition
12 of the applicant and by a statement from the unit of local
13 government having zoning jurisdiction over the facility's
14 location stating that the location of the facility is not
15 in violation of a zoning ordinance. ~~An initial application~~
16 ~~for a new facility shall be accompanied by a permit as~~
17 ~~required by the Illinois Health Facilities Planning Act.~~
18 After the application is approved, the applicant shall
19 advise the Department every 6 months of any changes in the
20 information originally provided in the application.

21 (4) Other information necessary to determine the
22 identity and qualifications of an applicant to operate a
23 facility in accordance with this Act shall be included in
24 the application as required by the Department in
25 regulations.

26 (Source: P.A. 96-339, eff. 7-1-10.)

1 Section 70. The Specialized Mental Health Rehabilitation
2 Act of 2013 is amended by changing Section 1-101.5 as follows:

3 (210 ILCS 49/1-101.5)

4 Sec. 1-101.5. Prior law.

5 (a) This Act provides for licensure of long term care
6 facilities that are federally designated as institutions for
7 the mentally diseased on the effective date of this Act and
8 specialize in providing services to individuals with a serious
9 mental illness. On and after the effective date of this Act,
10 these facilities shall be governed by this Act instead of the
11 Nursing Home Care Act.

12 (b) All consent decrees that apply to facilities federally
13 designated as institutions for the mentally diseased shall
14 continue to apply to facilities licensed under this Act.

15 (c) A facility licensed under this Act may voluntarily
16 close, and the facility may reopen in an underserved region of
17 the State, ~~if the facility receives a certificate of need from~~
18 ~~the Health Facilities and Services Review Board.~~ At no time
19 shall the total number of licensed beds under this Act exceed
20 the total number of licensed beds existing on July 22, 2013
21 (the effective date of Public Act 98-104).

22 (Source: P.A. 98-104, eff. 7-22-13; 98-651, eff. 6-16-14.)

23 Section 75. The Emergency Medical Services (EMS) Systems

1 Act is amended by changing Section 32.5 as follows:

2 (210 ILCS 50/32.5)

3 Sec. 32.5. Freestanding Emergency Center.

4 (a) The Department shall issue an annual Freestanding
5 Emergency Center (FEC) license to any facility that has
6 received a permit from the Health Facilities and Services
7 Review Board to establish a Freestanding Emergency Center by
8 January 1, 2015, and:

9 (1) is located: (A) in a municipality with a population
10 of 50,000 or fewer inhabitants; (B) within 50 miles of the
11 hospital that owns or controls the FEC; and (C) within 50
12 miles of the Resource Hospital affiliated with the FEC as
13 part of the EMS System;

14 (2) is wholly owned or controlled by an Associate or
15 Resource Hospital, but is not a part of the hospital's
16 physical plant;

17 (3) meets the standards for licensed FECs, adopted by
18 rule of the Department, including, but not limited to:

19 (A) facility design, specification, operation, and
20 maintenance standards;

21 (B) equipment standards; and

22 (C) the number and qualifications of emergency
23 medical personnel and other staff, which must include
24 at least one board certified emergency physician
25 present at the FEC 24 hours per day.

1 (4) limits its participation in the EMS System strictly
2 to receiving a limited number of BLS runs by emergency
3 medical vehicles according to protocols developed by the
4 Resource Hospital within the FEC's designated EMS System
5 and approved by the Project Medical Director and the
6 Department;

7 (5) provides comprehensive emergency treatment
8 services, as defined in the rules adopted by the Department
9 pursuant to the Hospital Licensing Act, 24 hours per day,
10 on an outpatient basis;

11 (6) provides an ambulance and maintains on site
12 ambulance services staffed with paramedics 24 hours per
13 day;

14 (7) (blank);

15 (8) complies with all State and federal patient rights
16 provisions, including, but not limited to, the Emergency
17 Medical Treatment Act and the federal Emergency Medical
18 Treatment and Active Labor Act;

19 (9) maintains a communications system that is fully
20 integrated with its Resource Hospital within the FEC's
21 designated EMS System;

22 (10) reports to the Department any patient transfers
23 from the FEC to a hospital within 48 hours of the transfer
24 plus any other data determined to be relevant by the
25 Department;

26 (11) submits to the Department, on a quarterly basis,

1 the FEC's morbidity and mortality rates for patients
2 treated at the FEC and other data determined to be relevant
3 by the Department;

4 (12) does not describe itself or hold itself out to the
5 general public as a full service hospital or hospital
6 emergency department in its advertising or marketing
7 activities;

8 (13) complies with any other rules adopted by the
9 Department under this Act that relate to FECs;

10 (14) passes the Department's site inspection for
11 compliance with the FEC requirements of this Act;

12 (15) (blank) ~~submits a copy of the permit issued by the~~
13 ~~Health Facilities and Services Review Board indicating~~
14 ~~that the facility has complied with the Illinois Health~~
15 ~~Facilities Planning Act with respect to the health services~~
16 ~~to be provided at the facility;~~

17 (16) submits an application for designation as an FEC
18 in a manner and form prescribed by the Department by rule;
19 and

20 (17) pays the annual license fee as determined by the
21 Department by rule.

22 (a-5) Notwithstanding any other provision of this Section,
23 the Department may issue an annual FEC license to a facility
24 that is located in a county that does not have a licensed
25 general acute care hospital ~~if the facility's application for a~~
26 ~~permit from the Illinois Health Facilities Planning Board has~~

1 ~~been deemed complete by the Department of Public Health by~~
2 ~~January 1, 2014 and~~ if the facility complies with the
3 requirements set forth in paragraphs (1) through (17) of
4 subsection (a).

5 (a-10) Notwithstanding any other provision of this
6 Section, the Department may issue an annual FEC license to a
7 facility if the facility has, by January 1, 2014, filed a
8 letter of intent to establish an FEC and if the facility
9 complies with the requirements set forth in paragraphs (1)
10 through (17) of subsection (a).

11 (b) The Department shall:

12 (1) annually inspect facilities of initial FEC
13 applicants and licensed FECs, and issue annual licenses to
14 or annually relicense FECs that satisfy the Department's
15 licensure requirements as set forth in subsection (a);

16 (2) suspend, revoke, refuse to issue, or refuse to
17 renew the license of any FEC, after notice and an
18 opportunity for a hearing, when the Department finds that
19 the FEC has failed to comply with the standards and
20 requirements of the Act or rules adopted by the Department
21 under the Act;

22 (3) issue an Emergency Suspension Order for any FEC
23 when the Director or his or her designee has determined
24 that the continued operation of the FEC poses an immediate
25 and serious danger to the public health, safety, and
26 welfare. An opportunity for a hearing shall be promptly

1 initiated after an Emergency Suspension Order has been
2 issued; and

3 (4) adopt rules as needed to implement this Section.

4 (Source: P.A. 96-23, eff. 6-30-09; 96-31, eff. 6-30-09; 96-883,
5 eff. 3-1-10; 96-1000, eff. 7-2-10; 97-333, eff. 8-12-11;
6 97-1112, eff. 8-27-12.)

7 Section 80. The Hospital Emergency Service Act is amended
8 by changing Section 1.3 as follows:

9 (210 ILCS 80/1.3)

10 Sec. 1.3. Long-term acute care hospitals and
11 rehabilitation hospitals. For the purpose of this Act, general
12 acute care hospitals designated by Medicare as long-term acute
13 care hospitals and rehabilitation hospitals are not required to
14 provide hospital emergency services described in Section 1 of
15 this Act. Hospitals defined in this Section may provide
16 hospital emergency services at their option.

17 Any long-term acute care hospital that opts to discontinue
18 or otherwise not provide emergency services described in
19 Section 1 shall:

20 (1) comply with all provisions of the federal Emergency
21 Medical Treatment and Labor Act (EMTALA);

22 (2) comply with all provisions required under the
23 Social Security Act;

24 (3) provide annual notice to communities in the

1 hospital's service area about available emergency medical
2 services; and

3 (4) make educational materials available to
4 individuals who are present at the hospital concerning the
5 availability of medical services within the hospital's
6 service area.

7 Long-term acute care hospitals that operate standby
8 emergency services as of January 1, 2011 may discontinue
9 hospital emergency services by notifying the Department of
10 Public Health. Long-term acute care hospitals that operate
11 basic or comprehensive emergency services must notify the
12 Department of Public Health ~~Health Facilities and Services~~
13 ~~Review Board~~ and follow the appropriate procedures.

14 Any rehabilitation hospital that opts to discontinue or
15 otherwise not provide emergency services described in Section 1
16 shall:

17 (1) comply with all provisions of the federal Emergency
18 Medical Treatment and Active Labor Act (EMTALA);

19 (2) comply with all provisions required under the
20 Social Security Act;

21 (3) provide annual notice to communities in the
22 hospital's service area about available emergency medical
23 services;

24 (4) make educational materials available to
25 individuals who are present at the hospital concerning the
26 availability of medical services within the hospital's

1 service area;

2 (5) not use the term "hospital" in its name or on any
3 signage; and

4 (6) notify in writing the Department ~~and the Health~~
5 ~~Facilities and Services Review Board~~ of the
6 discontinuation.

7 (Source: P.A. 97-667, eff. 1-13-12; 98-683, eff. 6-30-14;
8 98-756, eff. 7-16-14.)

9 Section 85. The Hospital Licensing Act is amended by
10 changing Sections 4.5, 4.6, 4.7 and 10.8 as follows:

11 (210 ILCS 85/4.5)

12 Sec. 4.5. Hospital with multiple locations; single
13 license.

14 (a) A hospital located in a county with fewer than
15 3,000,000 inhabitants may apply to the Department for approval
16 to conduct its operations from more than one location within
17 the county under a single license.

18 (b) The facilities or buildings at those locations must be
19 owned or operated together by a single corporation or other
20 legal entity serving as the licensee and must share:

21 (1) a single board of directors with responsibility for
22 governance, including financial oversight and the
23 authority to designate or remove the chief executive
24 officer;

1 (2) a single medical staff accountable to the board of
2 directors and governed by a single set of medical staff
3 bylaws, rules, and regulations with responsibility for the
4 quality of the medical services; and

5 (3) a single chief executive officer, accountable to
6 the board of directors, with management responsibility.

7 (c) Each hospital building or facility that is located on a
8 site geographically separate from the campus or premises of
9 another hospital building or facility operated by the licensee
10 must, at a minimum, individually comply with the Department's
11 hospital licensing requirements for emergency services.

12 (d) The hospital shall submit to the Department a
13 comprehensive plan in relation to the waiver or waivers
14 requested describing the services and operations of each
15 facility or building and how common services or operations will
16 be coordinated between the various locations. With the
17 exception of items required by subsection (c), the Department
18 is authorized to waive compliance with the hospital licensing
19 requirements for specific buildings or facilities, provided
20 that the hospital has documented which other building or
21 facility under its single license provides that service or
22 operation, and that doing so would not endanger the public's
23 health, safety, or welfare. ~~Nothing in this Section relieves a~~
24 ~~hospital from the requirements of the Health Facilities~~
25 ~~Planning Act.~~

26 (Source: P.A. 89-171, eff. 7-19-95.)

1 (210 ILCS 85/4.6)

2 Sec. 4.6. Additional licensing requirements.

3 (a) Notwithstanding any other law or rule to the contrary,
4 the Department may license as a hospital a building that (i) is
5 owned or operated by a hospital licensed under this Act, (ii)
6 is located in a municipality with a population of less than
7 60,000, and (iii) includes a postsurgical recovery care center
8 licensed under the Alternative Health Care Delivery Act for a
9 period of not less than 2 years, an ambulatory surgical
10 treatment center licensed under the Ambulatory Surgical
11 Treatment Center Act, and a Freestanding Emergency Center
12 licensed under the Emergency Medical Services (EMS) Systems
13 Act. Only the components of the building which are currently
14 licensed shall be eligible under the provisions of this
15 Section.

16 (b) Prior to issuing a license, the Department shall
17 inspect the facility and require the facility to meet such of
18 the Department's rules relating to the establishment of
19 hospitals as the Department determines are appropriate to such
20 facility. Once the Department approves the facility and issues
21 a hospital license, all other licenses as listed in subsection
22 (a) above shall be null and void.

23 (c) Only one license may be issued under the authority of
24 this Section. No license may be issued after 18 months after
25 the effective date of this amendatory Act of the 91st General

1 Assembly.

2 (d) Beginning on the effective date of this amendatory Act
3 of the 96th General Assembly, each hospital building or
4 facility that is (i) located on the campus of the licensee but
5 on a site that is not contiguous, adjacent, or otherwise
6 attached to the main hospital building of the campus of the
7 licensee, (ii) operated by the licensee, and (iii) provides
8 inpatient services to patients at this building or facility
9 shall, at a minimum, individually comply with the Department's
10 hospital licensing requirements for emergency services. The
11 hospital shall submit to the Department a comprehensive plan
12 describing the services and operations of each facility or
13 building and how common services or operations will be
14 coordinated between the various locations. The Department
15 shall review the plan and may authorize a waiver granting an
16 exemption for compliance with the hospital licensing
17 requirements for specific buildings or facilities, including
18 requirements for emergency services, provided that the
19 hospital has documented which other building or facility under
20 its single license provides that service or operation, and that
21 doing so would not endanger the public's health, safety, or
22 welfare. ~~Nothing in this Section relieves a hospital from the~~
23 ~~requirements of the Illinois Health Facilities Planning Act.~~

24 (Source: P.A. 96-1515, eff. 2-4-11.)

25 (210 ILCS 85/4.7)

1 Sec. 4.7. Additional licensing requirements.

2 (a) A hospital located in a county with fewer than 325,000
3 inhabitants may apply to the Department for approval to conduct
4 its operations from more than one location within the county
5 under a single license at a separate building or facility
6 already licensed as a hospital. The operations shall be limited
7 to psychiatric services. The host hospital shall house the
8 licensee. The licensee's application shall be supported by
9 information that its operations at the host hospital will
10 provide access to necessary services for the region that the
11 host hospital does not provide. The services proposed by the
12 licensee at the host hospital shall not consist of emergency
13 services.

14 (b) The portion of the facilities or buildings operated by
15 the licensee at the host hospital shall be leased in part and
16 operated by a single corporation or other legal entity serving
17 as the licensee and shall have a single:

18 (1) board of directors with the responsibility for
19 governance, including financial oversight and authority to
20 designate or remove the chief executive officer;

21 (2) medical staff accountable to the board of directors
22 of the licensee and governed by a single set of medical
23 staff bylaws and associated rules and regulation of the
24 licensee, with responsibility for the quality of the
25 medical services provided by the licensee at the host
26 hospital side; and

1 (3) chief executive officer, accountable to the board
2 of directors of the licensee, with management
3 responsibility for the licensee's operations at the host
4 hospital site.

5 The host hospital and licensee shall be jointly responsible
6 for hospital licensing requirements relating to design and
7 construction, engineering and maintenance of the physical
8 plan, waste disposal, and fire safety.

9 (c) The licensee and host hospital shall notify the public
10 and patients through general signage and written notification
11 provided upon admission that services are provided at the host
12 hospital site by 2 separately licensed hospitals. The signage
13 shall specify which services are provided by the host hospital
14 or the licensee or both.

15 (d) One emergency department shall serve the host hospital.
16 Patients shall be notified that emergency services are provided
17 by the host hospital. Those patients that require admission
18 from the emergency department to a service that is operated by
19 the licensee shall be admitted according to the Emergency
20 Medical Treatment and Active Labor Act regulations and
21 transferred to the licensee. The admission, registration, and
22 consent form documents shall be specific to the licensee.

23 (e) The licensee and host hospital shall submit to the
24 Department a comprehensive plan describing the services and
25 operations of each facility or building and between the
26 licensee and host hospital, and how common services or

1 operations will be coordinated between the various locations.
2 ~~Nothing in this Section relieves a hospital from the~~
3 ~~requirements in the Illinois Health Facilities Planning Act.~~
4 (Source: P.A. 96-1505, eff. 1-27-11.)

5 (210 ILCS 85/10.8)

6 Sec. 10.8. Requirements for employment of physicians.

7 (a) Physician employment by hospitals and hospital
8 affiliates. Employing entities may employ physicians to
9 practice medicine in all of its branches provided that the
10 following requirements are met:

11 (1) The employed physician is a member of the medical
12 staff of either the hospital or hospital affiliate. If a
13 hospital affiliate decides to have a medical staff, its
14 medical staff shall be organized in accordance with written
15 bylaws where the affiliate medical staff is responsible for
16 making recommendations to the governing body of the
17 affiliate regarding all quality assurance activities and
18 safeguarding professional autonomy. The affiliate medical
19 staff bylaws may not be unilaterally changed by the
20 governing body of the affiliate. Nothing in this Section
21 requires hospital affiliates to have a medical staff.

22 (2) Independent physicians, who are not employed by an
23 employing entity, periodically review the quality of the
24 medical services provided by the employed physician to
25 continuously improve patient care.

1 (3) The employing entity and the employed physician
2 sign a statement acknowledging that the employer shall not
3 unreasonably exercise control, direct, or interfere with
4 the employed physician's exercise and execution of his or
5 her professional judgment in a manner that adversely
6 affects the employed physician's ability to provide
7 quality care to patients. This signed statement shall take
8 the form of a provision in the physician's employment
9 contract or a separate signed document from the employing
10 entity to the employed physician. This statement shall
11 state: "As the employer of a physician, (employer's name)
12 shall not unreasonably exercise control, direct, or
13 interfere with the employed physician's exercise and
14 execution of his or her professional judgment in a manner
15 that adversely affects the employed physician's ability to
16 provide quality care to patients."

17 (4) The employing entity shall establish a mutually
18 agreed upon independent review process with criteria under
19 which an employed physician may seek review of the alleged
20 violation of this Section by physicians who are not
21 employed by the employing entity. The affiliate may arrange
22 with the hospital medical staff to conduct these reviews.
23 The independent physicians shall make findings and
24 recommendations to the employing entity and the employed
25 physician within 30 days of the conclusion of the gathering
26 of the relevant information.

1 (b) Definitions. For the purpose of this Section:

2 "Employing entity" means a hospital licensed under the
3 Hospital Licensing Act or a hospital affiliate.

4 "Employed physician" means a physician who receives an IRS
5 W-2 form, or any successor federal income tax form, from an
6 employing entity.

7 "Hospital" means a hospital licensed under the Hospital
8 Licensing Act, except county hospitals as defined in subsection
9 (c) of Section 15-1 of the Public Aid Code.

10 "Hospital affiliate" means a corporation, partnership,
11 joint venture, limited liability company, or similar
12 organization, other than a hospital, that is devoted primarily
13 to the provision, management, or support of health care
14 services and that directly or indirectly controls, is
15 controlled by, or is under common control of the hospital.

16 "Control" means having at least an equal or a majority
17 ownership or membership interest. A hospital affiliate shall be
18 100% owned or controlled by any combination of hospitals, their
19 parent corporations, or physicians licensed to practice
20 medicine in all its branches in Illinois. "Hospital affiliate"
21 does not include a health maintenance organization regulated
22 under the Health Maintenance Organization Act.

23 "Physician" means an individual licensed to practice
24 medicine in all its branches in Illinois.

25 "Professional judgment" means the exercise of a
26 physician's independent clinical judgment in providing

1 medically appropriate diagnoses, care, and treatment to a
2 particular patient at a particular time. Situations in which an
3 employing entity does not interfere with an employed
4 physician's professional judgment include, without limitation,
5 the following:

6 (1) practice restrictions based upon peer review of the
7 physician's clinical practice to assess quality of care and
8 utilization of resources in accordance with applicable
9 bylaws;

10 (2) supervision of physicians by appropriately
11 licensed medical directors, medical school faculty,
12 department chairpersons or directors, or supervising
13 physicians;

14 (3) written statements of ethical or religious
15 directives; and

16 (4) reasonable referral restrictions that do not, in
17 the reasonable professional judgment of the physician,
18 adversely affect the health or welfare of the patient.

19 (c) Private enforcement. An employed physician aggrieved
20 by a violation of this Act may seek to obtain an injunction or
21 reinstatement of employment with the employing entity as the
22 court may deem appropriate. Nothing in this Section limits or
23 abrogates any common law cause of action. Nothing in this
24 Section shall be deemed to alter the law of negligence.

25 (d) Department enforcement. The Department may enforce the
26 provisions of this Section, but nothing in this Section shall

1 require or permit the Department to license, certify, or
2 otherwise investigate the activities of a hospital affiliate
3 not otherwise required to be licensed by the Department.

4 (e) Retaliation prohibited. No employing entity shall
5 retaliate against any employed physician for requesting a
6 hearing or review under this Section. No action may be taken
7 that affects the ability of a physician to practice during this
8 review, except in circumstances where the medical staff bylaws
9 authorize summary suspension.

10 (f) Physician collaboration. No employing entity shall
11 adopt or enforce, either formally or informally, any policy,
12 rule, regulation, or practice inconsistent with the provision
13 of adequate collaboration, including medical direction of
14 licensed advanced practice nurses or supervision of licensed
15 physician assistants and delegation to other personnel under
16 Section 54.5 of the Medical Practice Act of 1987.

17 (g) Physician disciplinary actions. Nothing in this
18 Section shall be construed to limit or prohibit the governing
19 body of an employing entity or its medical staff, if any, from
20 taking disciplinary actions against a physician as permitted by
21 law.

22 (h) Physician review. Nothing in this Section shall be
23 construed to prohibit a hospital or hospital affiliate from
24 making a determination not to pay for a particular health care
25 service or to prohibit a medical group, independent practice
26 association, hospital medical staff, or hospital governing

1 body from enforcing reasonable peer review or utilization
2 review protocols or determining whether the employed physician
3 complied with those protocols.

4 (i) (Blank) Review. ~~Nothing in this Section may be used or~~
5 ~~construed to establish that any activity of a hospital or~~
6 ~~hospital affiliate is subject to review under the Illinois~~
7 ~~Health Facilities Planning Act.~~

8 (j) Rules. The Department shall adopt any rules necessary
9 to implement this Section.

10 (Source: P.A. 92-455, eff. 9-30-01.)

11 (225 ILCS 7/4 rep.)

12 Section 90. The Board and Care Home Registration Act is
13 amended by repealing Section 4.

14 (225 ILCS 47/Act rep.)

15 Section 95. The Health Care Worker Self-Referral Act is
16 repealed.

17 Section 100. The Nurse Agency Licensing Act is amended by
18 changing Section 3 as follows:

19 (225 ILCS 510/3) (from Ch. 111, par. 953)

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

21 (a) "Certified nurse aide" means an individual certified as
22 defined in Section 3-206 of the Nursing Home Care Act or

1 Section 3-206 of the ID/DD Community Care Act, as now or
2 hereafter amended.

3 (b) "Department" means the Department of Labor.

4 (c) "Director" means the Director of Labor.

5 (d) "Health care facility" means and includes the following
6 facilities and organizations: ~~is defined as in Section 3 of the~~
7 ~~Illinois Health Facilities Planning Act, as now or hereafter~~
8 ~~amended.~~

9 (1) an ambulatory surgical treatment center required
10 to be licensed pursuant to the Ambulatory Surgical
11 Treatment Center Act;

12 (2) an institution, place, building, or agency
13 required to be licensed pursuant to the Hospital Licensing
14 Act;

15 (3) skilled and intermediate long term care facilities
16 licensed under the Nursing Home Care Act;

17 (4) hospitals, nursing homes, ambulatory surgical
18 treatment centers, or kidney disease treatment centers
19 maintained by the State or any department or agency
20 thereof;

21 (5) kidney disease treatment centers, including a
22 free-standing hemodialysis unit; and

23 (6) an institution, place, building, or room used for
24 the performance of outpatient surgical procedures that is
25 leased, owned, or operated by or on behalf of an
26 out-of-state facility.

1 (e) "Licensee" means any nursing agency which is properly
2 licensed under this Act.

3 (f) "Nurse" means a registered nurse or a licensed
4 practical nurse as defined in the Nurse Practice Act.

5 (g) "Nurse agency" means any individual, firm,
6 corporation, partnership or other legal entity that employs,
7 assigns or refers nurses or certified nurse aides to a health
8 care facility for a fee. The term "nurse agency" includes
9 nurses registries. The term "nurse agency" does not include
10 services provided by home health agencies licensed and operated
11 under the Home Health, Home Services, and Home Nursing Agency
12 Licensing Act or a licensed or certified individual who
13 provides his or her own services as a regular employee of a
14 health care facility, nor does it apply to a health care
15 facility's organizing nonsalaried employees to provide
16 services only in that facility.

17 (Source: P.A. 97-38, eff. 6-28-11; 97-227, eff. 1-1-12; 97-813,
18 eff. 7-13-12; 98-104, eff. 7-22-13.)

19 Section 105. The Illinois Public Aid Code is amended by
20 changing Sections 5-5.01a and 5-5.02 as follows:

21 (305 ILCS 5/5-5.01a)

22 Sec. 5-5.01a. Supportive living facilities program. The
23 Department shall establish and provide oversight for a program
24 of supportive living facilities that seek to promote resident

1 independence, dignity, respect, and well-being in the most
2 cost-effective manner.

3 A supportive living facility is either a free-standing
4 facility or a distinct physical and operational entity within a
5 nursing facility. A supportive living facility integrates
6 housing with health, personal care, and supportive services and
7 is a designated setting that offers residents their own
8 separate, private, and distinct living units.

9 Sites for the operation of the program shall be selected by
10 the Department based upon criteria that may include the need
11 for services in a geographic area, the availability of funding,
12 and the site's ability to meet the standards.

13 Beginning July 1, 2014, subject to federal approval, the
14 Medicaid rates for supportive living facilities shall be equal
15 to the supportive living facility Medicaid rate effective on
16 June 30, 2014 increased by 8.85%. Once the assessment imposed
17 at Article V-G of this Code is determined to be a permissible
18 tax under Title XIX of the Social Security Act, the Department
19 shall increase the Medicaid rates for supportive living
20 facilities effective on July 1, 2014 by 9.09%. The Department
21 shall apply this increase retroactively to coincide with the
22 imposition of the assessment in Article V-G of this Code in
23 accordance with the approval for federal financial
24 participation by the Centers for Medicare and Medicaid
25 Services.

26 The Department may adopt rules to implement this Section.

1 Rules that establish or modify the services, standards, and
2 conditions for participation in the program shall be adopted by
3 the Department in consultation with the Department on Aging,
4 the Department of Rehabilitation Services, and the Department
5 of Mental Health and Developmental Disabilities (or their
6 successor agencies).

7 Facilities or distinct parts of facilities which are
8 selected as supportive living facilities and are in good
9 standing with the Department's rules are exempt from the
10 provisions of the Nursing Home Care Act ~~and the Illinois Health~~
11 ~~Facilities Planning Act.~~

12 (Source: P.A. 98-651, eff. 6-16-14.)

13 (305 ILCS 5/5-5.02) (from Ch. 23, par. 5-5.02)

14 Sec. 5-5.02. Hospital reimbursements.

15 (a) Reimbursement to Hospitals; July 1, 1992 through
16 September 30, 1992. Notwithstanding any other provisions of
17 this Code or the Illinois Department's Rules promulgated under
18 the Illinois Administrative Procedure Act, reimbursement to
19 hospitals for services provided during the period July 1, 1992
20 through September 30, 1992, shall be as follows:

21 (1) For inpatient hospital services rendered, or if
22 applicable, for inpatient hospital discharges occurring,
23 on or after July 1, 1992 and on or before September 30,
24 1992, the Illinois Department shall reimburse hospitals
25 for inpatient services under the reimbursement

1 methodologies in effect for each hospital, and at the
2 inpatient payment rate calculated for each hospital, as of
3 June 30, 1992. For purposes of this paragraph,
4 "reimbursement methodologies" means all reimbursement
5 methodologies that pertain to the provision of inpatient
6 hospital services, including, but not limited to, any
7 adjustments for disproportionate share, targeted access,
8 critical care access and uncompensated care, as defined by
9 the Illinois Department on June 30, 1992.

10 (2) For the purpose of calculating the inpatient
11 payment rate for each hospital eligible to receive
12 quarterly adjustment payments for targeted access and
13 critical care, as defined by the Illinois Department on
14 June 30, 1992, the adjustment payment for the period July
15 1, 1992 through September 30, 1992, shall be 25% of the
16 annual adjustment payments calculated for each eligible
17 hospital, as of June 30, 1992. The Illinois Department
18 shall determine by rule the adjustment payments for
19 targeted access and critical care beginning October 1,
20 1992.

21 (3) For the purpose of calculating the inpatient
22 payment rate for each hospital eligible to receive
23 quarterly adjustment payments for uncompensated care, as
24 defined by the Illinois Department on June 30, 1992, the
25 adjustment payment for the period August 1, 1992 through
26 September 30, 1992, shall be one-sixth of the total

1 uncompensated care adjustment payments calculated for each
2 eligible hospital for the uncompensated care rate year, as
3 defined by the Illinois Department, ending on July 31,
4 1992. The Illinois Department shall determine by rule the
5 adjustment payments for uncompensated care beginning
6 October 1, 1992.

7 (b) Inpatient payments. For inpatient services provided on
8 or after October 1, 1993, in addition to rates paid for
9 hospital inpatient services pursuant to the Illinois Health
10 Finance Reform Act, as now or hereafter amended, or the
11 Illinois Department's prospective reimbursement methodology,
12 or any other methodology used by the Illinois Department for
13 inpatient services, the Illinois Department shall make
14 adjustment payments, in an amount calculated pursuant to the
15 methodology described in paragraph (c) of this Section, to
16 hospitals that the Illinois Department determines satisfy any
17 one of the following requirements:

18 (1) Hospitals that are described in Section 1923 of the
19 federal Social Security Act, as now or hereafter amended,
20 except that for rate year 2015 and after a hospital
21 described in Section 1923(b)(1)(B) of the federal Social
22 Security Act and qualified for the payments described in
23 subsection (c) of this Section for rate year 2014 provided
24 the hospital continues to meet the description in Section
25 1923(b)(1)(B) in the current determination year; or

26 (2) Illinois hospitals that have a Medicaid inpatient

1 utilization rate which is at least one-half a standard
2 deviation above the mean Medicaid inpatient utilization
3 rate for all hospitals in Illinois receiving Medicaid
4 payments from the Illinois Department; or

5 (3) Illinois hospitals that on July 1, 1991 had a
6 Medicaid inpatient utilization rate, as defined in
7 paragraph (h) of this Section, that was at least the mean
8 Medicaid inpatient utilization rate for all hospitals in
9 Illinois receiving Medicaid payments from the Illinois
10 Department and which were located in a planning area with
11 one-third or fewer excess beds ~~as determined by the Health~~
12 ~~Facilities and Services Review Board~~, and that, as of June
13 30, 1992, were located in a federally designated Health
14 Manpower Shortage Area; or

15 (4) Illinois hospitals that:

16 (A) have a Medicaid inpatient utilization rate
17 that is at least equal to the mean Medicaid inpatient
18 utilization rate for all hospitals in Illinois
19 receiving Medicaid payments from the Department; and

20 (B) also have a Medicaid obstetrical inpatient
21 utilization rate that is at least one standard
22 deviation above the mean Medicaid obstetrical
23 inpatient utilization rate for all hospitals in
24 Illinois receiving Medicaid payments from the
25 Department for obstetrical services; or

26 (5) Any children's hospital, which means a hospital

1 devoted exclusively to caring for children. A hospital
2 which includes a facility devoted exclusively to caring for
3 children shall be considered a children's hospital to the
4 degree that the hospital's Medicaid care is provided to
5 children if either (i) the facility devoted exclusively to
6 caring for children is separately licensed as a hospital by
7 a municipality prior to February 28, 2013 or (ii) the
8 hospital has been designated by the State as a Level III
9 perinatal care facility, has a Medicaid Inpatient
10 Utilization rate greater than 55% for the rate year 2003
11 disproportionate share determination, and has more than
12 10,000 qualified children days as defined by the Department
13 in rulemaking.

14 (c) Inpatient adjustment payments. The adjustment payments
15 required by paragraph (b) shall be calculated based upon the
16 hospital's Medicaid inpatient utilization rate as follows:

17 (1) hospitals with a Medicaid inpatient utilization
18 rate below the mean shall receive a per day adjustment
19 payment equal to \$25;

20 (2) hospitals with a Medicaid inpatient utilization
21 rate that is equal to or greater than the mean Medicaid
22 inpatient utilization rate but less than one standard
23 deviation above the mean Medicaid inpatient utilization
24 rate shall receive a per day adjustment payment equal to
25 the sum of \$25 plus \$1 for each one percent that the
26 hospital's Medicaid inpatient utilization rate exceeds the

1 mean Medicaid inpatient utilization rate;

2 (3) hospitals with a Medicaid inpatient utilization
3 rate that is equal to or greater than one standard
4 deviation above the mean Medicaid inpatient utilization
5 rate but less than 1.5 standard deviations above the mean
6 Medicaid inpatient utilization rate shall receive a per day
7 adjustment payment equal to the sum of \$40 plus \$7 for each
8 one percent that the hospital's Medicaid inpatient
9 utilization rate exceeds one standard deviation above the
10 mean Medicaid inpatient utilization rate; and

11 (4) hospitals with a Medicaid inpatient utilization
12 rate that is equal to or greater than 1.5 standard
13 deviations above the mean Medicaid inpatient utilization
14 rate shall receive a per day adjustment payment equal to
15 the sum of \$90 plus \$2 for each one percent that the
16 hospital's Medicaid inpatient utilization rate exceeds 1.5
17 standard deviations above the mean Medicaid inpatient
18 utilization rate.

19 (d) Supplemental adjustment payments. In addition to the
20 adjustment payments described in paragraph (c), hospitals as
21 defined in clauses (1) through (5) of paragraph (b), excluding
22 county hospitals (as defined in subsection (c) of Section 15-1
23 of this Code) and a hospital organized under the University of
24 Illinois Hospital Act, shall be paid supplemental inpatient
25 adjustment payments of \$60 per day. For purposes of Title XIX
26 of the federal Social Security Act, these supplemental

1 adjustment payments shall not be classified as adjustment
2 payments to disproportionate share hospitals.

3 (e) The inpatient adjustment payments described in
4 paragraphs (c) and (d) shall be increased on October 1, 1993
5 and annually thereafter by a percentage equal to the lesser of
6 (i) the increase in the DRI hospital cost index for the most
7 recent 12 month period for which data are available, or (ii)
8 the percentage increase in the statewide average hospital
9 payment rate over the previous year's statewide average
10 hospital payment rate. The sum of the inpatient adjustment
11 payments under paragraphs (c) and (d) to a hospital, other than
12 a county hospital (as defined in subsection (c) of Section 15-1
13 of this Code) or a hospital organized under the University of
14 Illinois Hospital Act, however, shall not exceed \$275 per day;
15 that limit shall be increased on October 1, 1993 and annually
16 thereafter by a percentage equal to the lesser of (i) the
17 increase in the DRI hospital cost index for the most recent
18 12-month period for which data are available or (ii) the
19 percentage increase in the statewide average hospital payment
20 rate over the previous year's statewide average hospital
21 payment rate.

22 (f) Children's hospital inpatient adjustment payments. For
23 children's hospitals, as defined in clause (5) of paragraph
24 (b), the adjustment payments required pursuant to paragraphs
25 (c) and (d) shall be multiplied by 2.0.

26 (g) County hospital inpatient adjustment payments. For

1 county hospitals, as defined in subsection (c) of Section 15-1
2 of this Code, there shall be an adjustment payment as
3 determined by rules issued by the Illinois Department.

4 (h) For the purposes of this Section the following terms
5 shall be defined as follows:

6 (1) "Medicaid inpatient utilization rate" means a
7 fraction, the numerator of which is the number of a
8 hospital's inpatient days provided in a given 12-month
9 period to patients who, for such days, were eligible for
10 Medicaid under Title XIX of the federal Social Security
11 Act, and the denominator of which is the total number of
12 the hospital's inpatient days in that same period.

13 (2) "Mean Medicaid inpatient utilization rate" means
14 the total number of Medicaid inpatient days provided by all
15 Illinois Medicaid-participating hospitals divided by the
16 total number of inpatient days provided by those same
17 hospitals.

18 (3) "Medicaid obstetrical inpatient utilization rate"
19 means the ratio of Medicaid obstetrical inpatient days to
20 total Medicaid inpatient days for all Illinois hospitals
21 receiving Medicaid payments from the Illinois Department.

22 (i) Inpatient adjustment payment limit. In order to meet
23 the limits of Public Law 102-234 and Public Law 103-66, the
24 Illinois Department shall by rule adjust disproportionate
25 share adjustment payments.

26 (j) University of Illinois Hospital inpatient adjustment

1 payments. For hospitals organized under the University of
2 Illinois Hospital Act, there shall be an adjustment payment as
3 determined by rules adopted by the Illinois Department.

4 (k) The Illinois Department may by rule establish criteria
5 for and develop methodologies for adjustment payments to
6 hospitals participating under this Article.

7 (l) On and after July 1, 2012, the Department shall reduce
8 any rate of reimbursement for services or other payments or
9 alter any methodologies authorized by this Code to reduce any
10 rate of reimbursement for services or other payments in
11 accordance with Section 5-5e.

12 (Source: P.A. 97-689, eff. 6-14-12; 98-104, eff. 7-22-13.)

13 Section 110. The Older Adult Services Act is amended by
14 changing Sections 20, 25, and 30 as follows:

15 (320 ILCS 42/20)

16 Sec. 20. Priority service areas; service expansion.

17 (a) The requirements of this Section are subject to the
18 availability of funding.

19 (b) The Department, subject to appropriation, shall expand
20 older adult services that promote independence and permit older
21 adults to remain in their own homes and communities. Priority
22 shall be given to both the expansion of services and the
23 development of new services in priority service areas.

24 (c) Inventory of services. The Department shall develop and

1 maintain an inventory and assessment of (i) the types and
2 quantities of public older adult services and, to the extent
3 possible, privately provided older adult services, including
4 the unduplicated count, location, and characteristics of
5 individuals served by each facility, program, or service and
6 (ii) the resources supporting those services, no later than
7 July 1, 2012. The Department shall investigate the cost of
8 compliance with this provision and report these findings to the
9 appropriation committees of both chambers assigned to hear the
10 agency's budget no later than January 1, 2012. If the
11 Department determines that compliance is cost prohibitive, it
12 shall recommend action in the alternative to achieve the intent
13 of this Section and identify priority service areas for the
14 purpose of directing the allocation of new resources and the
15 reallocation of existing resources to areas of greatest need.

16 (d) Priority service areas. The Departments shall assess
17 the current and projected need for older adult services
18 throughout the State, analyze the results of the inventory, and
19 identify priority service areas, which shall serve as the basis
20 for a priority service plan to be filed with the Governor and
21 the General Assembly no later than July 1, 2006, and every 5
22 years thereafter. The January 1, 2012 report required under
23 subsection (c) of this Section shall serve as compliance with
24 the July 1, 2011 reporting requirement.

25 (e) Moneys appropriated by the General Assembly for the
26 purpose of this Section, receipts from transfers, donations,

1 grants, fees, or taxes that may accrue from any public or
2 private sources to the Department for the purpose of providing
3 services and care to older adults, and savings attributable to
4 the nursing home conversion program as calculated in subsection
5 (h) shall be deposited into the Department on Aging State
6 Projects Fund. Interest earned by those moneys in the Fund
7 shall be credited to the Fund.

8 (f) Moneys described in subsection (e) from the Department
9 on Aging State Projects Fund shall be used for older adult
10 services, regardless of where the older adult receives the
11 service, with priority given to both the expansion of services
12 and the development of new services in priority service areas.
13 Fundable services shall include:

14 (1) Housing, health services, and supportive services:

15 (A) adult day care;

16 (B) adult day care for persons with Alzheimer's
17 disease and related disorders;

18 (C) activities of daily living;

19 (D) care-related supplies and equipment;

20 (E) case management;

21 (F) community reintegration;

22 (G) companion;

23 (H) congregate meals;

24 (I) counseling and education;

25 (J) elder abuse prevention and intervention;

26 (K) emergency response and monitoring;

1 (L) environmental modifications;
2 (M) family caregiver support;
3 (N) financial;
4 (O) home delivered meals;
5 (P) homemaker;
6 (Q) home health;
7 (R) hospice;
8 (S) laundry;
9 (T) long-term care ombudsman;
10 (U) medication reminders;
11 (V) money management;
12 (W) nutrition services;
13 (X) personal care;
14 (Y) respite care;
15 (Z) residential care;
16 (AA) senior benefits outreach;
17 (BB) senior centers;
18 (CC) services provided under the Assisted Living
19 and Shared Housing Act, or sheltered care services that
20 meet the requirements of the Assisted Living and Shared
21 Housing Act, or services provided under Section
22 5-5.01a of the Illinois Public Aid Code (the Supportive
23 Living Facilities Program);
24 (DD) telemedicine devices to monitor recipients in
25 their own homes as an alternative to hospital care,
26 nursing home care, or home visits;

1 (EE) training for direct family caregivers;
2 (FF) transition;
3 (GG) transportation;
4 (HH) wellness and fitness programs; and
5 (II) other programs designed to assist older
6 adults in Illinois to remain independent and receive
7 services in the most integrated residential setting
8 possible for that person.

9 (2) Older Adult Services Demonstration Grants,
10 pursuant to subsection (g) of this Section.

11 (g) Older Adult Services Demonstration Grants. The
12 Department may establish a program of demonstration grants to
13 assist in the restructuring of the delivery system for older
14 adult services and provide funding for innovative service
15 delivery models and system change and integration initiatives.
16 The Department shall prescribe, by rule, the grant application
17 process. At a minimum, every application must include:

- 18 (1) The type of grant sought;
19 (2) A description of the project;
20 (3) The objective of the project;
21 (4) The likelihood of the project meeting identified
22 needs;
23 (5) The plan for financing, administration, and
24 evaluation of the project;
25 (6) The timetable for implementation;
26 (7) The roles and capabilities of responsible

1 individuals and organizations;

2 (8) Documentation of collaboration with other service
3 providers, local community government leaders, and other
4 stakeholders, other providers, and any other stakeholders
5 in the community;

6 (9) Documentation of community support for the
7 project, including support by other service providers,
8 local community government leaders, and other
9 stakeholders;

10 (10) The total budget for the project;

11 (11) The financial condition of the applicant; and

12 (12) Any other application requirements that may be
13 established by the Department by rule.

14 Each project may include provisions for a designated staff
15 person who is responsible for the development of the project
16 and recruitment of providers.

17 Projects may include, but are not limited to: adult family
18 foster care; family adult day care; assisted living in a
19 supervised apartment; personal services in a subsidized
20 housing project; training for caregivers; specialized assisted
21 living units; evening and weekend home care coverage; small
22 incentive grants to attract new providers; money following the
23 person; cash and counseling; managed long-term care; and
24 respite care projects that establish a local coordinated
25 network of volunteer and paid respite workers, coordinate
26 assignment of respite workers to caregivers and older adults,

1 ensure the health and safety of the older adult, provide
2 training for caregivers, and ensure that support groups are
3 available in the community.

4 ~~A demonstration project funded in whole or in part by an~~
5 ~~Older Adult Services Demonstration Grant is exempt from the~~
6 ~~requirements of the Illinois Health Facilities Planning Act. To~~
7 ~~the extent applicable, however, for the purpose of maintaining~~
8 ~~the statewide inventory authorized by the Illinois Health~~
9 ~~Facilities Planning Act, the Department shall send to the~~
10 ~~Health Facilities and Services Review Board a copy of each~~
11 ~~grant award made under this subsection (g).~~

12 The Department, in collaboration with the Departments of
13 Public Health and Healthcare and Family Services, shall
14 evaluate the effectiveness of the projects receiving grants
15 under this Section.

16 (h) No later than July 1 of each year, the Department of
17 Public Health shall provide information to the Department of
18 Healthcare and Family Services to enable the Department of
19 Healthcare and Family Services to annually document and verify
20 the savings attributable to the nursing home conversion program
21 for the previous fiscal year to estimate an annual amount of
22 such savings that may be appropriated to the Department on
23 Aging State Projects Fund and notify the General Assembly, the
24 Department on Aging, the Department of Human Services, and the
25 Advisory Committee of the savings no later than October 1 of
26 the same fiscal year.

1 (Source: P.A. 96-31, eff. 6-30-09; 97-448, eff. 8-19-11.)

2 (320 ILCS 42/25)

3 Sec. 25. Older adult services restructuring. No later than
4 January 1, 2005, the Department shall commence the process of
5 restructuring the older adult services delivery system.
6 Priority shall be given to both the expansion of services and
7 the development of new services in priority service areas.
8 Subject to the availability of funding, the restructuring shall
9 include, but not be limited to, the following:

10 (1) Planning. The Department on Aging and the Departments
11 of Public Health and Healthcare and Family Services shall
12 develop a plan to restructure the State's service delivery
13 system for older adults pursuant to this Act no later than
14 September 30, 2010. The plan shall include a schedule for the
15 implementation of the initiatives outlined in this Act and all
16 other initiatives identified by the participating agencies to
17 fulfill the purposes of this Act and shall protect the rights
18 of all older Illinoisans to services based on their health
19 circumstances and functioning level, regardless of whether
20 they receive their care in their homes, in a community setting,
21 or in a residential facility. Financing for older adult
22 services shall be based on the principle that "money follows
23 the individual" taking into account individual preference, but
24 shall not jeopardize the health, safety, or level of care of
25 nursing home residents. The plan shall also identify potential

1 impediments to delivery system restructuring and include any
2 known regulatory or statutory barriers.

3 (2) Comprehensive case management. The Department shall
4 implement a statewide system of holistic comprehensive case
5 management. The system shall include the identification and
6 implementation of a universal, comprehensive assessment tool
7 to be used statewide to determine the level of functional,
8 cognitive, socialization, and financial needs of older adults.
9 This tool shall be supported by an electronic intake,
10 assessment, and care planning system linked to a central
11 location. "Comprehensive case management" includes services
12 and coordination such as (i) comprehensive assessment of the
13 older adult (including the physical, functional, cognitive,
14 psycho-social, and social needs of the individual); (ii)
15 development and implementation of a service plan with the older
16 adult to mobilize the formal and family resources and services
17 identified in the assessment to meet the needs of the older
18 adult, including coordination of the resources and services
19 with any other plans that exist for various formal services,
20 such as hospital discharge plans, and with the information and
21 assistance services; (iii) coordination and monitoring of
22 formal and family service delivery, including coordination and
23 monitoring to ensure that services specified in the plan are
24 being provided; (iv) periodic reassessment and revision of the
25 status of the older adult with the older adult or, if
26 necessary, the older adult's designated representative; and

1 (v) in accordance with the wishes of the older adult, advocacy
2 on behalf of the older adult for needed services or resources.

3 (3) Coordinated point of entry. The Department shall
4 implement and publicize a statewide coordinated point of entry
5 using a uniform name, identity, logo, and toll-free number.

6 (4) Public web site. The Department shall develop a public
7 web site that provides links to available services, resources,
8 and reference materials concerning caregiving, diseases, and
9 best practices for use by professionals, older adults, and
10 family caregivers.

11 (5) Expansion of older adult services. The Department shall
12 expand older adult services that promote independence and
13 permit older adults to remain in their own homes and
14 communities.

15 (6) Consumer-directed home and community-based services.
16 The Department shall expand the range of service options
17 available to permit older adults to exercise maximum choice and
18 control over their care.

19 (7) Comprehensive delivery system. The Department shall
20 expand opportunities for older adults to receive services in
21 systems that integrate acute and chronic care.

22 (8) Enhanced transition and follow-up services. The
23 Department shall implement a program of transition from one
24 residential setting to another and follow-up services,
25 regardless of residential setting, pursuant to rules with
26 respect to (i) resident eligibility, (ii) assessment of the

1 resident's health, cognitive, social, and financial needs,
2 (iii) development of transition plans, and (iv) the level of
3 services that must be available before transitioning a resident
4 from one setting to another.

5 (9) Family caregiver support. The Department shall develop
6 strategies for public and private financing of services that
7 supplement and support family caregivers.

8 (10) Quality standards and quality improvement. The
9 Department shall establish a core set of uniform quality
10 standards for all providers that focus on outcomes and take
11 into consideration consumer choice and satisfaction, and the
12 Department shall require each provider to implement a
13 continuous quality improvement process to address consumer
14 issues. The continuous quality improvement process must
15 benchmark performance, be person-centered and data-driven, and
16 focus on consumer satisfaction.

17 (11) Workforce. The Department shall develop strategies to
18 attract and retain a qualified and stable worker pool, provide
19 living wages and benefits, and create a work environment that
20 is conducive to long-term employment and career development.
21 Resources such as grants, education, and promotion of career
22 opportunities may be used.

23 (12) Coordination of services. The Department shall
24 identify methods to better coordinate service networks to
25 maximize resources and minimize duplication of services and
26 ease of application.

1 (13) Barriers to services. The Department shall identify
2 barriers to the provision, availability, and accessibility of
3 services and shall implement a plan to address those barriers.
4 The plan shall: (i) identify barriers, including but not
5 limited to, statutory and regulatory complexity, reimbursement
6 issues, payment issues, and labor force issues; (ii) recommend
7 changes to State or federal laws or administrative rules or
8 regulations; (iii) recommend application for federal waivers
9 to improve efficiency and reduce cost and paperwork; (iv)
10 develop innovative service delivery models; and (v) recommend
11 application for federal or private service grants.

12 (14) Reimbursement and funding. The Department shall
13 investigate and evaluate costs and payments by defining costs
14 to implement a uniform, audited provider cost reporting system
15 to be considered by all Departments in establishing payments.
16 To the extent possible, multiple cost reporting mandates shall
17 not be imposed.

18 (15) Medicaid nursing home cost containment and Medicare
19 utilization. The Department of Healthcare and Family Services
20 (formerly Department of Public Aid), in collaboration with the
21 Department on Aging and the Department of Public Health and in
22 consultation with the Advisory Committee, shall propose a plan
23 to contain Medicaid nursing home costs and maximize Medicare
24 utilization. The plan must not impair the ability of an older
25 adult to choose among available services. The plan shall
26 include, but not be limited to, (i) techniques to maximize the

1 use of the most cost-effective services without sacrificing
2 quality and (ii) methods to identify and serve older adults in
3 need of minimal services to remain independent, but who are
4 likely to develop a need for more extensive services in the
5 absence of those minimal services.

6 (16) Bed reduction. The Department of Public Health shall
7 implement a nursing home conversion program to reduce the
8 number of Medicaid-certified nursing home beds in areas with
9 excess beds. The Department of Healthcare and Family Services
10 shall investigate changes to the Medicaid nursing facility
11 reimbursement system in order to reduce beds. Such changes may
12 include, but are not limited to, incentive payments that will
13 enable facilities to adjust to the restructuring and expansion
14 of services required by the Older Adult Services Act, including
15 adjustments for the voluntary closure or layaway of nursing
16 home beds certified under Title XIX of the federal Social
17 Security Act. Any savings shall be reallocated to fund
18 home-based or community-based older adult services pursuant to
19 Section 20.

20 (17) Financing. The Department shall investigate and
21 evaluate financing options for older adult services and shall
22 make recommendations in the report required by Section 15
23 concerning the feasibility of these financing arrangements.
24 These arrangements shall include, but are not limited to:

25 (A) private long-term care insurance coverage for
26 older adult services;

1 (B) enhancement of federal long-term care financing
2 initiatives;

3 (C) employer benefit programs such as medical savings
4 accounts for long-term care;

5 (D) individual and family cost-sharing options;

6 (E) strategies to reduce reliance on government
7 programs;

8 (F) fraudulent asset divestiture and financial
9 planning prevention; and

10 (G) methods to supplement and support family and
11 community caregiving.

12 (18) Older Adult Services Demonstration Grants. The
13 Department shall implement a program of demonstration grants
14 that will assist in the restructuring of the older adult
15 services delivery system, and shall provide funding for
16 innovative service delivery models and system change and
17 integration initiatives pursuant to subsection (g) of Section
18 20.

19 (19) (Blank). ~~Bed need methodology update. For the purposes~~
20 ~~of determining areas with excess beds, the Departments shall~~
21 ~~provide information and assistance to the Health Facilities and~~
22 ~~Services Review Board to update the Bed Need Methodology for~~
23 ~~Long Term Care to update the assumptions used to establish the~~
24 ~~methodology to make them consistent with modern older adult~~
25 ~~services.~~

26 (20) Affordable housing. The Departments shall utilize the

1 recommendations of Illinois' Annual Comprehensive Housing
2 Plan, as developed by the Affordable Housing Task Force through
3 the Governor's Executive Order 2003-18, in their efforts to
4 address the affordable housing needs of older adults.

5 The Older Adult Services Advisory Committee shall
6 investigate innovative and promising practices operating as
7 demonstration or pilot projects in Illinois and in other
8 states. The Department on Aging shall provide the Older Adult
9 Services Advisory Committee with a list of all demonstration or
10 pilot projects funded by the Department on Aging, including
11 those specified by rule, law, policy memorandum, or funding
12 arrangement. The Committee shall work with the Department on
13 Aging to evaluate the viability of expanding these programs
14 into other areas of the State.

15 (Source: P.A. 96-31, eff. 6-30-09; 96-248, eff. 8-11-09;
16 96-1000, eff. 7-2-10.)

17 (320 ILCS 42/30)

18 Sec. 30. Nursing home conversion program.

19 (a) The Department of Public Health, in collaboration with
20 the Department on Aging and the Department of Healthcare and
21 Family Services, shall establish a nursing home conversion
22 program. Start-up grants, pursuant to subsections (l) and (m)
23 of this Section, shall be made available to nursing homes as
24 appropriations permit as an incentive to reduce certified beds,
25 retrofit, and retool operations to meet new service delivery

1 expectations and demands.

2 (b) Grant moneys shall be made available for capital and
3 other costs related to: (1) the conversion of all or a part of
4 a nursing home to an assisted living establishment or a special
5 program or unit for persons with Alzheimer's disease or related
6 disorders licensed under the Assisted Living and Shared Housing
7 Act or a supportive living facility established under Section
8 5-5.01a of the Illinois Public Aid Code; (2) the conversion of
9 multi-resident bedrooms in the facility into single-occupancy
10 rooms; and (3) the development of any of the services
11 identified in a priority service plan that can be provided by a
12 nursing home within the confines of a nursing home or
13 transportation services. Grantees shall be required to provide
14 a minimum of a 20% match toward the total cost of the project.

15 (c) Nothing in this Act shall prohibit the co-location of
16 services or the development of multifunctional centers under
17 subsection (f) of Section 20, including a nursing home offering
18 community-based services or a community provider establishing
19 a residential facility.

20 (d) A certified nursing home with at least 50% of its
21 resident population having their care paid for by the Medicaid
22 program is eligible to apply for a grant under this Section.

23 (e) Any nursing home receiving a grant under this Section
24 shall reduce the number of certified nursing home beds by a
25 number equal to or greater than the number of beds being
26 converted for one or more of the permitted uses under item (1)

1 or (2) of subsection (b). ~~The nursing home shall retain the~~
2 ~~Certificate of Need for its nursing and sheltered care beds~~
3 ~~that were converted for 15 years.~~ If the beds are reinstated by
4 the provider or its successor in interest, the provider shall
5 pay to the fund from which the grant was awarded, on an
6 amortized basis, the amount of the grant. The Department shall
7 establish, by rule, the bed reduction methodology for nursing
8 homes that receive a grant pursuant to item (3) of subsection
9 (b).

10 (f) Any nursing home receiving a grant under this Section
11 shall agree that, for a minimum of 10 years after the date that
12 the grant is awarded, a minimum of 50% of the nursing home's
13 resident population shall have their care paid for by the
14 Medicaid program. If the nursing home provider or its successor
15 in interest ceases to comply with the requirement set forth in
16 this subsection, the provider shall pay to the fund from which
17 the grant was awarded, on an amortized basis, the amount of the
18 grant.

19 (g) Before awarding grants, the Department of Public Health
20 shall seek recommendations from the Department on Aging and the
21 Department of Healthcare and Family Services. The Department of
22 Public Health shall attempt to balance the distribution of
23 grants among geographic regions, and among small and large
24 nursing homes. The Department of Public Health shall develop,
25 by rule, the criteria for the award of grants based upon the
26 following factors:

1 (1) the unique needs of older adults (including those
2 with moderate and low incomes), caregivers, and providers
3 in the geographic area of the State the grantee seeks to
4 serve;

5 (2) whether the grantee proposes to provide services in
6 a priority service area;

7 (3) the extent to which the conversion or transition
8 will result in the reduction of certified nursing home beds
9 in an area with excess beds;

10 (4) the compliance history of the nursing home; and

11 (5) any other relevant factors identified by the
12 Department, including standards of need.

13 (h) A conversion funded in whole or in part by a grant
14 under this Section must not:

15 (1) diminish or reduce the quality of services
16 available to nursing home residents;

17 (2) force any nursing home resident to involuntarily
18 accept home-based or community-based services instead of
19 nursing home services;

20 (3) diminish or reduce the supply and distribution of
21 nursing home services in any community below the level of
22 need, as defined by the Department by rule; or

23 (4) cause undue hardship on any person who requires
24 nursing home care.

25 (i) The Department shall prescribe, by rule, the grant
26 application process. At a minimum, every application must

1 include:

2 (1) the type of grant sought;

3 (2) a description of the project;

4 (3) the objective of the project;

5 (4) the likelihood of the project meeting identified
6 needs;

7 (5) the plan for financing, administration, and
8 evaluation of the project;

9 (6) the timetable for implementation;

10 (7) the roles and capabilities of responsible
11 individuals and organizations;

12 (8) documentation of collaboration with other service
13 providers, local community government leaders, and other
14 stakeholders, other providers, and any other stakeholders
15 in the community;

16 (9) documentation of community support for the
17 project, including support by other service providers,
18 local community government leaders, and other
19 stakeholders;

20 (10) the total budget for the project;

21 (11) the financial condition of the applicant; and

22 (12) any other application requirements that may be
23 established by the Department by rule.

24 (j) (Blank). ~~A conversion project funded in whole or in~~
25 ~~part by a grant under this Section is exempt from the~~
26 ~~requirements of the Illinois Health Facilities Planning Act.~~

1 ~~The Department of Public Health, however, shall send to the~~
2 ~~Health Facilities and Services Review Board a copy of each~~
3 ~~grant award made under this Section.~~

4 (k) Applications for grants are public information, except
5 that nursing home financial condition and any proprietary data
6 shall be classified as nonpublic data.

7 (l) The Department of Public Health may award grants from
8 the Long Term Care Civil Money Penalties Fund established under
9 Section 1919(h) (2) (A) (ii) of the Social Security Act and 42 CFR
10 488.422(g) if the award meets federal requirements.

11 (m) The Nursing Home Conversion Fund is created as a
12 special fund in the State treasury. Moneys appropriated by the
13 General Assembly or transferred from other sources for the
14 purposes of this Section shall be deposited into the Fund. All
15 interest earned on moneys in the fund shall be credited to the
16 fund. Moneys contained in the fund shall be used to support the
17 purposes of this Section.

18 (Source: P.A. 95-331, eff. 8-21-07; 96-31, eff. 6-30-09;
19 96-758, eff. 8-25-09; 96-1000, eff. 7-2-10.)

20 (405 ILCS 25/4.03 rep.) (from Ch. 91 1/2, par. 604.03)

21 Section 115. The Specialized Living Centers Act is amended
22 by repealing Section 4.03.

1 INDEX
2 Statutes amended in order of appearance

3 5 ILCS 120/1.02 from Ch. 102, par. 41.02
4 5 ILCS 430/5-50
5 20 ILCS 2310/2310-217
6 20 ILCS 2310/2310-640
7 20 ILCS 3960/Act rep.
8 20 ILCS 4050/15 rep.
9 30 ILCS 5/3-1 from Ch. 15, par. 303-1
10 30 ILCS 105/5.213 rep. from Ch. 127, par. 141.213
11 70 ILCS 910/15 from Ch. 23, par. 1265
12 210 ILCS 3/20
13 210 ILCS 3/30
14 210 ILCS 9/10
15 210 ILCS 9/145
16 210 ILCS 9/155
17 210 ILCS 40/2 from Ch. 111 1/2, par. 4160-2
18 210 ILCS 40/7 from Ch. 111 1/2, par. 4160-7
19 210 ILCS 45/3-102.2
20 210 ILCS 45/3-103 from Ch. 111 1/2, par. 4153-103
21 210 ILCS 47/3-103
22 210 ILCS 49/1-101.5
23 210 ILCS 50/32.5
24 210 ILCS 80/1.3
25 210 ILCS 85/4.5

- 1 210 ILCS 85/4.6
- 2 210 ILCS 85/4.7
- 3 210 ILCS 85/10.8
- 4 225 ILCS 7/4 rep.
- 5 225 ILCS 47/Act rep.
- 6 225 ILCS 510/3 from Ch. 111, par. 953
- 7 305 ILCS 5/5-5.01a
- 8 305 ILCS 5/5-5.02 from Ch. 23, par. 5-5.02
- 9 320 ILCS 42/20
- 10 320 ILCS 42/25
- 11 320 ILCS 42/30
- 12 405 ILCS 25/4.03 rep. from Ch. 91 1/2, par. 604.03