

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 Civil Administrative Code of Illinois is
5 amended by changing Section 5-565 as follows:

6 (20 ILCS 5/5-565) (was 20 ILCS 5/6.06)

7 Sec. 5-565. In the Department of Public Health.

8 (a) The General Assembly declares it to be the public
9 policy of this State that all citizens of Illinois are entitled
10 to lead healthy lives. Governmental public health has a
11 specific responsibility to ensure that a public health system
12 is in place to allow the public health mission to be achieved.
13 The public health system is the collection of public, private,
14 and voluntary entities as well as individuals and informal
15 associations that contribute to the public's health within the
16 State. To develop a public health system requires certain core
17 functions to be performed by government. The State Board of
18 Health is to assume the leadership role in advising the
19 Director in meeting the following functions:

20 (1) Needs assessment.

21 (2) Statewide health objectives.

22 (3) Policy development.

23 (4) Assurance of access to necessary services.

1 There shall be a State Board of Health composed of 20
2 persons, all of whom shall be appointed by the Governor, with
3 the advice and consent of the Senate for those appointed by the
4 Governor on and after June 30, 1998, and one of whom shall be a
5 senior citizen age 60 or over. Five members shall be physicians
6 licensed to practice medicine in all its branches, one
7 representing a medical school faculty, one who is board
8 certified in preventive medicine, and one who is engaged in
9 private practice. One member shall be a chiropractic physician.
10 One member shall be a dentist; one an environmental health
11 practitioner; one a local public health administrator; one a
12 local board of health member; one a registered nurse; one a
13 physical therapist; one an optometrist; one a veterinarian; one
14 a public health academician; one a health care industry
15 representative; one a representative of the business
16 community; one a representative of the non-profit public
17 interest community; and 2 shall be citizens at large.

18 The terms of Board of Health members shall be 3 years,
19 except that members shall continue to serve on the Board of
20 Health until a replacement is appointed. Upon the effective
21 date of this amendatory Act of the 93rd General Assembly, in
22 the appointment of the Board of Health members appointed to
23 vacancies or positions with terms expiring on or before
24 December 31, 2004, the Governor shall appoint up to 6 members
25 to serve for terms of 3 years; up to 6 members to serve for
26 terms of 2 years; and up to 5 members to serve for a term of one

1 year, so that the term of no more than 6 members expire in the
2 same year. All members shall be legal residents of the State of
3 Illinois. The duties of the Board shall include, but not be
4 limited to, the following:

5 (1) To advise the Department of ways to encourage
6 public understanding and support of the Department's
7 programs.

8 (2) To evaluate all boards, councils, committees,
9 authorities, and bodies advisory to, or an adjunct of, the
10 Department of Public Health or its Director for the purpose
11 of recommending to the Director one or more of the
12 following:

13 (i) The elimination of bodies whose activities are
14 not consistent with goals and objectives of the
15 Department.

16 (ii) The consolidation of bodies whose activities
17 encompass compatible programmatic subjects.

18 (iii) The restructuring of the relationship
19 between the various bodies and their integration
20 within the organizational structure of the Department.

21 (iv) The establishment of new bodies deemed
22 essential to the functioning of the Department.

23 (3) To serve as an advisory group to the Director for
24 public health emergencies and control of health hazards.

25 (4) To advise the Director regarding public health
26 policy, and to make health policy recommendations

1 regarding priorities to the Governor through the Director.

2 (5) To present public health issues to the Director and
3 to make recommendations for the resolution of those issues.

4 (6) To recommend studies to delineate public health
5 problems.

6 (7) To make recommendations to the Governor through the
7 Director regarding the coordination of State public health
8 activities with other State and local public health
9 agencies and organizations.

10 (8) To report on or before February 1 of each year on
11 the health of the residents of Illinois to the Governor,
12 the General Assembly, and the public.

13 (9) To review the final draft of all proposed
14 administrative rules, other than emergency or preemptory
15 rules and those rules that another advisory body must
16 approve or review within a statutorily defined time period,
17 of the Department after September 19, 1991 (the effective
18 date of Public Act 87-633). The Board shall review the
19 proposed rules within 90 days of submission by the
20 Department. The Department shall take into consideration
21 any comments and recommendations of the Board regarding the
22 proposed rules prior to submission to the Secretary of
23 State for initial publication. If the Department disagrees
24 with the recommendations of the Board, it shall submit a
25 written response outlining the reasons for not accepting
26 the recommendations.

1 In the case of proposed administrative rules or
2 amendments to administrative rules regarding immunization
3 of children against preventable communicable diseases
4 designated by the Director under the Communicable Disease
5 Prevention Act, after the Immunization Advisory Committee
6 has made its recommendations, the Board shall conduct 3
7 public hearings, geographically distributed throughout the
8 State. At the conclusion of the hearings, the State Board
9 of Health shall issue a report, including its
10 recommendations, to the Director. The Director shall take
11 into consideration any comments or recommendations made by
12 the Board based on these hearings.

13 (10) To deliver to the Governor for presentation to the
14 General Assembly a State Health Improvement Plan. The first
15 3 such plans shall be delivered to the Governor on January
16 1, 2006, January 1, 2009, and January 1, 2016 and then
17 every 5 years thereafter.

18 The Plan shall recommend priorities and strategies to
19 improve the public health system and the health status of
20 Illinois residents, taking into consideration national
21 health objectives and system standards as frameworks for
22 assessment.

23 The Plan shall also take into consideration priorities
24 and strategies developed at the community level through the
25 Illinois Project for Local Assessment of Needs (IPLAN) and
26 any regional health improvement plans that may be

1 developed. The Plan shall focus on prevention as a key
2 strategy for long-term health improvement in Illinois.

3 The Plan shall examine and make recommendations on the
4 contributions and strategies of the public and private
5 sectors for improving health status and the public health
6 system in the State. In addition to recommendations on
7 health status improvement priorities and strategies for
8 the population of the State as a whole, the Plan shall make
9 recommendations regarding priorities and strategies for
10 reducing and eliminating health disparities in Illinois;
11 including racial, ethnic, gender, age, socio-economic and
12 geographic disparities.

13 The Director of the Illinois Department of Public
14 Health shall appoint a Planning Team that includes a range
15 of public, private, and voluntary sector stakeholders and
16 participants in the public health system. This Team shall
17 include: the directors of State agencies with public health
18 responsibilities (or their designees), including but not
19 limited to the Illinois Departments of Public Health and
20 Department of Human Services, representatives of local
21 health departments, representatives of local community
22 health partnerships, and individuals with expertise who
23 represent an array of organizations and constituencies
24 engaged in public health improvement and prevention.

25 The State Board of Health shall hold at least 3 public
26 hearings addressing drafts of the Plan in representative

1 geographic areas of the State. Members of the Planning Team
2 shall receive no compensation for their services, but may
3 be reimbursed for their necessary expenses.

4 Upon the delivery of each State Health Improvement
5 Plan, the Governor shall appoint a SHIP Implementation
6 Coordination Council that includes a range of public,
7 private, and voluntary sector stakeholders and
8 participants in the public health system. The Council shall
9 include the directors of State agencies and entities with
10 public health system responsibilities (or their
11 designees), including but not limited to the Department of
12 Public Health, Department of Human Services, Department of
13 Healthcare and Family Services, Environmental Protection
14 Agency, Illinois State Board of Education, Department on
15 Aging, Illinois Violence Prevention Authority, Department
16 of Agriculture, Department of Insurance, Department of
17 Financial and Professional Regulation, Department of
18 Transportation, and Department of Commerce and Economic
19 Opportunity and the Chair of the State Board of Health. The
20 Council shall include representatives of local health
21 departments and individuals with expertise who represent
22 an array of organizations and constituencies engaged in
23 public health improvement and prevention, including
24 non-profit public interest groups, health issue groups,
25 faith community groups, health care providers, businesses
26 and employers, academic institutions, and community-based

1 organizations. The Governor shall endeavor to make the
2 membership of the Council representative of the racial,
3 ethnic, gender, socio-economic, and geographic diversity
4 of the State. The Governor shall designate one State agency
5 representative and one other non-governmental member as
6 co-chairs of the Council. The Governor shall designate a
7 member of the Governor's office to serve as liaison to the
8 Council and one or more State agencies to provide or
9 arrange for support to the Council. The members of the SHIP
10 Implementation Coordination Council for each State Health
11 Improvement Plan shall serve until the delivery of the
12 subsequent State Health Improvement Plan, whereupon a new
13 Council shall be appointed. Members of the SHIP Planning
14 Team may serve on the SHIP Implementation Coordination
15 Council if so appointed by the Governor.

16 The SHIP Implementation Coordination Council shall
17 coordinate the efforts and engagement of the public,
18 private, and voluntary sector stakeholders and
19 participants in the public health system to implement each
20 SHIP. The Council shall serve as a forum for collaborative
21 action; coordinate existing and new initiatives; develop
22 detailed implementation steps, with mechanisms for action;
23 implement specific projects; identify public and private
24 funding sources at the local, State and federal level;
25 promote public awareness of the SHIP; advocate for the
26 implementation of the SHIP; and develop an annual report to

1 the Governor, General Assembly, and public regarding the
2 status of implementation of the SHIP. The Council shall
3 not, however, have the authority to direct any public or
4 private entity to take specific action to implement the
5 SHIP.

6 (11) Upon the request of the Governor, to recommend to
7 the Governor candidates for Director of Public Health when
8 vacancies occur in the position.

9 (12) To adopt bylaws for the conduct of its own
10 business, including the authority to establish ad hoc
11 committees to address specific public health programs
12 requiring resolution.

13 (13) (Blank). ~~To review and comment upon the~~
14 ~~Comprehensive Health Plan submitted by the Center for~~
15 ~~Comprehensive Health Planning as provided under Section~~
16 ~~2310-217 of the Department of Public Health Powers and~~
17 ~~Duties Law of the Civil Administrative Code of Illinois.~~

18 Upon appointment, the Board shall elect a chairperson from
19 among its members.

20 Members of the Board shall receive compensation for their
21 services at the rate of \$150 per day, not to exceed \$10,000 per
22 year, as designated by the Director for each day required for
23 transacting the business of the Board and shall be reimbursed
24 for necessary expenses incurred in the performance of their
25 duties. The Board shall meet from time to time at the call of
26 the Department, at the call of the chairperson, or upon the

1 request of 3 of its members, but shall not meet less than 4
2 times per year.

3 (b) (Blank).

4 (c) An Advisory Board on Necropsy Service to Coroners,
5 which shall counsel and advise with the Director on the
6 administration of the Autopsy Act. The Advisory Board shall
7 consist of 11 members, including a senior citizen age 60 or
8 over, appointed by the Governor, one of whom shall be
9 designated as chairman by a majority of the members of the
10 Board. In the appointment of the first Board the Governor shall
11 appoint 3 members to serve for terms of 1 year, 3 for terms of 2
12 years, and 3 for terms of 3 years. The members first appointed
13 under Public Act 83-1538 shall serve for a term of 3 years. All
14 members appointed thereafter shall be appointed for terms of 3
15 years, except that when an appointment is made to fill a
16 vacancy, the appointment shall be for the remaining term of the
17 position vacant. The members of the Board shall be citizens of
18 the State of Illinois. In the appointment of members of the
19 Advisory Board the Governor shall appoint 3 members who shall
20 be persons licensed to practice medicine and surgery in the
21 State of Illinois, at least 2 of whom shall have received
22 post-graduate training in the field of pathology; 3 members who
23 are duly elected coroners in this State; and 5 members who
24 shall have interest and abilities in the field of forensic
25 medicine but who shall be neither persons licensed to practice
26 any branch of medicine in this State nor coroners. In the

1 appointment of medical and coroner members of the Board, the
2 Governor shall invite nominations from recognized medical and
3 coroners organizations in this State respectively. Board
4 members, while serving on business of the Board, shall receive
5 actual necessary travel and subsistence expenses while so
6 serving away from their places of residence.

7 (Source: P.A. 97-734, eff. 1-1-13; 97-810, eff. 1-1-13; 98-463,
8 eff. 8-16-13.)

9 Section 10. The Illinois Health Facilities Planning Act is
10 amended by changing Sections 2, 3, 4, 8.5, 10, 12, 12.2, 12.3,
11 14.1, and 19.5 as follows:

12 (20 ILCS 3960/2) (from Ch. 111 1/2, par. 1152)

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

14 Sec. 2. Purpose of the Act. This Act shall establish a
15 procedure (1) which requires a person establishing,
16 constructing or modifying a health care facility, as herein
17 defined, to have the qualifications, background, character and
18 financial resources to adequately provide a proper service for
19 the community; (2) that promotes, ~~through the process of~~
20 ~~comprehensive health planning,~~ the orderly and economic
21 development of health care facilities in the State of Illinois
22 that avoids unnecessary duplication of such facilities; and (3)
23 that promotes planning for and development of health care
24 facilities needed for comprehensive health care especially in

1 areas where the health planning process has identified unmet
2 needs; ~~and (4) that carries out these purposes in coordination~~
3 ~~with the Center for Comprehensive Health Planning and the~~
4 ~~Comprehensive Health Plan developed by that Center.~~

5 The changes made to this Act by this amendatory Act of the
6 96th General Assembly are intended to accomplish the following
7 objectives: to improve the financial ability of the public to
8 obtain necessary health services; to establish an orderly and
9 comprehensive health care delivery system that will guarantee
10 the availability of quality health care to the general public;
11 to maintain and improve the provision of essential health care
12 services and increase the accessibility of those services to
13 the medically underserved and indigent; to assure that the
14 reduction and closure of health care services or facilities is
15 performed in an orderly and timely manner, and that these
16 actions are deemed to be in the best interests of the public;
17 and to assess the financial burden to patients caused by
18 unnecessary health care construction and modification. ~~The~~
19 ~~Health Facilities and Services Review Board must apply the~~
20 ~~findings from the Comprehensive Health Plan to update review~~
21 ~~standards and criteria, as well as better identify needs and~~
22 ~~evaluate applications, and establish mechanisms to support~~
23 ~~adequate financing of the health care delivery system in~~
24 ~~Illinois, for the development and preservation of safety net~~
25 ~~services. The Board must provide written and consistent~~
26 ~~decisions that are based on the findings from the Comprehensive~~

~~Health Plan, as well as other issue or subject specific plans, recommended by the Center for Comprehensive Health Planning. Policies and procedures must include criteria and standards for plan variations and deviations that must be updated.~~

Evidence-based assessments, projections and decisions will be applied regarding capacity, quality, value and equity in the delivery of health care services in Illinois. The integrity of the Certificate of Need process is ensured through revised ethics and communications procedures. Cost containment and support for safety net services must continue to be central tenets of the Certificate of Need process.

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

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

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

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

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

(1) An ambulatory surgical treatment center required to be licensed pursuant to the Ambulatory Surgical Treatment Center Act.

(2) An institution, place, building, or agency required to be licensed pursuant to the Hospital Licensing Act.

(3) Skilled and intermediate long term care facilities licensed under the Nursing Home Care Act.

1 (A) If a demonstration project under the Nursing
2 Home Care Act applies for a certificate of need to
3 convert to a nursing facility, it shall meet the
4 licensure and certificate of need requirements in
5 effect as of the date of application.

6 (B) Except as provided in item (A) of this
7 subsection, this Act does not apply to facilities
8 granted waivers under Section 3-102.2 of the Nursing
9 Home Care Act.

10 (3.5) Skilled and intermediate care facilities
11 licensed under the ID/DD Community Care Act or the MC/DD
12 Act. No permit or exemption is required for a facility
13 licensed under the ID/DD Community Care Act or the MC/DD
14 Act prior to the reduction of the number of beds at a
15 facility. If there is a total reduction of beds at a
16 facility licensed under the ID/DD Community Care Act or the
17 MC/DD Act, this is a discontinuation or closure of the
18 facility. If a facility licensed under the ID/DD Community
19 Care Act or the MC/DD Act reduces the number of beds or
20 discontinues the facility, that facility must notify the
21 Board as provided in Section 14.1 of this Act.

22 (3.7) Facilities licensed under the Specialized Mental
23 Health Rehabilitation Act of 2013.

24 (4) Hospitals, nursing homes, ambulatory surgical
25 treatment centers, or kidney disease treatment centers
26 maintained by the State or any department or agency

1 thereof.

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

5 (A) This Act does not apply to a dialysis facility
6 that provides only dialysis training, support, and
7 related services to individuals with end stage renal
8 disease who have elected to receive home dialysis.

9 (B) This Act does not apply to a dialysis unit
10 located in a licensed nursing home that offers or
11 provides dialysis-related services to residents with
12 end stage renal disease who have elected to receive
13 home dialysis within the nursing home.

14 (C) The Board, however, may require dialysis
15 facilities and licensed nursing homes under items (A)
16 and (B) of this subsection to report statistical
17 information on a quarterly basis to the Board to be
18 used by the Board to conduct analyses on the need for
19 proposed kidney disease treatment centers.

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

24 (7) An institution, place, building, or room used for
25 provision of a health care category of service, including,
26 but not limited to, cardiac catheterization and open heart

1 surgery.

2 (8) An institution, place, building, or room housing
3 major medical equipment used in the direct clinical
4 diagnosis or treatment of patients, and whose project cost
5 is in excess of the capital expenditure minimum.

6 "Health care facilities" does not include the following
7 entities or facility transactions:

8 (1) Federally-owned facilities.

9 (2) Facilities used solely for healing by prayer or
10 spiritual means.

11 (3) An existing facility located on any campus facility
12 as defined in Section 5-5.8b of the Illinois Public Aid
13 Code, provided that the campus facility encompasses 30 or
14 more contiguous acres and that the new or renovated
15 facility is intended for use by a licensed residential
16 facility.

17 (4) Facilities licensed under the Supportive
18 Residences Licensing Act or the Assisted Living and Shared
19 Housing Act.

20 (5) Facilities designated as supportive living
21 facilities that are in good standing with the program
22 established under Section 5-5.01a of the Illinois Public
23 Aid Code.

24 (6) Facilities established and operating under the
25 Alternative Health Care Delivery Act as a children's
26 community-based health care center alternative health care

1 model demonstration program or as an Alzheimer's Disease
2 Management Center alternative health care model
3 demonstration program.

4 (7) The closure of an entity or a portion of an entity
5 licensed under the Nursing Home Care Act, the Specialized
6 Mental Health Rehabilitation Act of 2013, the ID/DD
7 Community Care Act, or the MC/DD Act, with the exception of
8 facilities operated by a county or Illinois Veterans Homes,
9 that elect to convert, in whole or in part, to an assisted
10 living or shared housing establishment licensed under the
11 Assisted Living and Shared Housing Act and with the
12 exception of a facility licensed under the Specialized
13 Mental Health Rehabilitation Act of 2013 in connection with
14 a proposal to close a facility and re-establish the
15 facility in another location.

16 (8) Any change of ownership of a health care facility
17 that is licensed under the Nursing Home Care Act, the
18 Specialized Mental Health Rehabilitation Act of 2013, the
19 ID/DD Community Care Act, or the MC/DD Act, with the
20 exception of facilities operated by a county or Illinois
21 Veterans Homes. Changes of ownership of facilities
22 licensed under the Nursing Home Care Act must meet the
23 requirements set forth in Sections 3-101 through 3-119 of
24 the Nursing Home Care Act.

25 With the exception of those health care facilities
26 specifically included in this Section, nothing in this Act

1 shall be intended to include facilities operated as a part of
2 the practice of a physician or other licensed health care
3 professional, whether practicing in his individual capacity or
4 within the legal structure of any partnership, medical or
5 professional corporation, or unincorporated medical or
6 professional group. Further, this Act shall not apply to
7 physicians or other licensed health care professional's
8 practices where such practices are carried out in a portion of
9 a health care facility under contract with such health care
10 facility by a physician or by other licensed health care
11 professionals, whether practicing in his individual capacity
12 or within the legal structure of any partnership, medical or
13 professional corporation, or unincorporated medical or
14 professional groups, unless the entity constructs, modifies,
15 or establishes a health care facility as specifically defined
16 in this Section. This Act shall apply to construction or
17 modification and to establishment by such health care facility
18 of such contracted portion which is subject to facility
19 licensing requirements, irrespective of the party responsible
20 for such action or attendant financial obligation.

21 "Person" means any one or more natural persons, legal
22 entities, governmental bodies other than federal, or any
23 combination thereof.

24 "Consumer" means any person other than a person (a) whose
25 major occupation currently involves or whose official capacity
26 within the last 12 months has involved the providing,

1 administering or financing of any type of health care facility,
2 (b) who is engaged in health research or the teaching of
3 health, (c) who has a material financial interest in any
4 activity which involves the providing, administering or
5 financing of any type of health care facility, or (d) who is or
6 ever has been a member of the immediate family of the person
7 defined by (a), (b), or (c).

8 "State Board" or "Board" means the Health Facilities and
9 Services Review Board.

10 "Construction or modification" means the establishment,
11 erection, building, alteration, reconstruction, modernization,
12 improvement, extension, discontinuation, change of ownership,
13 of or by a health care facility, or the purchase or acquisition
14 by or through a health care facility of equipment or service
15 for diagnostic or therapeutic purposes or for facility
16 administration or operation, or any capital expenditure made by
17 or on behalf of a health care facility which exceeds the
18 capital expenditure minimum; however, any capital expenditure
19 made by or on behalf of a health care facility for (i) the
20 construction or modification of a facility licensed under the
21 Assisted Living and Shared Housing Act or (ii) a conversion
22 project undertaken in accordance with Section 30 of the Older
23 Adult Services Act shall be excluded from any obligations under
24 this Act.

25 "Establish" means the construction of a health care
26 facility or the replacement of an existing facility on another

1 site or the initiation of a category of service.

2 "Major medical equipment" means medical equipment which is
3 used for the provision of medical and other health services and
4 which costs in excess of the capital expenditure minimum,
5 except that such term does not include medical equipment
6 acquired by or on behalf of a clinical laboratory to provide
7 clinical laboratory services if the clinical laboratory is
8 independent of a physician's office and a hospital and it has
9 been determined under Title XVIII of the Social Security Act to
10 meet the requirements of paragraphs (10) and (11) of Section
11 1861(s) of such Act. In determining whether medical equipment
12 has a value in excess of the capital expenditure minimum, the
13 value of studies, surveys, designs, plans, working drawings,
14 specifications, and other activities essential to the
15 acquisition of such equipment shall be included.

16 "Capital Expenditure" means an expenditure: (A) made by or
17 on behalf of a health care facility (as such a facility is
18 defined in this Act); and (B) which under generally accepted
19 accounting principles is not properly chargeable as an expense
20 of operation and maintenance, or is made to obtain by lease or
21 comparable arrangement any facility or part thereof or any
22 equipment for a facility or part; and which exceeds the capital
23 expenditure minimum.

24 For the purpose of this paragraph, the cost of any studies,
25 surveys, designs, plans, working drawings, specifications, and
26 other activities essential to the acquisition, improvement,

1 expansion, or replacement of any plant or equipment with
2 respect to which an expenditure is made shall be included in
3 determining if such expenditure exceeds the capital
4 expenditures minimum. Unless otherwise interdependent, or
5 submitted as one project by the applicant, components of
6 construction or modification undertaken by means of a single
7 construction contract or financed through the issuance of a
8 single debt instrument shall not be grouped together as one
9 project. Donations of equipment or facilities to a health care
10 facility which if acquired directly by such facility would be
11 subject to review under this Act shall be considered capital
12 expenditures, and a transfer of equipment or facilities for
13 less than fair market value shall be considered a capital
14 expenditure for purposes of this Act if a transfer of the
15 equipment or facilities at fair market value would be subject
16 to review.

17 "Capital expenditure minimum" means \$11,500,000 for
18 projects by hospital applicants, \$6,500,000 for applicants for
19 projects related to skilled and intermediate care long-term
20 care facilities licensed under the Nursing Home Care Act, and
21 \$3,000,000 for projects by all other applicants, which shall be
22 annually adjusted to reflect the increase in construction costs
23 due to inflation, for major medical equipment and for all other
24 capital expenditures.

25 "Non-clinical service area" means an area (i) for the
26 benefit of the patients, visitors, staff, or employees of a

1 health care facility and (ii) not directly related to the
2 diagnosis, treatment, or rehabilitation of persons receiving
3 services from the health care facility. "Non-clinical service
4 areas" include, but are not limited to, chapels; gift shops;
5 news stands; computer systems; tunnels, walkways, and
6 elevators; telephone systems; projects to comply with life
7 safety codes; educational facilities; student housing;
8 patient, employee, staff, and visitor dining areas;
9 administration and volunteer offices; modernization of
10 structural components (such as roof replacement and masonry
11 work); boiler repair or replacement; vehicle maintenance and
12 storage facilities; parking facilities; mechanical systems for
13 heating, ventilation, and air conditioning; loading docks; and
14 repair or replacement of carpeting, tile, wall coverings,
15 window coverings or treatments, or furniture. Solely for the
16 purpose of this definition, "non-clinical service area" does
17 not include health and fitness centers.

18 "Areawide" means a major area of the State delineated on a
19 geographic, demographic, and functional basis for health
20 planning and for health service and having within it one or
21 more local areas for health planning and health service. The
22 term "region", as contrasted with the term "subregion", and the
23 word "area" may be used synonymously with the term "areawide".

24 "Local" means a subarea of a delineated major area that on
25 a geographic, demographic, and functional basis may be
26 considered to be part of such major area. The term "subregion"

1 may be used synonymously with the term "local".

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

4 "Licensed health care professional" means a person
5 licensed to practice a health profession under pertinent
6 licensing statutes of the State of Illinois.

7 "Director" means the Director of the Illinois Department of
8 Public Health.

9 "Agency" or "Department" means the Illinois Department of
10 Public Health.

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

13 "Out-of-state facility" means a person that is both (i)
14 licensed as a hospital or as an ambulatory surgery center under
15 the laws of another state or that qualifies as a hospital or an
16 ambulatory surgery center under regulations adopted pursuant
17 to the Social Security Act and (ii) not licensed under the
18 Ambulatory Surgical Treatment Center Act, the Hospital
19 Licensing Act, or the Nursing Home Care Act. Affiliates of
20 out-of-state facilities shall be considered out-of-state
21 facilities. Affiliates of Illinois licensed health care
22 facilities 100% owned by an Illinois licensed health care
23 facility, its parent, or Illinois physicians licensed to
24 practice medicine in all its branches shall not be considered
25 out-of-state facilities. Nothing in this definition shall be
26 construed to include an office or any part of an office of a

1 physician licensed to practice medicine in all its branches in
2 Illinois that is not required to be licensed under the
3 Ambulatory Surgical Treatment Center Act.

4 "Change of ownership of a health care facility" means a
5 change in the person who has ownership or control of a health
6 care facility's physical plant and capital assets. A change in
7 ownership is indicated by the following transactions: sale,
8 transfer, acquisition, lease, change of sponsorship, or other
9 means of transferring control.

10 "Related person" means any person that: (i) is at least 50%
11 owned, directly or indirectly, by either the health care
12 facility or a person owning, directly or indirectly, at least
13 50% of the health care facility; or (ii) owns, directly or
14 indirectly, at least 50% of the health care facility.

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

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

21 "Category of service" means a grouping by generic class of
22 various types or levels of support functions, equipment, care,
23 or treatment provided to patients or residents, including, but
24 not limited to, classes such as medical-surgical, pediatrics,
25 or cardiac catheterization. A category of service may include
26 subcategories or levels of care that identify a particular

1 degree or type of care within the category of service. Nothing
2 in this definition shall be construed to include the practice
3 of a physician or other licensed health care professional while
4 functioning in an office providing for the care, diagnosis, or
5 treatment of patients. A category of service that is subject to
6 the Board's jurisdiction must be designated in rules adopted by
7 the Board.

8 "State Board Staff Report" means the document that sets
9 forth the review and findings of the State Board staff, as
10 prescribed by the State Board, regarding applications subject
11 to Board jurisdiction.

12 (Source: P.A. 98-414, eff. 1-1-14; 98-629, eff. 1-1-15; 98-651,
13 eff. 6-16-14; 98-1086, eff. 8-26-14; 99-78, eff. 7-20-15;
14 99-180, eff. 7-29-15.)

15 (20 ILCS 3960/4) (from Ch. 111 1/2, par. 1154)

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

17 Sec. 4. Health Facilities and Services Review Board;
18 membership; appointment; term; compensation; quorum.
19 Notwithstanding any other provision in this Section, members of
20 the State Board holding office on the day before the effective
21 date of this amendatory Act of the 96th General Assembly shall
22 retain their authority.

23 (a) There is created the Health Facilities and Services
24 Review Board, which shall perform the functions described in
25 this Act. The Department shall provide operational support to

1 the Board as necessary, including the provision of office
2 space, supplies, and clerical, financial, and accounting
3 services. The Board may contract for functions or operational
4 support as needed. The Board may also contract with experts
5 related to specific health services or facilities and create
6 technical advisory panels to assist in the development of
7 criteria, standards, and procedures used in the evaluation of
8 applications for permit and exemption.

9 (b) Beginning March 1, 2010, the State Board shall consist
10 of 9 voting members. All members shall be residents of Illinois
11 and at least 4 shall reside outside the Chicago Metropolitan
12 Statistical Area. Consideration shall be given to potential
13 appointees who reflect the ethnic and cultural diversity of the
14 State. Neither Board members nor Board staff shall be convicted
15 felons or have pled guilty to a felony.

16 Each member shall have a reasonable knowledge of the
17 practice, procedures and principles of the health care delivery
18 system in Illinois, including at least 5 members who shall be
19 knowledgeable about health care delivery systems, health
20 systems planning, finance, or the management of health care
21 facilities currently regulated under the Act. One member shall
22 be a representative of a non-profit health care consumer
23 advocacy organization. A spouse, parent, sibling, or child of a
24 Board member cannot be an employee, agent, or under contract
25 with services or facilities subject to the Act. Prior to
26 appointment and in the course of service on the Board, members

1 of the Board shall disclose the employment or other financial
2 interest of any other relative of the member, if known, in
3 service or facilities subject to the Act. Members of the Board
4 shall declare any conflict of interest that may exist with
5 respect to the status of those relatives and recuse themselves
6 from voting on any issue for which a conflict of interest is
7 declared. No person shall be appointed or continue to serve as
8 a member of the State Board who is, or whose spouse, parent,
9 sibling, or child is, a member of the Board of Directors of,
10 has a financial interest in, or has a business relationship
11 with a health care facility.

12 Notwithstanding any provision of this Section to the
13 contrary, the term of office of each member of the State Board
14 serving on the day before the effective date of this amendatory
15 Act of the 96th General Assembly is abolished on the date upon
16 which members of the 9-member Board, as established by this
17 amendatory Act of the 96th General Assembly, have been
18 appointed and can begin to take action as a Board. Members of
19 the State Board serving on the day before the effective date of
20 this amendatory Act of the 96th General Assembly may be
21 reappointed to the 9-member Board. Prior to March 1, 2010, the
22 Health Facilities Planning Board shall establish a plan to
23 transition its powers and duties to the Health Facilities and
24 Services Review Board.

25 (c) The State Board shall be appointed by the Governor,
26 with the advice and consent of the Senate. Not more than 5 of

1 the appointments shall be of the same political party at the
2 time of the appointment.

3 The Secretary of Human Services, the Director of Healthcare
4 and Family Services, and the Director of Public Health, or
5 their designated representatives, shall serve as ex-officio,
6 non-voting members of the State Board.

7 (d) Of those 9 members initially appointed by the Governor
8 following the effective date of this amendatory Act of the 96th
9 General Assembly, 3 shall serve for terms expiring July 1,
10 2011, 3 shall serve for terms expiring July 1, 2012, and 3
11 shall serve for terms expiring July 1, 2013. Thereafter, each
12 appointed member shall hold office for a term of 3 years,
13 provided that any member appointed to fill a vacancy occurring
14 prior to the expiration of the term for which his or her
15 predecessor was appointed shall be appointed for the remainder
16 of such term and the term of office of each successor shall
17 commence on July 1 of the year in which his predecessor's term
18 expires. Each member appointed after the effective date of this
19 amendatory Act of the 96th General Assembly shall hold office
20 until his or her successor is appointed and qualified. The
21 Governor may reappoint a member for additional terms, but no
22 member shall serve more than 3 terms, subject to review and
23 re-approval every 3 years.

24 (e) State Board members, while serving on business of the
25 State Board, shall receive actual and necessary travel and
26 subsistence expenses while so serving away from their places of

1 residence. Until March 1, 2010, a member of the State Board who
2 experiences a significant financial hardship due to the loss of
3 income on days of attendance at meetings or while otherwise
4 engaged in the business of the State Board may be paid a
5 hardship allowance, as determined by and subject to the
6 approval of the Governor's Travel Control Board.

7 (f) The Governor shall designate one of the members to
8 serve as the Chairman of the Board, who shall be a person with
9 expertise in health care delivery system planning, finance or
10 management of health care facilities that are regulated under
11 the Act. The Chairman shall annually review Board member
12 performance and shall report the attendance record of each
13 Board member to the General Assembly.

14 (g) The State Board, through the Chairman, shall prepare a
15 separate and distinct budget approved by the General Assembly
16 and shall hire and supervise its own professional staff
17 responsible for carrying out the responsibilities of the Board.

18 (h) The State Board shall meet at least every 45 days, or
19 as often as the Chairman of the State Board deems necessary, or
20 upon the request of a majority of the members.

21 (i) Five members of the State Board shall constitute a
22 quorum. The affirmative vote of 5 of the members of the State
23 Board shall be necessary for any action requiring a vote to be
24 taken by the State Board. A vacancy in the membership of the
25 State Board shall not impair the right of a quorum to exercise
26 all the rights and perform all the duties of the State Board as

1 provided by this Act.

2 (j) A State Board member shall disqualify himself or
3 herself from the consideration of any application for a permit
4 or exemption in which the State Board member or the State Board
5 member's spouse, parent, sibling, or child: (i) has an economic
6 interest in the matter; or (ii) is employed by, serves as a
7 consultant for, or is a member of the governing board of the
8 applicant or a party opposing the application.

9 (k) The Chairman, Board members, and Board staff must
10 comply with the Illinois Governmental Ethics Act.

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

12 (20 ILCS 3960/8.5)

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

14 Sec. 8.5. Certificate of exemption for change of ownership
15 of a health care facility; discontinuation of a health care
16 facility or category of service; public notice and public
17 hearing.

18 (a) Upon a finding that an application for a change of
19 ownership is complete, the State Board shall publish a legal
20 notice on one day in a newspaper of general circulation in the
21 area or community to be affected and afford the public an
22 opportunity to request a hearing. If the application is for a
23 facility located in a Metropolitan Statistical Area, an
24 additional legal notice shall be published in a newspaper of
25 limited circulation, if one exists, in the area in which the

1 facility is located. If the newspaper of limited circulation is
2 published on a daily basis, the additional legal notice shall
3 be published on one day. The applicant shall pay the cost
4 incurred by the Board in publishing the change of ownership
5 notice in newspapers as required under this subsection. The
6 legal notice shall also be posted on the Health Facilities and
7 Services Review Board's web site and sent to the State
8 Representative and State Senator of the district in which the
9 health care facility is located. An application for change of
10 ownership of a hospital shall not be deemed complete without a
11 signed certification that for a period of 2 years after the
12 change of ownership transaction is effective, the hospital will
13 not adopt a charity care policy that is more restrictive than
14 the policy in effect during the year prior to the transaction.
15 An application for a change of ownership need not contain
16 signed transaction documents so long as it includes the
17 following key terms of the transaction: names and background of
18 the parties; structure of the transaction; the person who will
19 be the licensed or certified entity after the transaction; the
20 ownership or membership interests in such licensed or certified
21 entity both prior to and after the transaction; fair market
22 value of assets to be transferred; and the purchase price or
23 other form of consideration to be provided for those assets.
24 The issuance of the certificate of exemption shall be
25 contingent upon the applicant submitting a statement to the
26 Board within 90 days after the closing date of the transaction,

1 or such longer period as provided by the Board, certifying that
2 the change of ownership has been completed in accordance with
3 the key terms contained in the application. If such key terms
4 of the transaction change, a new application shall be required.

5 Where a change of ownership is among related persons, and
6 there are no other changes being proposed at the health care
7 facility that would otherwise require a permit or exemption
8 under this Act, the applicant shall submit an application
9 consisting of a standard notice in a form set forth by the
10 Board briefly explaining the reasons for the proposed change of
11 ownership. Once such an application is submitted to the Board
12 and reviewed by the Board staff, the Board Chair shall take
13 action on an application for an exemption for a change of
14 ownership among related persons within 45 days after the
15 application has been deemed complete, provided the application
16 meets the applicable standards under this Section. If the Board
17 Chair has a conflict of interest or for other good cause, the
18 Chair may request review by the Board. Notwithstanding any
19 other provision of this Act, for purposes of this Section, a
20 change of ownership among related persons means a transaction
21 where the parties to the transaction are under common control
22 or ownership before and after the transaction is completed.

23 Nothing in this Act shall be construed as authorizing the
24 Board to impose any conditions, obligations, or limitations,
25 other than those required by this Section, with respect to the
26 issuance of an exemption for a change of ownership, including,

1 but not limited to, the time period before which a subsequent
2 change of ownership of the health care facility could be
3 sought, or the commitment to continue to offer for a specified
4 time period any services currently offered by the health care
5 facility.

6 (a-3) Upon a finding that an application to close a health
7 care facility is complete, the State Board shall publish a
8 legal notice on 3 consecutive days in a newspaper of general
9 circulation in the area or community to be affected and afford
10 the public an opportunity to request a hearing. If the
11 application is for a facility located in a Metropolitan
12 Statistical Area, an additional legal notice shall be published
13 in a newspaper of limited circulation, if one exists, in the
14 area in which the facility is located. If the newspaper of
15 limited circulation is published on a daily basis, the
16 additional legal notice shall be published on 3 consecutive
17 days. The legal notice shall also be posted on the Health
18 Facilities and Services Review Board's web site and sent to the
19 State Representative and State Senator of the district in which
20 the health care facility is located. No later than 90 days
21 after a discontinuation of a health facility, the applicant
22 must submit a statement to the State Board certifying that the
23 discontinuation is complete.

24 (a-5) Upon a finding that an application to discontinue a
25 category of service is complete and provides the requested
26 information, as specified by the State Board, an exemption

1 shall be issued. No later than 30 days after the issuance of
2 the exemption, the health care facility must give written
3 notice of the discontinuation of the category of service to the
4 State Senator and State Representative serving the legislative
5 district in which the health care facility is located. No later
6 than 90 days after a discontinuation of a category of service,
7 the applicant must submit a statement to the State Board
8 certifying that the discontinuation is complete.

9 (b) If a public hearing is requested, it shall be held at
10 least 15 days but no more than 30 days after the date of
11 publication of the legal notice in the community in which the
12 facility is located. The hearing shall be held in a place of
13 reasonable size and accessibility and a full and complete
14 written transcript of the proceedings shall be made. All
15 interested persons attending the hearing shall be given a
16 reasonable opportunity to present their positions in writing or
17 orally. The applicant shall provide a summary of the proposal
18 for distribution at the public hearing.

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

25 (Source: P.A. 98-1086, eff. 8-26-14; 99-154, eff. 7-28-15.)

1 (20 ILCS 3960/10) (from Ch. 111 1/2, par. 1160)

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

3 Sec. 10. Presenting information relevant to the approval of
4 a permit or certificate or in opposition to the denial of the
5 application; notice of outcome and review proceedings. When a
6 motion by the State Board, to approve an application for a
7 permit ~~or a certificate of recognition~~, fails to pass, or when
8 a motion to deny an application for a permit ~~or a certificate~~
9 ~~of recognition~~ is passed, the applicant or the holder of the
10 permit, as the case may be, and such other parties as the State
11 Board permits, will be given an opportunity to appear before
12 the State Board and present such information as may be relevant
13 to the approval of a permit ~~or certificate~~ or in opposition to
14 the denial of the application.

15 Subsequent to an appearance by the applicant before the
16 State Board or default of such opportunity to appear, a motion
17 by the State Board to approve an application for a permit ~~or a~~
18 ~~certificate of recognition~~ which fails to pass or a motion to
19 deny an application for a permit ~~or a certificate of~~
20 ~~recognition~~ which passes shall be considered denial of the
21 application for a permit ~~or certificate of recognition~~, as the
22 case may be. Such action of denial or an action by the State
23 Board to revoke a permit ~~or a certificate of recognition~~ shall
24 be communicated to the applicant or holder of the permit ~~or~~
25 ~~certificate of recognition~~. Such person or organization shall
26 be afforded an opportunity for a hearing before an

1 administrative law judge, who is appointed by the Chairman of
2 the State Board. A written notice of a request for such hearing
3 shall be served upon the Chairman of the State Board within 30
4 days following notification of the decision of the State Board.
5 The administrative law judge shall take actions necessary to
6 ensure that the hearing is completed within a reasonable period
7 of time, but not to exceed 120 days, except for delays or
8 continuances agreed to by the person requesting the hearing.
9 Following its consideration of the report of the hearing, or
10 upon default of the party to the hearing, the State Board shall
11 make its final determination, specifying its findings and
12 conclusions within 90 days of receiving the written report of
13 the hearing. A copy of such determination shall be sent by
14 certified mail or served personally upon the party.

15 A full and complete record shall be kept of all
16 proceedings, including the notice of hearing, complaint, and
17 all other documents in the nature of pleadings, written motions
18 filed in the proceedings, and the report and orders of the
19 State Board or hearing officer. All testimony shall be reported
20 but need not be transcribed unless the decision is appealed in
21 accordance with the Administrative Review Law, as now or
22 hereafter amended. A copy or copies of the transcript may be
23 obtained by any interested party on payment of the cost of
24 preparing such copy or copies.

25 The State Board or hearing officer shall upon its own or
26 his motion, or on the written request of any party to the

1 proceeding who has, in the State Board's or hearing officer's
2 opinion, demonstrated the relevancy of such request to the
3 outcome of the proceedings, issue subpoenas requiring the
4 attendance and the giving of testimony by witnesses, and
5 subpoenas duces tecum requiring the production of books,
6 papers, records, or memoranda. The fees of witnesses for
7 attendance and travel shall be the same as the fees of
8 witnesses before the circuit court of this State.

9 When the witness is subpoenaed at the instance of the State
10 Board, or its hearing officer, such fees shall be paid in the
11 same manner as other expenses of the Board, and when the
12 witness is subpoenaed at the instance of any other party to any
13 such proceeding the State Board may, in accordance with its
14 rules, require that the cost of service of the subpoena or
15 subpoena duces tecum and the fee of the witness be borne by the
16 party at whose instance the witness is summoned. In such case,
17 the State Board in its discretion, may require a deposit to
18 cover the cost of such service and witness fees. A subpoena or
19 subpoena duces tecum so issued shall be served in the same
20 manner as a subpoena issued out of a court.

21 Any circuit court of this State upon the application of the
22 State Board or upon the application of any other party to the
23 proceeding, may, in its discretion, compel the attendance of
24 witnesses, the production of books, papers, records, or
25 memoranda and the giving of testimony before it or its hearing
26 officer conducting an investigation or holding a hearing

1 authorized by this Act, by an attachment for contempt, or
2 otherwise, in the same manner as production of evidence may be
3 compelled before the court.

4 (Source: P.A. 97-1115, eff. 8-27-12; 98-1086, eff. 8-26-14.)

5 (20 ILCS 3960/12) (from Ch. 111 1/2, par. 1162)

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

7 Sec. 12. Powers and duties of State Board. For purposes of
8 this Act, the State Board shall exercise the following powers
9 and duties:

10 (1) Prescribe rules, regulations, standards, criteria,
11 procedures or reviews which may vary according to the purpose
12 for which a particular review is being conducted or the type of
13 project reviewed and which are required to carry out the
14 provisions and purposes of this Act. Policies and procedures of
15 the State Board shall take into consideration the priorities
16 and needs of medically underserved areas and other health care
17 services ~~identified through the comprehensive health planning~~
18 ~~process~~, giving special consideration to the impact of projects
19 on access to safety net services.

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

23 (3) (Blank).

24 (4) Develop criteria and standards for health care
25 facilities planning, conduct statewide inventories of health

1 care facilities, maintain an updated inventory on the Board's
2 web site reflecting the most recent bed and service changes and
3 updated need determinations when new census data become
4 available or new need formulae are adopted, and develop health
5 care facility plans which shall be utilized in the review of
6 applications for permit under this Act. Such health facility
7 plans shall be coordinated by the Board with pertinent State
8 Plans. Inventories pursuant to this Section of skilled or
9 intermediate care facilities licensed under the Nursing Home
10 Care Act, skilled or intermediate care facilities licensed
11 under the ID/DD Community Care Act, skilled or intermediate
12 care facilities licensed under the MC/DD Act, facilities
13 licensed under the Specialized Mental Health Rehabilitation
14 Act of 2013, or nursing homes licensed under the Hospital
15 Licensing Act shall be conducted on an annual basis no later
16 than July 1 of each year and shall include among the
17 information requested a list of all services provided by a
18 facility to its residents and to the community at large and
19 differentiate between active and inactive beds.

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

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

24 (b) The number of existing and planned facilities
25 offering similar programs;

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

1 (d) The availability of facilities which may serve as
2 alternatives or substitutes;

3 (e) The availability of personnel necessary to the
4 operation of the facility;

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

7 (g) The financial and economic feasibility of proposed
8 construction or modification; and

9 (h) In the case of health care facilities established
10 by a religious body or denomination, the needs of the
11 members of such religious body or denomination may be
12 considered to be public need.

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

17 (5) Coordinate with ~~the Center for Comprehensive Health~~
18 ~~Planning and~~ other state agencies having responsibilities
19 affecting health care facilities, including those of licensure
20 and cost reporting. ~~Beginning no later than January 1, 2013,~~
21 ~~the Department of Public Health shall produce a written annual~~
22 ~~report to the Governor and the General Assembly regarding the~~
23 ~~development of the Center for Comprehensive Health Planning.~~
24 ~~The Chairman of the State Board and the State Board~~
25 ~~Administrator shall also receive a copy of the annual report.~~

26 (6) Solicit, accept, hold and administer on behalf of the

1 State any grants or bequests of money, securities or property
2 for use by the State Board ~~or Center for Comprehensive Health~~
3 ~~Planning~~ in the administration of this Act; and enter into
4 contracts consistent with the appropriations for purposes
5 enumerated in this Act.

6 (7) The State Board shall prescribe procedures for review,
7 standards, and criteria which shall be utilized to make
8 periodic reviews and determinations of the appropriateness of
9 any existing health services being rendered by health care
10 facilities subject to the Act. The State Board shall consider
11 recommendations of the Board in making its determinations.

12 (8) ~~Prescribe, in consultation with the Center for~~
13 ~~Comprehensive Health Planning,~~ rules, regulations, standards,
14 and criteria for the conduct of an expeditious review of
15 applications for permits for projects of construction or
16 modification of a health care facility, which projects are
17 classified as emergency, substantive, or non-substantive in
18 nature.

19 Six months after June 30, 2009 (the effective date of
20 Public Act 96-31), substantive projects shall include no more
21 than the following:

22 (a) Projects to construct (1) a new or replacement
23 facility located on a new site or (2) a replacement
24 facility located on the same site as the original facility
25 and the cost of the replacement facility exceeds the
26 capital expenditure minimum, which shall be reviewed by the

1 Board within 120 days;

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

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

13 The Chairman may approve applications for exemption that
14 meet the criteria set forth in rules or refer them to the full
15 Board. The Chairman may approve any unopposed application that
16 meets all of the review criteria or refer them to the full
17 Board.

18 Such rules shall not ~~abridge the right of the Center for~~
19 ~~Comprehensive Health Planning to make recommendations on the~~
20 ~~classification and approval of projects, nor shall such rules~~
21 prevent the conduct of a public hearing upon the timely request
22 of an interested party. Such reviews shall not exceed 60 days
23 from the date the application is declared to be complete.

24 (9) Prescribe rules, regulations, standards, and criteria
25 pertaining to the granting of permits for construction and
26 modifications which are emergent in nature and must be

1 undertaken immediately to prevent or correct structural
2 deficiencies or hazardous conditions that may harm or injure
3 persons using the facility, as defined in the rules and
4 regulations of the State Board. This procedure is exempt from
5 public hearing requirements of this Act.

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

12 (10.5) Provide its rationale when voting on an item before
13 it at a State Board meeting in order to comply with subsection
14 (b) of Section 3-108 of the Code of Civil Procedure.

15 (11) Issue written decisions upon request of the applicant
16 or an adversely affected party to the Board. Requests for a
17 written decision shall be made within 15 days after the Board
18 meeting in which a final decision has been made. A "final
19 decision" for purposes of this Act is the decision to approve
20 or deny an application, or take other actions permitted under
21 this Act, at the time and date of the meeting that such action
22 is scheduled by the Board. The transcript of the State Board
23 meeting shall be incorporated into the Board's final decision.
24 The staff of the Board shall prepare a written copy of the
25 final decision and the Board shall approve a final copy for
26 inclusion in the formal record. The Board shall consider, for

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

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

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

16 (14) Implement public information campaigns to regularly
17 inform the general public about the opportunity for public
18 hearings and public hearing procedures.

19 (15) Establish a separate set of rules and guidelines for
20 long-term care that recognizes that nursing homes are a
21 different business line and service model from other regulated
22 facilities. An open and transparent process shall be developed
23 that considers the following: how skilled nursing fits in the
24 continuum of care with other care providers, modernization of
25 nursing homes, establishment of more private rooms,
26 development of alternative services, and current trends in

1 long-term care services. The Chairman of the Board shall
2 appoint a permanent Health Services Review Board Long-term Care
3 Facility Advisory Subcommittee that shall develop and
4 recommend to the Board the rules to be established by the Board
5 under this paragraph (15). The Subcommittee shall also provide
6 continuous review and commentary on policies and procedures
7 relative to long-term care and the review of related projects.
8 The Subcommittee shall make recommendations to the Board no
9 later than January 1, 2016 and every January thereafter
10 pursuant to the Subcommittee's responsibility for the
11 continuous review and commentary on policies and procedures
12 relative to long-term care. In consultation with other experts
13 from the health field of long-term care, the Board and the
14 Subcommittee shall study new approaches to the current bed need
15 formula and Health Service Area boundaries to encourage
16 flexibility and innovation in design models reflective of the
17 changing long-term care marketplace and consumer preferences
18 and submit its recommendations to the Chairman of the Board no
19 later than January 1, 2017. The Subcommittee shall evaluate,
20 and make recommendations to the State Board regarding, the
21 buying, selling, and exchange of beds between long-term care
22 facilities within a specified geographic area or drive time.
23 The Board shall file the proposed related administrative rules
24 for the separate rules and guidelines for long-term care
25 required by this paragraph (15) by no later than September 30,
26 2011. The Subcommittee shall be provided a reasonable and

1 timely opportunity to review and comment on any review,
2 revision, or updating of the criteria, standards, procedures,
3 and rules used to evaluate project applications as provided
4 under Section 12.3 of this Act.

5 The Chairman of the Board shall appoint voting members of
6 the Subcommittee, who shall serve for a period of 3 years, with
7 one-third of the terms expiring each January, to be determined
8 by lot. Appointees shall include, but not be limited to,
9 recommendations from each of the 3 statewide long-term care
10 associations, with an equal number to be appointed from each.
11 Compliance with this provision shall be through the appointment
12 and reappointment process. All appointees serving as of April
13 1, 2015 shall serve to the end of their term as determined by
14 lot or until the appointee voluntarily resigns, whichever is
15 earlier.

16 One representative from the Department of Public Health,
17 the Department of Healthcare and Family Services, the
18 Department on Aging, and the Department of Human Services may
19 each serve as an ex-officio non-voting member of the
20 Subcommittee. The Chairman of the Board shall select a
21 Subcommittee Chair, who shall serve for a period of 3 years.

22 (16) Prescribe the format of the State Board Staff Report.
23 A State Board Staff Report shall pertain to applications that
24 include, but are not limited to, applications for permit or
25 exemption, applications for permit renewal, applications for
26 extension of the obligation period, applications requesting a

1 declaratory ruling, or applications under the Health Care
2 Worker Self-Referral Act. State Board Staff Reports shall
3 compare applications to the relevant review criteria under the
4 Board's rules.

5 (17) Establish a separate set of rules and guidelines for
6 facilities licensed under the Specialized Mental Health
7 Rehabilitation Act of 2013. An application for the
8 re-establishment of a facility in connection with the
9 relocation of the facility shall not be granted unless the
10 applicant has a contractual relationship with at least one
11 hospital to provide emergency and inpatient mental health
12 services required by facility consumers, and at least one
13 community mental health agency to provide oversight and
14 assistance to facility consumers while living in the facility,
15 and appropriate services, including case management, to assist
16 them to prepare for discharge and reside stably in the
17 community thereafter. No new facilities licensed under the
18 Specialized Mental Health Rehabilitation Act of 2013 shall be
19 established after June 16, 2014 (the effective date of Public
20 Act 98-651) except in connection with the relocation of an
21 existing facility to a new location. An application for a new
22 location shall not be approved unless there are adequate
23 community services accessible to the consumers within a
24 reasonable distance, or by use of public transportation, so as
25 to facilitate the goal of achieving maximum individual
26 self-care and independence. At no time shall the total number

1 of authorized beds under this Act in facilities licensed under
2 the Specialized Mental Health Rehabilitation Act of 2013 exceed
3 the number of authorized beds on June 16, 2014 (the effective
4 date of Public Act 98-651).

5 (Source: P.A. 98-414, eff. 1-1-14; 98-463, eff. 8-16-13;
6 98-651, eff. 6-16-14; 98-1086, eff. 8-26-14; 99-78, eff.
7 7-20-15; 99-114, eff. 7-23-15; 99-180, eff. 7-29-15; 99-277,
8 eff. 8-5-15; revised 10-15-15.)

9 (20 ILCS 3960/12.2)

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

11 Sec. 12.2. Powers of the State Board staff. For purposes of
12 this Act, the staff shall exercise the following powers and
13 duties:

14 (1) Review applications for permits and exemptions in
15 accordance with the standards, criteria, and plans of need
16 established by the State Board under this Act and certify its
17 finding to the State Board.

18 (1.5) Post the following on the Board's web site: relevant
19 (i) rules, (ii) standards, (iii) criteria, (iv) State norms,
20 (v) references used by Board staff in making determinations
21 about whether application criteria are met, and (vi) notices of
22 project-related filings, including notice of public comments
23 related to the application.

24 (2) Charge and collect an amount determined by the State
25 Board and the staff to be reasonable fees for the processing of

1 applications by the State Board. The State Board shall set the
2 amounts by rule. Application fees for continuing care
3 retirement communities, and other health care models that
4 include regulated and unregulated components, shall apply only
5 to those components subject to regulation under this Act. All
6 fees and fines collected under the provisions of this Act shall
7 be deposited into the Illinois Health Facilities Planning Fund
8 to be used for the expenses of administering this Act.

9 (2.1) Publish the following reports on the State Board
10 website:

11 (A) An annual accounting, aggregated by category and
12 with names of parties redacted, of fees, fines, and other
13 revenue collected as well as expenses incurred, in the
14 administration of this Act.

15 (B) An annual report, with names of the parties
16 redacted, that summarizes all settlement agreements
17 entered into with the State Board that resolve an alleged
18 instance of noncompliance with State Board requirements
19 under this Act.

20 (C) A monthly report that includes the status of
21 applications and recommendations regarding updates to the
22 standard, criteria, or the health plan as appropriate.

23 (D) Board reports showing the degree to which an
24 application conforms to the review standards, a summation
25 of relevant public testimony, and any additional
26 information that staff wants to communicate.

1 (3) Coordinate with other State agencies having
2 responsibilities affecting health care facilities, including
3 ~~the Center for Comprehensive Health Planning and those of~~
4 licensure and cost reporting agencies.

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

6 (20 ILCS 3960/12.3)

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

8 Sec. 12.3. Revision of criteria, standards, and rules. At
9 least every 2 years, the State Board shall review, revise, and
10 update the criteria, standards, and rules used to evaluate
11 applications for permit. ~~To the extent practicable, the~~
12 ~~criteria, standards, and rules shall be based on objective~~
13 ~~criteria using the inventory and recommendations of the~~
14 ~~Comprehensive Health Plan for guidance.~~ The Board may appoint
15 temporary advisory committees made up of experts with
16 professional competence in the subject matter of the proposed
17 standards or criteria to assist in the development of revisions
18 to standards and criteria. In particular, the review of the
19 criteria, standards, and rules shall consider:

20 (1) Whether the criteria and standards reflect current
21 industry standards and anticipated trends.

22 (2) Whether the criteria and standards can be reduced
23 or eliminated.

24 (3) Whether criteria and standards can be developed to
25 authorize the construction of unfinished space for future

1 use when the ultimate need for such space can be reasonably
2 projected.

3 (4) Whether the criteria and standards take into
4 account issues related to population growth and changing
5 demographics in a community.

6 (5) Whether facility-defined service and planning
7 areas should be recognized.

8 (6) Whether categories of service that are subject to
9 review should be re-evaluated, including provisions
10 related to structural, functional, and operational
11 differences between long-term care facilities and acute
12 care facilities and that allow routine changes of
13 ownership, facility sales, and closure requests to be
14 processed on a more timely basis.

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

16 (20 ILCS 3960/14.1)

17 Sec. 14.1. Denial of permit; other sanctions.

18 (a) The State Board may deny an application for a permit or
19 may revoke or take other action as permitted by this Act with
20 regard to a permit as the State Board deems appropriate,
21 including the imposition of fines as set forth in this Section,
22 for any one or a combination of the following:

23 (1) The acquisition of major medical equipment without
24 a permit or in violation of the terms of a permit.

25 (2) The establishment, construction, modification, or

1 change of ownership of a health care facility without a
2 permit or exemption or in violation of the terms of a
3 permit.

4 (3) The violation of any provision of this Act or any
5 rule adopted under this Act.

6 (4) The failure, by any person subject to this Act, to
7 provide information requested by the State Board or Agency
8 within 30 days after a formal written request for the
9 information.

10 (5) The failure to pay any fine imposed under this
11 Section within 30 days of its imposition.

12 (a-5) For facilities licensed under the ID/DD Community
13 Care Act, no permit shall be denied on the basis of prior
14 operator history, other than for actions specified under item
15 (2), (4), or (5) of Section 3-117 of the ID/DD Community Care
16 Act. For facilities licensed under the MC/DD Act, no permit
17 shall be denied on the basis of prior operator history, other
18 than for actions specified under item (2), (4), or (5) of
19 Section 3-117 of the MC/DD Act. For facilities licensed under
20 the Specialized Mental Health Rehabilitation Act of 2013, no
21 permit shall be denied on the basis of prior operator history,
22 other than for actions specified under subsections (a) and (b)
23 ~~item (2), (4), or (5)~~ of Section 4-109 ~~3-117~~ of the Specialized
24 Mental Health Rehabilitation Act of 2013. For facilities
25 licensed under the Nursing Home Care Act, no permit shall be
26 denied on the basis of prior operator history, other than for:

1 (i) actions specified under item (2), (3), (4), (5), or (6) of
2 Section 3-117 of the Nursing Home Care Act; (ii) actions
3 specified under item (a)(6) of Section 3-119 of the Nursing
4 Home Care Act; or (iii) actions within the preceding 5 years
5 constituting a substantial and repeated failure to comply with
6 the Nursing Home Care Act or the rules and regulations adopted
7 by the Department under that Act. The State Board shall not
8 deny a permit on account of any action described in this
9 subsection (a-5) without also considering all such actions in
10 the light of all relevant information available to the State
11 Board, including whether the permit is sought to substantially
12 comply with a mandatory or voluntary plan of correction
13 associated with any action described in this subsection (a-5).

14 (b) Persons shall be subject to fines as follows:

15 (1) A permit holder who fails to comply with the
16 requirements of maintaining a valid permit shall be fined
17 an amount not to exceed 1% of the approved permit amount
18 plus an additional 1% of the approved permit amount for
19 each 30-day period, or fraction thereof, that the violation
20 continues.

21 (2) A permit holder who alters the scope of an approved
22 project or whose project costs exceed the allowable permit
23 amount without first obtaining approval from the State
24 Board shall be fined an amount not to exceed the sum of (i)
25 the lesser of \$25,000 or 2% of the approved permit amount
26 and (ii) in those cases where the approved permit amount is

1 exceeded by more than \$1,000,000, an additional \$20,000 for
2 each \$1,000,000, or fraction thereof, in excess of the
3 approved permit amount.

4 (2.5) A permit holder who fails to comply with the
5 post-permit and reporting requirements set forth in
6 Sections ~~Section~~ 5 and 8.5 shall be fined an amount not to
7 exceed \$10,000 plus an additional \$10,000 for each 30-day
8 period, or fraction thereof, that the violation continues.
9 This fine shall continue to accrue until the date that (i)
10 the post-permit requirements are met and the post-permit or
11 post-exemption reports are received by the State Board or
12 (ii) the matter is referred by the State Board to the State
13 Board's legal counsel. The accrued fine is not waived by
14 the permit holder submitting the required information and
15 reports. Prior to any fine beginning to accrue, the Board
16 shall notify, in writing, a permit holder of the due date
17 for the post-permit and reporting requirements no later
18 than 30 days before the due date for the requirements. This
19 paragraph (2.5) takes effect 6 months after August 27, 2012
20 (the effective date of Public Act 97-1115).

21 (3) A person who acquires major medical equipment or
22 who establishes a category of service without first
23 obtaining a permit or exemption, as the case may be, shall
24 be fined an amount not to exceed \$10,000 for each such
25 acquisition or category of service established plus an
26 additional \$10,000 for each 30-day period, or fraction

1 thereof, that the violation continues.

2 (4) A person who constructs, modifies, establishes, or
3 changes ownership of a health care facility without first
4 obtaining a permit or exemption shall be fined an amount
5 not to exceed \$25,000 plus an additional \$25,000 for each
6 30-day period, or fraction thereof, that the violation
7 continues.

8 (5) A person who discontinues a health care facility or
9 a category of service without first obtaining a permit or
10 exemption shall be fined an amount not to exceed \$10,000
11 plus an additional \$10,000 for each 30-day period, or
12 fraction thereof, that the violation continues. For
13 purposes of this subparagraph (5), facilities licensed
14 under the Nursing Home Care Act, the ID/DD Community Care
15 Act, or the MC/DD Act, with the exceptions of facilities
16 operated by a county or Illinois Veterans Homes, are exempt
17 from this permit requirement. However, facilities licensed
18 under the Nursing Home Care Act, the ID/DD Community Care
19 Act, or the MC/DD Act must comply with Section 3-423 of the
20 Nursing Home Care Act, Section 3-423 of the ID/DD Community
21 Care Act, or Section 3-423 of the MC/DD Act and must
22 provide the Board and the Department of Human Services with
23 30 days' written notice of their intent to close.
24 Facilities licensed under the ID/DD Community Care Act or
25 the MC/DD Act also must provide the Board and the
26 Department of Human Services with 30 days' written notice

1 of their intent to reduce the number of beds for a
2 facility.

3 (6) A person subject to this Act who fails to provide
4 information requested by the State Board or Agency within
5 30 days of a formal written request shall be fined an
6 amount not to exceed \$1,000 plus an additional \$1,000 for
7 each 30-day period, or fraction thereof, that the
8 information is not received by the State Board or Agency.

9 (b-5) The State Board may accept in-kind services instead
10 of or in combination with the imposition of a fine. This
11 authorization is limited to cases where the non-compliant
12 individual or entity has waived the right to an administrative
13 hearing or opportunity to appear before the Board regarding the
14 non-compliant matter.

15 (c) Before imposing any fine authorized under this Section,
16 the State Board shall afford the person or permit holder, as
17 the case may be, an appearance before the State Board and an
18 opportunity for a hearing before a hearing officer appointed by
19 the State Board. The hearing shall be conducted in accordance
20 with Section 10. Requests for an appearance before the State
21 Board must be made within 30 days after receiving notice that a
22 fine will be imposed.

23 (d) All fines collected under this Act shall be transmitted
24 to the State Treasurer, who shall deposit them into the
25 Illinois Health Facilities Planning Fund.

26 (e) Fines imposed under this Section shall continue to

1 accrue until: (i) the date that the matter is referred by the
2 State Board to the Board's legal counsel; or (ii) the date that
3 the health care facility becomes compliant with the Act,
4 whichever is earlier.

5 (Source: P.A. 98-463, eff. 8-16-13; 99-114, eff. 7-23-15;
6 99-180, eff. 7-29-15; revised 10-14-15.)

7 (20 ILCS 3960/19.5)

8 (Section scheduled to be repealed on December 31, 2019 and
9 as provided internally)

10 Sec. 19.5. Audit. Twenty-four months after the last member
11 of the 9-member Board is appointed, as required under this
12 amendatory Act of the 96th General Assembly, and 36 months
13 thereafter, the Auditor General shall commence a performance
14 audit of the ~~Center for Comprehensive Health Planning~~, State
15 Board, and the Certificate of Need processes to determine:

16 (1) (blank); ~~whether progress is being made to develop~~
17 ~~a Comprehensive Health Plan and whether resources are~~
18 ~~sufficient to meet the goals of the Center for~~
19 ~~Comprehensive Health Planning;~~

20 (2) whether changes to the Certificate of Need
21 processes are being implemented effectively, as well as
22 their impact, if any, on access to safety net services; and

23 (3) whether fines and settlements are fair,
24 consistent, and in proportion to the degree of violations.

25 The Auditor General must report on the results of the audit

1 to the General Assembly.

2 This Section is repealed when the Auditor General files his
3 or her report with the General Assembly.

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

5 (20 ILCS 2310/2310-217 rep.)

6 Section 15. The Department of Public Health Powers and
7 Duties Law of the Civil Administrative Code of Illinois is
8 amended by repealing Section 2310-217.