



104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

SB3318

Introduced 2/3/2026, by Sen. Lakesia Collins

SYNOPSIS AS INTRODUCED:

20 ILCS 2310/2310-715

Amends the Department of Public Health Powers and Duties Law of the Civil Administrative Code of Illinois. In provisions regarding a Safety-Net Hospital Health Equity and Access Leadership (HEAL) Grant Program, changes references to safety-net hospitals to references to community safety-net hospitals. Updates references to dates in those provisions. Defines "community safety-net hospital", "health system", and "medically underserved area". Makes changes to required provisions in the report to the General Assembly regarding criteria for a community safety-net hospital to be eligible for the program, deletes required provisions in the report to the General Assembly regarding potential projects eligible for grant funds, and adds required provisions in the report to the General Assembly regarding an application process and criteria, as well as policies, standards, and procedures to administer the program and ensure accountability.

LRB104 18402 BDA 31844 b

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 Department of Public Health Powers and
5 Duties Law of the Civil Administrative Code of Illinois is
6 amended by changing Section 2310-715 as follows:

7 (20 ILCS 2310/2310-715)

8 Sec. 2310-715. Community Safety-Net Hospital Health Equity
9 and Access Leadership (HEAL) Grant Program.

10 (a) Findings. The General Assembly finds that there are
11 communities in Illinois that experience significant health
12 care disparities, ~~as recently emphasized by the COVID-19~~
13 ~~pandemic,~~ aggravated by social determinants of health and a
14 lack of sufficient access to high quality health care
15 resources, particularly community-based services, preventive
16 care, obstetric care, chronic disease management, and
17 specialty care. Community safety-net ~~Safety net~~ hospitals, as
18 defined under ~~the~~ this Section ~~Illinois Public Aid Code,~~ serve
19 as the anchors of the health care system for many of these
20 communities. These ~~Safety net~~ hospitals not only care for
21 their patients, they also are rooted in their communities and
22 provide ~~by providing~~ jobs and partner ~~partnering~~ with local
23 organizations to help address the social determinants of

1 health, such as food, housing, and transportation needs.

2 However, community safety-net hospitals serve a
3 significant number of Medicare, Medicaid, and uninsured
4 patients, and therefore, are heavily dependent on underfunded
5 government payers, and are heavily burdened by uncompensated
6 care. At the same time, the overall cost of providing care has
7 increased substantially in recent years, driven by increasing
8 costs for staffing, prescription drugs, technology, and
9 infrastructure.

10 For ~~all of~~ these reasons, the General Assembly finds that
11 the long-term sustainability of community safety-net hospitals
12 is threatened. While the General Assembly has provided ~~is~~
13 ~~providing~~ funding to the Department to be paid to support the
14 expenses of specific community safety-net hospitals in
15 previous fiscal years ~~State Fiscal Year 2023~~, such annual, ad
16 hoc funding is not a reliable and stable source of funding that
17 will enable community safety-net hospitals to develop
18 strategies to achieve long term sustainability. Such annual,
19 ad hoc funding also does not provide the State with
20 transparency and accountability to ensure that such funding is
21 being used effectively and efficiently to maximize the benefit
22 to members of the community.

23 Therefore, it is the intent of the General Assembly that
24 the Department of Public Health and the Department of
25 Healthcare and Family Services jointly create ~~provide options~~
26 ~~and recommendations to the General Assembly by February 1,~~

1 ~~2023, for the establishment of~~ a permanent Community
2 Safety-Net Hospital Health Equity and Access Leadership (HEAL)
3 Grant Program, in accordance with this Section. It is the
4 intention of the General Assembly that, beginning in fiscal
5 year 2027 ~~during State fiscal years 2024 through 2029~~, the
6 Community Safety-Net ~~Safety-Net~~ Hospital Health Equity and
7 Access Leadership (HEAL) Grant Program shall be supported by
8 an annual funding pool of at least ~~up to~~ \$100,000,000, subject
9 to appropriation.

10 (a-5) Definitions. As used in this Section:

11 "Community safety-net hospital" means a hospital that
12 satisfies the criteria under Section 5-5e.1 of the Illinois
13 Public Aid Code and that is not part of a health system with
14 more than \$1,000,000,000 in assets.

15 "Health system" means a group of hospitals that are owned
16 and operated by the same entity.

17 "Medically underserved area" means a geographic area with
18 a shortage of primary health care services for residents.

19 (b) By February 1, 2027 ~~2023~~, the Department of Public
20 Health and the Department of Healthcare and Family Services
21 shall provide a joint report to the General Assembly on
22 options and recommendations for the establishment of a
23 permanent Community Safety-Net Hospital Health Equity and
24 Access Leadership (HEAL) Grant Program to be administered by
25 the State. ~~For this report, "safety-net hospital" means a~~
26 ~~hospital identified by the Department of Healthcare and Family~~

1 ~~Services under Section 5-5c.1 of the Illinois Public Aid Code.~~

2 The Departments of Public Health and Healthcare and Family
3 Services may consult with the statewide association
4 representing a majority of hospitals and community safety-net
5 hospitals on the report. The report may include, but need not
6 be limited to:

7 (1) Criteria for a community safety-net hospital to be
8 eligible for the program, such as:

9 (A) The hospital is a community safety-net
10 hospital as defined in this Section ~~participating~~
11 ~~provider in at least one Medicaid managed care plan.~~

12 (B) The hospital is located in a medically
13 underserved area.

14 ~~(C) The hospital's Medicaid utilization rate (for~~
15 ~~both inpatient and outpatient services).~~

16 ~~(D) The hospital's Medicare utilization rate (for~~
17 ~~both inpatient and outpatient services).~~

18 ~~(E) The hospital's uncompensated care percentage.~~

19 (C) ~~(F)~~ The hospital is demonstrably working to
20 expand hospital's role in providing access to
21 services, reducing health disparities, and improving
22 health equity in its service area.

23 ~~(G) The hospital's performance on quality~~
24 ~~indicators.~~

25 (2) Information regarding additional requirements for
26 the Community Safety-Net Hospital Health Equity and Access

1 Leadership (HEAL) Grant Program, such as:

2 (A) an application process and criteria to
3 determine which applications should receive funding,
4 established by the Department of Healthcare and Family
5 Services and the Department of Public Health, with
6 formal input from stakeholders; and

7 (B) policies, standards, and procedures developed
8 by the Department of Healthcare and Family Services
9 and the Department of Public Health, with formal input
10 from stakeholders, to both administer the program and
11 ensure accountability, that include, at a minimum:

12 (i) transparency: participant hospitals must
13 open all governing board meetings to the public
14 and include space and time for public comment;

15 (ii) stakeholder oversight or codetermination:
16 participant hospitals must:

17 (I) have governing boards comprised of, at
18 a minimum, 51% community members, frontline
19 hospital workers, and patients; and

20 (II) create an advocacy council comprised
21 of community members, frontline hospital
22 workers, patients, and other key stakeholders
23 that has meaningful input into hospital
24 management and strategic decision making that
25 meets at least quarterly and upon its own
26 initiative; and

1 (iii) wage and labor standards: participant
2 hospitals must:

3 (I) pay workers a living wage;

4 (II) permit workers to form or join a
5 labor organization of their choice without
6 interference from management; and

7 (III) staff adequately and negotiate a
8 process for resolving formal objections to
9 unsafe staffing.

10 ~~Potential projects eligible for grant funds which may~~
11 ~~include projects to reduce health disparities, advance~~
12 ~~health equity, or improve access to or the quality of~~
13 ~~health care services.~~

14 ~~(3) Potential policies, standards, and procedures to~~
15 ~~ensure accountability for the use of grant funds.~~

16 ~~(4) Potential strategies to generate federal Medicaid~~
17 ~~matching funds for expenditures under the program.~~

18 ~~(5) Potential policies, processes, and procedures for~~
19 ~~the administration of the program.~~

20 (Source: P.A. 102-886, eff. 5-17-22; 103-154, eff. 6-30-23.)