

1 AN ACT concerning State government.

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

4 Section 5. The Illinois Health Facilities Planning Act is
5 amended by changing Sections 6 and 8.5 as follows:

6 (20 ILCS 3960/6) (from Ch. 111 1/2, par. 1156)

7 (Section scheduled to be repealed on December 31, 2019)

8 Sec. 6. Application for permit or exemption; exemption
9 regulations.

10 (a) An application for a permit or exemption shall be made
11 to the State Board upon forms provided by the State Board. This
12 application shall contain such information as the State Board
13 deems necessary. The State Board shall not require an applicant
14 to file a Letter of Intent before an application is filed. Such
15 application shall include affirmative evidence on which the
16 State Board or Chairman may make its decision on the approval
17 or denial of the permit or exemption.

18 (b) The State Board shall establish by regulation the
19 procedures and requirements regarding issuance of exemptions.
20 An exemption shall be approved when information required by the
21 Board by rule is submitted. Projects eligible for an exemption,
22 rather than a permit, include, but are not limited to, change
23 of ownership of a health care facility, discontinuation of a

1 category of service, and discontinuation of a health care
2 facility, other than a health care facility maintained by the
3 State or any agency or department thereof or a nursing home
4 maintained by a county. For a change of ownership of a health
5 care facility ~~between related persons~~, the State Board shall
6 provide by rule for an expedited process for obtaining an
7 exemption in accordance with Section 8.5 of this Act. In
8 connection with a change of ownership, the State Board may
9 approve the transfer of an existing permit without regard to
10 whether the permit to be transferred has yet been obligated,
11 except for permits establishing a new facility or a new
12 category of service.

13 (c) All applications shall be signed by the applicant and
14 shall be verified by any 2 officers thereof.

15 (c-5) Any written review or findings of the Board staff or
16 any other reviewing organization under Section 8 concerning an
17 application for a permit must be made available to the public
18 at least 14 calendar days before the meeting of the State Board
19 at which the review or findings are considered. The applicant
20 and members of the public may submit, to the State Board,
21 written responses regarding the facts set forth in the review
22 or findings of the Board staff or reviewing organization.
23 Members of the public shall have until 10 days before the
24 meeting of the State Board to submit any written response
25 concerning the Board staff's written review or findings. The
26 Board staff may revise any findings to address corrections of

1 factual errors cited in the public response. At the meeting,
2 the State Board may, in its discretion, permit the submission
3 of other additional written materials.

4 (d) Upon receipt of an application for a permit, the State
5 Board shall approve and authorize the issuance of a permit if
6 it finds (1) that the applicant is fit, willing, and able to
7 provide a proper standard of health care service for the
8 community with particular regard to the qualification,
9 background and character of the applicant, (2) that economic
10 feasibility is demonstrated in terms of effect on the existing
11 and projected operating budget of the applicant and of the
12 health care facility; in terms of the applicant's ability to
13 establish and operate such facility in accordance with
14 licensure regulations promulgated under pertinent state laws;
15 and in terms of the projected impact on the total health care
16 expenditures in the facility and community, (3) that safeguards
17 are provided which assure that the establishment, construction
18 or modification of the health care facility or acquisition of
19 major medical equipment is consistent with the public interest,
20 and (4) that the proposed project is consistent with the
21 orderly and economic development of such facilities and
22 equipment and is in accord with standards, criteria, or plans
23 of need adopted and approved pursuant to the provisions of
24 Section 12 of this Act.

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

1 (20 ILCS 3960/8.5)

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

3 Sec. 8.5. Certificate of exemption for change of ownership
4 of a health care facility; discontinuation of a health care
5 facility or category of service; public notice and public
6 hearing.

7 (a) Upon a finding that an application for a change of
8 ownership is complete, the State Board shall publish a legal
9 notice on one day ~~3 consecutive days~~ in a newspaper of general
10 circulation in the area or community to be affected and afford
11 the public an opportunity to request a hearing. If the
12 application is for a facility located in a Metropolitan
13 Statistical Area, an additional legal notice shall be published
14 in a newspaper of limited circulation, if one exists, in the
15 area in which the facility is located. If the newspaper of
16 limited circulation is published on a daily basis, the
17 additional legal notice shall be published on one day ~~3~~
18 ~~consecutive days~~. The applicant shall pay the cost incurred by
19 the Board in publishing the change of ownership notice in
20 newspapers as required under this subsection. The legal notice
21 shall also be posted on the Health Facilities and Services
22 Review Board's web site and sent to the State Representative
23 and State Senator of the district in which the health care
24 facility is located. An application for change of ownership of
25 a hospital shall not be deemed complete without a signed
26 certification that for a period of 2 years after the change of

1 ownership transaction is effective, the hospital will not adopt
2 a charity care policy that is more restrictive than the policy
3 in effect during the year prior to the transaction. An
4 application for a change of ownership need not contain signed
5 transaction documents so long as it includes the following key
6 terms of the transaction: names and background of the parties;
7 structure of the transaction; the person who will be the
8 licensed or certified entity after the transaction; the
9 ownership or membership interests in such licensed or certified
10 entity both prior to and after the transaction; fair market
11 value of assets to be transferred; and the purchase price or
12 other form of consideration to be provided for those assets.
13 The issuance of the certificate of exemption shall be
14 contingent upon the applicant submitting a statement to the
15 Board within 90 days after the closing date of the transaction,
16 or such longer period as provided by the Board, certifying that
17 the change of ownership has been completed in accordance with
18 the key terms contained in the application. If such key terms
19 of the transaction change, a new application shall be required.

20 Where a change of ownership is among related persons, and
21 there are no other changes being proposed at the health care
22 facility that would otherwise require a permit or exemption
23 under this Act, the applicant shall submit an application
24 consisting of a standard notice in a form set forth by the
25 Board briefly explaining the reasons for the proposed change of
26 ownership. Once such an application is submitted to the Board

1 and reviewed by the Board staff, the Board Chair shall take
2 action on an application for an exemption for a change of
3 ownership among related persons within 45 days after the
4 application has been deemed complete, provided the application
5 meets the applicable standards under this Section. If the Board
6 Chair has a conflict of interest or for other good cause, the
7 Chair may request review by the Board. Notwithstanding any
8 other provision of this Act, for purposes of this Section, a
9 change of ownership among related persons means a transaction
10 where the parties to the transaction are under common control
11 or ownership before and after the transaction is completed.

12 Nothing in this Act shall be construed as authorizing the
13 Board to impose any conditions, obligations, or limitations,
14 other than those required by this Section, with respect to the
15 issuance of an exemption for a change of ownership, including,
16 but not limited to, the time period before which a subsequent
17 change of ownership of the health care facility could be
18 sought, or the commitment to continue to offer for a specified
19 time period any services currently offered by the health care
20 facility.

21 (a-3) Upon a finding that an application to close a health
22 care facility is complete, the State Board shall publish a
23 legal notice on 3 consecutive days in a newspaper of general
24 circulation in the area or community to be affected and afford
25 the public an opportunity to request a hearing. If the
26 application is for a facility located in a Metropolitan

1 Statistical Area, an additional legal notice shall be published
2 in a newspaper of limited circulation, if one exists, in the
3 area in which the facility is located. If the newspaper of
4 limited circulation is published on a daily basis, the
5 additional legal notice shall be published on 3 consecutive
6 days. The legal notice shall also be posted on the Health
7 Facilities and Services Review Board's web site and sent to the
8 State Representative and State Senator of the district in which
9 the health care facility is located.

10 (a-5) Upon a finding that an application to discontinue a
11 category of service is complete and provides the requested
12 information, as specified by the State Board, an exemption
13 shall be issued. No later than 30 days after the issuance of
14 the exemption, the health care facility must give written
15 notice of the discontinuation of the category of service to the
16 State Senator and State Representative serving the legislative
17 district in which the health care facility is located.

18 ~~For the purposes of this subsection, "newspaper of limited~~
19 ~~circulation" means a newspaper intended to serve a particular~~
20 ~~or defined population of a specific geographic area within a~~
21 ~~Metropolitan Statistical Area such as a municipality, town,~~
22 ~~village, township, or community area, but does not include~~
23 ~~publications of professional and trade associations.~~

24 (b) If a public hearing is requested, it shall be held at
25 least 15 days but no more than 30 days after the date of
26 publication of the legal notice in the community in which the

1 facility is located. The hearing shall be held in a place of
2 reasonable size and accessibility and a full and complete
3 written transcript of the proceedings shall be made. The
4 applicant shall provide a summary of the proposal ~~proposed~~
5 ~~change of ownership~~ for distribution at the public hearing.

6 (c) For the purposes of this Section "newspaper of limited
7 circulation" means a newspaper intended to serve a particular
8 or defined population of a specific geographic area within a
9 Metropolitan Statistical Area such as a municipality, town,
10 village, township, or community area, but does not include
11 publications of professional and trade associations.

12 (Source: P.A. 98-1086, eff. 8-26-14.)

13 Section 99. Effective date. This Act takes effect upon
14 becoming law.