



104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

HB2776

Introduced 2/6/2025, by Rep. Eva-Dina Delgado

SYNOPSIS AS INTRODUCED:

305 ILCS 5/5B-2

from Ch. 23, par. 5B-2

Amends the Long-Term Care Provider Funding Article of the Illinois Public Aid Code. Provides that any increase in any authorized long-term care provider assessment must: (1) comply with all federal regulations for provider assessments; (2) require that all revenues from an increase in the assessed rates are applied to nursing facility rates for staffing incentives and to improve the quality of care as described in specified provisions under Article V of the Code; (3) not increase the assessed rate of \$7 per occupied bed day for non-profit nursing facilities without Medicaid-certified beds or any nursing facility owned and operated by a county government; (4) maintain the 2.1 to 1 ratio between the highest tax rate and lowest tax rate; and (5) not increase any tax rate proportionally more than any other tax rate. Effective immediately.

LRB104 09538 KTG 19601 b

1 AN ACT concerning public aid.

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

4 Section 5. The Illinois Public Aid Code is amended by
5 changing Section 5B-2 as follows:

6 (305 ILCS 5/5B-2) (from Ch. 23, par. 5B-2)

7 Sec. 5B-2. Assessment; no local authorization to tax.

8 (a) For the privilege of engaging in the occupation of
9 long-term care provider, beginning July 1, 2011 through June
10 30, 2022, or upon federal approval by the Centers for Medicare
11 and Medicaid Services of the long-term care provider
12 assessment described in subsection (a-1), whichever is later,
13 an assessment is imposed upon each long-term care provider in
14 an amount equal to \$6.07 times the number of occupied bed days
15 due and payable each month. Notwithstanding any provision of
16 any other Act to the contrary, this assessment shall be
17 construed as a tax, but shall not be billed or passed on to any
18 resident of a nursing home operated by the nursing home
19 provider.

20 (a-1) For the privilege of engaging in the occupation of
21 long-term care provider for each occupied non-Medicare bed
22 day, beginning July 1, 2022, an assessment is imposed upon
23 each long-term care provider in an amount varying with the

1 number of paid Medicaid resident days per annum in the
2 facility with the following schedule of occupied bed tax
3 amounts. This assessment is due and payable each month. The
4 tax shall follow the schedule below and be rebased by the
5 Department on an annual basis. The Department shall publish
6 each facility's rebased tax rate according to the schedule in
7 this Section 30 days prior to the beginning of the 6-month
8 period beginning July 1, 2022 and thereafter 30 days prior to
9 the beginning of each calendar year which shall incorporate
10 the number of paid Medicaid days used to determine each
11 facility's rebased tax rate.

12 (1) 0-5,000 paid Medicaid resident days per annum,
13 \$10.67.

14 (2) 5,001-15,000 paid Medicaid resident days per
15 annum, \$19.20.

16 (3) 15,001-35,000 paid Medicaid resident days per
17 annum, \$22.40.

18 (4) 35,001-55,000 paid Medicaid resident days per
19 annum, \$19.20.

20 (5) 55,001-65,000 paid Medicaid resident days per
21 annum, \$13.86.

22 (6) 65,001+ paid Medicaid resident days per annum,
23 \$10.67.

24 (7) Any non-profit nursing facilities without
25 Medicaid-certified beds or any nursing facility owned and
26 operated by a county government, \$7 per occupied bed day.

1 The changes made by Public Act 102-1118 ~~this amendatory~~
2 ~~Act of the 102nd General Assembly~~ to this paragraph (7)
3 shall be implemented only upon federal approval.

4 Notwithstanding any provision of any other Act to the
5 contrary, this assessment shall be construed as a tax but
6 shall not be billed or passed on to any resident of a nursing
7 home operated by the nursing home provider.

8 For each new calendar year and for the 6-month period
9 beginning July 1, 2022, a facility's paid Medicaid resident
10 days per annum shall be determined using the Department's
11 Medicaid Management Information System to include Medicaid
12 resident days for the year ending 9 months earlier.

13 (b) Nothing in this amendatory Act of 1992 shall be
14 construed to authorize any home rule unit or other unit of
15 local government to license for revenue or impose a tax or
16 assessment upon long-term care providers or the occupation of
17 long-term care provider, or a tax or assessment measured by
18 the income or earnings or occupied bed days of a long-term care
19 provider.

20 (c) The assessment imposed by this Section shall not be
21 due and payable, however, until after the Department notifies
22 the long-term care providers, in writing, that the payment
23 methodologies to long-term care providers required under
24 Section 5-5.2 of this Code have been approved by the Centers
25 for Medicare and Medicaid Services of the U.S. Department of
26 Health and Human Services and that the waivers under 42 CFR

1 433.68 for the assessment imposed by this Section, if
2 necessary, have been granted by the Centers for Medicare and
3 Medicaid Services of the U.S. Department of Health and Human
4 Services.

5 (d) Any increase in any assessment authorized under this
6 Section must:

7 (1) comply with all federal regulations for provider
8 assessments;

9 (2) require that all revenues from an increase in the
10 assessed rates are applied to nursing facility rates for
11 staffing incentives as described in paragraphs (6) and
12 (6.5) of subsection (d) of Section 5-5.2 or to improve the
13 quality of care as described in paragraph (1) of
14 subsection (1) of Section 5-5.2;

15 (3) not increase the assessed rate of \$7 per occupied
16 bed day for non-profit nursing facilities without
17 Medicaid-certified beds or any nursing facility owned and
18 operated by a county government;

19 (4) maintain the 2.1 to 1 ratio between the highest
20 tax rate and lowest tax rate; and

21 (5) not increase any tax rate proportionally more than
22 any other tax rate.

23 (Source: P.A. 102-1035, eff. 5-31-22; 102-1118, eff. 1-18-23.)

24 Section 99. Effective date. This Act takes effect upon
25 becoming law.