

SB3407



104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

SB3407

Introduced 2/4/2026, by Sen. Karina Villa

SYNOPSIS AS INTRODUCED:

210 ILCS 85/11.11 new

Amends the Hospital Licensing Act. Provides that a hospital licensed under the Act shall not charge a covered hospital employee more than 10% of the total health insurance premium cost. Provides that any agreement permitting a charge to a covered hospital employee in excess of 10% of the total health insurance premium cost shall be deemed invalid, void, and unenforceable. Provides that a hospital in violation of those provisions shall pay a civil penalty of \$500 to the Department of Public Health for each impacted covered hospital employee.

LRB104 18001 BAB 31438 b

A BILL FOR

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 Hospital Licensing Act is amended by adding
5 Section 11.11 as follows:

6 (210 ILCS 85/11.11 new)

7 Sec. 11.11. Health insurance premiums for hospital
8 employees.

9 (a) In this Section:

10 "Covered hospital employee" means any of the following:

11 (1) An employee of a large hospital who provides
12 patient care, health care services, or services supporting
13 the provision of health care, which includes, but is not
14 limited to, employees performing work in the occupation of
15 a nurse, physician, caregiver, medical resident, intern or
16 fellow, patient care technician, janitor, housekeeping
17 staff person, groundskeeper, guard, clerical worker,
18 nonmanagerial administrative worker, food service worker,
19 gift shop worker, technical and ancillary services worker,
20 medical coding and medical billing personnel, scheduler,
21 call center and warehouse worker, and laundry worker,
22 regardless of formal job title.

23 (2) A contracted or subcontracted employee, if all of

1 the following apply:

2 (A) The employee's employer contracts with the
3 hospital employer, or with a contractor or
4 subcontractor to the hospital employer, to provide
5 health care services or services supporting the
6 provision of health care.

7 (B) The hospital directly or indirectly, or
8 through an agent or any other person, exercises
9 control over the employee's wages, hours, or working
10 conditions. However, "covered hospital employee"
11 includes all employees performing contracted or
12 subcontracted work primarily on the premises of a
13 hospital to provide health care services or services
14 supporting the provision of health care.

15 "Health insurance premium" means any money charged to a
16 hospital, plan sponsor, or other entity to provide for the
17 medical, dental, or vision insurance coverage for a covered
18 hospital employee.

19 "Health system" means any entity that:

20 (1) owns or operates at least one hospital; or
21 (2) sponsors, supports, or administers graduate
22 medical education programs across a consortium of
23 independent or affiliated hospitals or medical or
24 osteopathic colleges or schools.

25 "Large hospital" means a hospital licensed under this Act
26 that has net patient revenue of at least \$1,000,000,000 per

1 year or is part of a health system that has net patient revenue
2 of at least \$1,000,000,000 per year.

3 (b) A hospital licensed under this Act shall not charge a
4 covered hospital employee more than 10% of the total health
5 insurance premium cost. The requirements of this Section may
6 not be waived. Any agreement permitting a charge to a covered
7 hospital employee in excess of 10% of the total health
8 insurance premium cost shall be deemed invalid, void, and
9 unenforceable under this Section.

10 (c) A hospital in violation of this Section shall pay a
11 civil penalty of \$500 to the Department for each impacted
12 covered hospital employee.