



104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

HB4238

by Rep. Anna Moeller

SYNOPSIS AS INTRODUCED:

305 ILCS 5/5-5.01a

Amends the Medical Assistance Article of the Illinois Public Aid Code. Provides that, subject to federal approval, beginning January 1, 2027, any individual age 22 to 64 who is diagnosed as having Alzheimer's disease or a related dementia and is determined to be a person with a disability by the Social Security Administration shall be eligible for services in a supportive living dementia care setting if the individual meets all other eligibility requirements to receive services in a supportive living dementia care setting in accordance with specified administrative rules. Requires the Department of Healthcare and Family Services to apply for any federal waiver necessary to implement the amendatory Act. Effective immediately.

LRB104 16609 KTG 30009 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 5-5.01a as follows:

6 (305 ILCS 5/5-5.01a)

7 Sec. 5-5.01a. Supportive living facilities program.

8 (a) The Department shall establish and provide oversight
9 for a program of supportive living facilities that seek to
10 promote resident independence, dignity, respect, and
11 well-being in the most cost-effective manner.

12 A supportive living facility is (i) a free-standing
13 facility or (ii) a distinct physical and operational entity
14 within a mixed-use building that meets the criteria
15 established in subsection (d). A supportive living facility
16 integrates housing with health, personal care, and supportive
17 services and is a designated setting that offers residents
18 their own separate, private, and distinct living units.

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

23 (b) Beginning July 1, 2014, subject to federal approval,

1 the Medicaid rates for supportive living facilities shall be
2 equal to the supportive living facility Medicaid rate
3 effective on June 30, 2014 increased by 8.85%. Once the
4 assessment imposed at Article V-G of this Code is determined
5 to be a permissible tax under Title XIX of the Social Security
6 Act, the Department shall increase the Medicaid rates for
7 supportive living facilities effective on July 1, 2014 by
8 9.09%. The Department shall apply this increase retroactively
9 to coincide with the imposition of the assessment in Article
10 V-G of this Code in accordance with the approval for federal
11 financial participation by the Centers for Medicare and
12 Medicaid Services.

13 The Medicaid rates for supportive living facilities
14 effective on July 1, 2017 must be equal to the rates in effect
15 for supportive living facilities on June 30, 2017 increased by
16 2.8%.

17 The Medicaid rates for supportive living facilities
18 effective on July 1, 2018 must be equal to the rates in effect
19 for supportive living facilities on June 30, 2018.

20 Subject to federal approval, the Medicaid rates for
21 supportive living services on and after July 1, 2019 must be at
22 least 54.3% of the average total nursing facility services per
23 diem for the geographic areas defined by the Department while
24 maintaining the rate differential for dementia care and must
25 be updated whenever the total nursing facility service per
26 diems are updated. Beginning July 1, 2022, upon the

1 implementation of the Patient Driven Payment Model, Medicaid
2 rates for supportive living services must be at least 54.3% of
3 the average total nursing services per diem rate for the
4 geographic areas. For purposes of this provision, the average
5 total nursing services per diem rate shall include all add-ons
6 for nursing facilities for the geographic area provided for in
7 Section 5-5.2. The rate differential for dementia care must be
8 maintained in these rates and the rates shall be updated
9 whenever nursing facility per diem rates are updated.

10 Subject to federal approval, beginning January 1, 2024,
11 the dementia care rate for supportive living services must be
12 no less than the non-dementia care supportive living services
13 rate multiplied by 1.5.

14 (b-5) Subject to federal approval, beginning January 1,
15 2025, Medicaid rates for supportive living services must be at
16 least 54.75% of the average total nursing facility per diem
17 rate for the geographic areas defined by the Department and
18 shall include all add-ons for nursing facilities for the
19 geographic area provided for in Section 5-5.2.

20 (c) The Department may adopt rules to implement this
21 Section. Rules that establish or modify the services,
22 standards, and conditions for participation in the program
23 shall be adopted by the Department in consultation with the
24 Department on Aging, the Department of Rehabilitation
25 Services, and the Department of Mental Health and
26 Developmental Disabilities (or their successor agencies).

1 (d) Subject to federal approval by the Centers for
2 Medicare and Medicaid Services, the Department shall accept
3 for consideration of certification under the program any
4 application for a site or building where distinct parts of the
5 site or building are designated for purposes other than the
6 provision of supportive living services, but only if:

7 (1) those distinct parts of the site or building are
8 not designated for the purpose of providing assisted
9 living services as required under the Assisted Living and
10 Shared Housing Act;

11 (2) those distinct parts of the site or building are
12 completely separate from the part of the building used for
13 the provision of supportive living program services,
14 including separate entrances;

15 (3) those distinct parts of the site or building do
16 not share any common spaces with the part of the building
17 used for the provision of supportive living program
18 services; and

19 (4) those distinct parts of the site or building do
20 not share staffing with the part of the building used for
21 the provision of supportive living program services.

22 (e) Facilities or distinct parts of facilities which are
23 selected as supportive living facilities and are in good
24 standing with the Department's rules are exempt from the
25 provisions of the Nursing Home Care Act and the Illinois
26 Health Facilities Planning Act.

1 (f) Section 9817 of the American Rescue Plan Act of 2021
2 (Public Law 117-2) authorizes a 10% enhanced federal medical
3 assistance percentage for supportive living services for a
4 12-month period from April 1, 2021 through March 31, 2022.
5 Subject to federal approval, including the approval of any
6 necessary waiver amendments or other federally required
7 documents or assurances, for a 12-month period the Department
8 must pay a supplemental \$26 per diem rate to all supportive
9 living facilities with the additional federal financial
10 participation funds that result from the enhanced federal
11 medical assistance percentage from April 1, 2021 through March
12 31, 2022. The Department may issue parameters around how the
13 supplemental payment should be spent, including quality
14 improvement activities. The Department may alter the form,
15 methods, or timeframes concerning the supplemental per diem
16 rate to comply with any subsequent changes to federal law,
17 changes made by guidance issued by the federal Centers for
18 Medicare and Medicaid Services, or other changes necessary to
19 receive the enhanced federal medical assistance percentage.

20 (g) All applications for the expansion of supportive
21 living dementia care settings involving sites not approved by
22 the Department by January 1, 2024 may allow new elderly
23 non-dementia units in addition to new dementia care units. The
24 Department may approve such applications only if the
25 application has: (1) no more than one non-dementia care unit
26 for each dementia care unit and (2) the site is not located

1 within 4 miles of an existing supportive living program site
2 in Cook County (including the City of Chicago), not located
3 within 12 miles of an existing supportive living program site
4 in Alexander, Bond, Boone, Calhoun, Champaign, Clinton,
5 DeKalb, DuPage, Fulton, Grundy, Henry, Jackson, Jersey,
6 Johnson, Kane, Kankakee, Kendall, Lake, Macon, Macoupin,
7 Madison, Marshall, McHenry, McLean, Menard, Mercer, Monroe,
8 Peoria, Piatt, Rock Island, Sangamon, Stark, St. Clair,
9 Tazewell, Vermilion, Will, Williamson, Winnebago, or Woodford
10 counties, or not located within 25 miles of an existing
11 supportive living program site in any other county.

12 (g-5) Subject to federal approval, beginning January 1,
13 2027, any individual age 22 to 64 who is diagnosed as having
14 Alzheimer's disease or a related dementia and is determined to
15 be a person with a disability by the Social Security
16 Administration shall be eligible for services in a supportive
17 living dementia care setting if the individual meets all other
18 eligibility requirements to receive services in a supportive
19 living dementia care setting under 89 Ill. Adm. Code 146
20 Subpart B and E. The Department shall apply for any federal
21 waiver necessary to implement this subsection.

22 (h) Beginning January 1, 2025, subject to federal
23 approval, for a person who is a resident of a supportive living
24 facility under this Section, the monthly personal needs
25 allowance shall be \$120 per month.

26 (i) As stated in the supportive living program home and

1 community-based service waiver approved by the federal Centers
2 for Medicare and Medicaid Services, and beginning July 1,
3 2025, the Department must maintain the rate add-on implemented
4 on January 1, 2023 for the provision of 2 meals per day at no
5 less than \$6.15 per day.

6 (j) Subject to federal approval, the Department shall
7 allow a certified medication aide to administer medication in
8 a supportive living facility. For purposes of this subsection,
9 "certified medication aide" means a person who has met the
10 qualifications for certification under Section 79 of the
11 Assisted Living and Shared Housing Act and assists with
12 medication administration while under the supervision of a
13 registered professional nurse as authorized by Section 50-75
14 of the Nurse Practice Act. The Department may adopt rules to
15 implement this subsection.

16 (Source: P.A. 103-102, Article 20, Section 20-5, eff. 1-1-24;
17 103-102, Article 100, Section 100-5, eff. 1-1-24; 103-593,
18 Article 15, Section 15-5, eff. 6-7-24; 103-593, Article 100,
19 Section 100-5, eff. 6-7-24; 103-593, Article 165, Section
20 165-5, eff. 6-7-24; 103-605, eff. 7-1-24; 103-886, eff.
21 8-9-24; 104-9, eff. 6-16-25; 104-417, eff. 8-15-25; revised
22 9-12-25.)

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