



## 104TH GENERAL ASSEMBLY

### State of Illinois

2025 and 2026

HB4752

by Rep. Michelle Mussman

#### SYNOPSIS AS INTRODUCED:

210 ILCS 40/5.1  
210 ILCS 40/5.3 new  
210 ILCS 40/6.2 new

Amends the Life Care Facilities Act. Requires the most current pre-sale disclosure data for refundable life care contracts to be made available annually by January 31 of each year to current residents that have refundable entry fee contracts, former residents who have not yet received refunds for their refundable entry fees, and the estates of former residents who have not yet received refunds for their refundable entry fees. Provides that units belonging to former residents and the estates of former residents who have not yet received refunds for refundable entry fees shall be made available for viewing, upon request, within 7 business days after that request, and notification of this option shall be sent annually by January 31 of each year. Establishes notice requirements for providers who elect to offer units with month-to-month rent. Sets forth provisions concerning the closing of the estate of a former resident who has not yet received refunds for refundable entry fees. Provides that no life care contract may require a resident or the resident's family to pay any fees on the unit for longer than 30 days after the resident has vacated the premises.

LRB104 17950 BAB 31387 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 5. The Life Care Facilities Act is amended by  
5 changing Section 5.1 and by adding Sections 5.3 and 6.2 as  
6 follows:

7 (210 ILCS 40/5.1)

8 Sec. 5.1. Pre-sale disclosures.

9 (a) Prior to the execution of a refundable life care  
10 contract and the transfer of any money or other property to a  
11 provider or escrow agent, the provider shall deliver to the  
12 consumer a pre-sale disclosure printed on paper. The pre-sale  
13 disclosure shall be signed by the consumer prior to executing  
14 the life care contract. The pre-sale disclosure shall include:

15 (1) the caption, "ENTRY FEE REFUNDS: CONSUMER NOTICE",  
16 in at least 28-point font and the remaining portion in at  
17 least 12-point font;

18 (2) the caption, "The timing of refunds for past  
19 residents may not be indicative of your refund experience.  
20 Your ability to collect on the full amount of the  
21 calculated refund may be modified or nullified pending  
22 market conditions, any future sale of this organization,  
23 or in the event of bankruptcy. Current residents, former

1 residents awaiting refunds, and the estates of former  
2 residents awaiting refunds shall be provided with the most  
3 recent entry fee refund data disclosure upon request.";

4 (3) for refunds returned by the provider in the most  
5 recently completed calendar year:

6 (A) the average number of months passed before the  
7 refund of an entry fee by the provider; and

8 (B) the median number of months passed before the  
9 refund of an entry fee by the provider;

10 (4) the percentage of entry fee contracts awaiting  
11 refunds from the provider with wait times exceeding 24  
12 months as of the end of the most recently completed  
13 calendar year;

14 (5) the percentage of entry fee contracts awaiting  
15 refunds from the provider with wait times exceeding 36  
16 months as of the end of the most recently completed  
17 calendar year;

18 (6) the percentage of entry fee contracts awaiting  
19 refunds from the provider with wait times exceeding 60  
20 months as of the end of the most recently completed  
21 calendar year;

22 (7) the number of entry fee contracts awaiting refunds  
23 from the provider as of the last day of the most recently  
24 completed calendar year; and

25 (8) the number of entry fee refunds returned by the  
26 provider in the most recently completed calendar year.

1 (b) For the purpose of determining the time a refund is  
2 due, the start time of the refund begins after the unit has  
3 been permanently vacated, returned to resalable condition, and  
4 the outgoing resident has a zero balance due, excluding  
5 outstanding balances to be payable by outside payors,  
6 including, but not limited to, Medicare, Medicaid, Managed  
7 Medicare, or within 30 days of the unit being permanently  
8 vacated and the outgoing resident has a zero balance due,  
9 whichever is shorter. Refund delays due to estate factors  
10 outside of the community's control, including, but not limited  
11 to, probate challenges, estate challenges, or an inability to  
12 confirm next of kin, are not included in the outstanding  
13 refunds to be disclosed.

14 (c) Pre-sale disclosures may include additional data by  
15 calendar year.

16 (d) If a payee for an entry fee refund cannot be  
17 determined, for purposes of calculating the data in subsection  
18 (a), a refund shall be considered complete when a new resident  
19 occupies the specified living unit.

20 (e) The most current pre-sale disclosure data detailed in  
21 subsection (a) shall be made available, upon request, and  
22 annually by January 31 of each year, to current residents that  
23 have refundable entry fee contracts, former residents who have  
24 not yet received refunds for their refundable entry fees, and  
25 the estates of former residents who have not yet received  
26 refunds for their refundable entry fees.

1 (f) Failure to provide the pre-sale disclosure in  
2 accordance with this Section may result in a minimum monetary  
3 penalty of \$500 at the discretion of the Department. The  
4 Department shall adopt rules to enforce this Section and  
5 provide for factors to be considered when imposing monetary  
6 penalties and for repeat violations of this Section.

7 (g) Units belonging to former residents and the estates of  
8 former residents who have not yet received refunds for  
9 refundable entry fees shall be made available for viewing,  
10 upon request, within 7 business days after that request.  
11 Notification of this option shall be sent annually by January  
12 31 of each year.

13 (Source: P.A. 103-812, eff. 1-1-25.)

14 (210 ILCS 40/5.3 new)

15 Sec. 5.3. Notices for recipients of refundable entry fees;  
16 closing of estates.

17 (a) A provider who elects to no longer offer life care  
18 contracts and instead offer a unit for month-to-month rent  
19 must provide notice to any former resident and the estate of  
20 any former resident who has not yet received refunds for  
21 refundable entry fees that the exact unit of the former  
22 resident is indefinitely off the market for resale.

23 (b) Notwithstanding any other provision of law, the estate  
24 of a former resident who has not received refunds for  
25 refundable entry fees may close the estate within 12 months

1 after the resident's death. After closing, any future funds to  
2 be received by that estate shall be held by the State  
3 Treasurer.

4 (210 ILCS 40/6.2 new)

5 Sec. 6.2. Limitation on life care contract future fees. No  
6 life care contract may require a resident or the resident's  
7 family to pay any fees on the unit for longer than 30 days  
8 after the resident has vacated the premises.