



## 104TH GENERAL ASSEMBLY

### State of Illinois

2025 and 2026

HB4701

by Rep. Tracy Katz Muhl

#### SYNOPSIS AS INTRODUCED:

New Act  
210 ILCS 88/12  
815 ILCS 505/2MMMM new

Creates the Limitations on Facility Fees Act. Provides that no health care provider shall charge, bill, or collect a facility fee, except for: (i) services provided on a hospital's campus; (ii) services provided at a facility that includes a licensed hospital emergency department; or (iii) emergency services provided at a freestanding emergency center. Provides that, except as specified, no health care provider shall charge, bill, or collect a facility fee for: (i) outpatient evaluation and management services; or (ii) any other outpatient, diagnostic, or imaging services identified by the Department of Public Health. Requires the Department to annually identify services subject to the limitations on specified facility fees that may reliably be provided safely and effectively in settings other than hospitals. Sets forth provisions concerning reporting, rulemaking, and enforcement of the Act. Amends the Fair Patient Billing Act to make a conforming change. Amends the Consumer Fraud and Deceptive Business Practices Act. Provides that any person who violates the Limitations on Facility Fees Act commits an unlawful practice.

LRB104 17497 BAB 30923 b

1 AN ACT concerning regulation.

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

4 Section 1. Short title. This Act may be cited as the  
5 Limitations on Facility Fees Act.

6 Section 5. Definitions. As used in this Act:

7 "Campus" means: (i) a hospital's main buildings; (ii) the  
8 physical area immediately adjacent to a hospital's main  
9 buildings and other areas and structures that are not strictly  
10 contiguous to the main buildings but are located within 250  
11 yards of the main buildings; or (iii) any other area that has  
12 been determined on an individual case basis by the Centers for  
13 Medicare and Medicaid Services to be part of a hospital's  
14 campus.

15 "Department" means the Department of Public Health.

16 "Facility fee" means any fee charged or billed by a health  
17 care provider for outpatient services provided in a  
18 hospital-based facility or freestanding emergency center that  
19 is: (i) intended to compensate the health care provider for  
20 the operational expenses of the health care provider; (ii)  
21 separate and distinct from a professional fee; and (iii)  
22 regardless of the modality through which the health care  
23 services were provided.

1 "Freestanding emergency center" means a freestanding  
2 emergency center licensed under Section 32.5 of the Emergency  
3 Medical Services (EMS) Systems Act. "Freestanding emergency  
4 center" does not include an urgent care clinic.

5 "Health care provider" means an individual, entity,  
6 corporation, person, or organization, whether for profit or  
7 nonprofit, that furnishes, bills, or is paid for health care  
8 service delivery in the normal course of business, and  
9 includes, without limitation, health systems, hospitals,  
10 hospital-based facilities, freestanding emergency centers, and  
11 urgent care clinics.

12 "Health system" means: (i) a parent corporation of one or  
13 more hospitals and any entity affiliated with the parent  
14 corporation through ownership, governance, membership, or  
15 other means, or (ii) a hospital and any entity affiliated with  
16 the hospital through ownership, governance, membership, or  
17 other means.

18 "Hospital" means a hospital licensed under the Hospital  
19 Licensing Act.

20 "Hospital-based facility" means a facility that is owned  
21 or operated, in whole or in part, by a hospital where hospital  
22 or professional medical services are provided.

23 "Professional fee" means any fee charged or billed by a  
24 provider for professional medical services provided in a  
25 hospital-based facility.

1 Section 10. Limits on facility fees.

2 (a) Site-specific limits. No health care provider shall  
3 charge, bill, or collect a facility fee, except for: (i)  
4 services provided on a hospital's campus; (ii) services  
5 provided at a facility that includes a licensed hospital  
6 emergency department; or (iii) emergency services provided at  
7 a freestanding emergency center.

8 (b) Service-specific limits. Notwithstanding subsection  
9 (a) and whether or not the services are provided on a  
10 hospital's campus, no health care provider shall charge, bill,  
11 or collect a facility fee for: (i) outpatient evaluation and  
12 management services; or (ii) any other outpatient, diagnostic,  
13 or imaging services identified by the Department pursuant to  
14 subsection (c).

15 (c) Identification of services. The Department shall  
16 annually identify services subject to the limitations on  
17 facility fees provided in subsection (b) that may reliably be  
18 provided safely and effectively in settings other than  
19 hospitals.

20 Section 15. Reporting.

21 (a) Each hospital, health system, and freestanding  
22 emergency center shall submit a report annually to the  
23 Department concerning facility fees charged or billed during  
24 the preceding calendar year. The Department shall publish the  
25 information reported on a publicly accessible website

1 designated by the Department.

2 (b) The report shall include, without limitation, the  
3 following information:

4 (1) the name and full address of each facility owned  
5 or operated by the hospital, health system, or  
6 freestanding emergency center that provides services for  
7 which a facility fee is charged or billed;

8 (2) the number of patient visits at each  
9 hospital-based facility or freestanding emergency center  
10 for which a facility fee was charged or billed;

11 (3) the number, total amount, and range of allowable  
12 facility fees paid at each facility by Medicare, Medicaid,  
13 and private insurance;

14 (4) for each hospital-based facility, and for the  
15 hospital or health system as a whole or freestanding  
16 emergency center, the total amount billed and the total  
17 revenue received from facility fees;

18 (5) the top 10 procedures or services, identified by  
19 current procedural terminology (CPT) category I codes,  
20 provided by the hospital, health system, or freestanding  
21 emergency center overall that generated the greatest  
22 amount of facility fee gross revenue, the volume each of  
23 these 10 procedures or services and gross and net revenue  
24 totals, for each of the procedures or services, and, for  
25 each of the procedures or services, the total net amount  
26 of revenue received by the hospital, health system, or

1 freestanding emergency center derived from facility fees;

2 (6) the top 10 procedures or services, identified by  
3 current procedural terminology (CPT) category I codes,  
4 based on patient volume, provided by the hospital, health  
5 system, or freestanding emergency center overall for which  
6 facility fees are billed or charged based on patient  
7 volume, including the gross and net revenue totals  
8 received for each such procedure or service; and

9 (7) any other information related to facility fees  
10 that the Department may require.

11 (c) Until the expiration of 4 years after the furnishing  
12 of any services for which a facility fee was charged, billed,  
13 or collected, each health care provider shall make available,  
14 upon written request by the Department or its designee, copies  
15 of any books, documents, records, or data that are necessary  
16 for the purposes of completing the audit.

17 Section 20. Rulemaking. The Department may adopt rules  
18 necessary to implement the provisions of this Act, specify the  
19 format and content of reports, and impose penalties for  
20 noncompliance consistent with the Department's authority to  
21 regulate health care providers.

22 Section 25. Enforcement.

23 (a) Any violation of this Act shall be considered an  
24 unlawful practice within the meaning of the Consumer Fraud and

1 Deceptive Business Practices Act.

2 (b) A health care provider that violates this Act or the  
3 rules adopted pursuant to this Act shall be subject to an  
4 administrative penalty of not more than \$1,000 per occurrence.

5 (c) The Department or its designee may audit any health  
6 care provider for compliance with the requirements of this  
7 Act.

8 Section 30. The Fair Patient Billing Act is amended by  
9 changing Section 12 as follows:

10 (210 ILCS 88/12)

11 Sec. 12. Facility fee disclosure. Notwithstanding the  
12 provisions set forth in the Limitations on Facility Fees Act,  
13 if ~~if~~ a hospital charges a facility fee for outpatient  
14 services separate and distinct from a professional fee, then  
15 the hospital shall develop a policy to inform patients as soon  
16 as reasonably practicable that they may be subject to a  
17 facility fee. The policy shall include, but not be limited to,  
18 the method the facility will use to inform patients that they  
19 may be charged a facility fee; the services and operating  
20 expenses generally covered by facility fees; the reason for  
21 charging a facility fee on the patient or patient's health  
22 plan; and contact information to allow the patient to request  
23 more information.

24 (Source: P.A. 104-181, eff. 1-1-26.)

1           Section 35. The Consumer Fraud and Deceptive Business  
2 Practices Act is amended by adding Section 2MMMM as follows:

3           (815 ILCS 505/2MMMM new)

4           Sec. 2MMMM. Violations of the Limitations on Facility Fees  
5 Act. Any person who violates the Limitations on Facility Fees  
6 Act commits an unlawful practice within the meaning of this  
7 Act.