



## 104TH GENERAL ASSEMBLY

### State of Illinois

2025 and 2026

SB3427

Introduced 2/4/2026, by Sen. David Koehler

#### SYNOPSIS AS INTRODUCED:

5 ILCS 100/5-45.71 new  
20 ILCS 1705/74  
20 ILCS 1705/80 new  
305 ILCS 5/5-5.4

from Ch. 23, par. 5-5.4

Amends the Mental Health and Developmental Disabilities Administrative Act. Requires the Department of Human Services to file an amendment to the Home and Community-Based Services Waiver Program for Adults with Developmental Disabilities that shall include an increase in the rate methodology sufficient to provide for a wage rate of 150% of the statewide, regional, or local minimum wage for services delivered on or after January 1, 2027, for all direct support personnel and all other frontline personnel who are not subject to the Bureau of Labor Statistics' average wage increases and who work in residential and community day services settings. Provides that for services delivered on or after January 1, 2027, the rates shall include adjustments to employment-related expenses as defined by rule by the Department. Requires the Department to adopt rules, including emergency rules, to implement the rate increases. Contains provisions on benchmark rates for therapy and counseling for adults with intellectual and developmental disabilities; tiered rates for community day services; community integration supports for community day services; and benchmark rates for CILA transportation cost and for the supported employment program for adults with intellectual and developmental disabilities. Amends the Medical Assistance Article of the Illinois Public Aid Code. Requires the Department of Healthcare and Family Services to submit a Title XIX State Plan amendment to the federal Centers for Medicare and Medicaid Services that shall include an increase in the rate methodology sufficient to provide for a wage rate of 150% of the statewide, regional, or local minimum wage for services delivered on or after January 1, 2027, for all direct support personnel and all other frontline personnel at ID/DD and MC/DD facilities. Provides that the State Plan amendment shall provide wage increases for all residential non-executive direct care staff. Effective immediately.

LRB104 19074 KTG 32519 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 1. The Illinois Administrative Procedure Act is  
5 amended by adding Section 5-45.71 as follows:

6 (5 ILCS 100/5-45.71 new)

7 Sec. 5-45.71. Emergency rulemaking; wage increase for  
8 direct support personnel. To provide for the expeditious and  
9 timely implementation of subsection (i) of Section 74 of the  
10 Mental Health and Developmental Disabilities Administrative  
11 Act, emergency rules implementing the changes may be adopted  
12 in accordance with Section 5-45 by the Department of Human  
13 Services. The adoption of emergency rules authorized by  
14 Section 5-45 and this Section is deemed to be necessary for the  
15 public interest, safety, and welfare.

16 This Section is repealed one year after the effective date  
17 of this amendatory Act of the 104th General Assembly.

18 Section 5. The Mental Health and Developmental  
19 Disabilities Administrative Act is amended by changing Section  
20 74 and by adding Section 80 as follows:

21 (20 ILCS 1705/74)

1           Sec. 74. Rates and reimbursements.

2           (a) Within 30 days after July 6, 2017 (the effective date  
3 of Public Act 100-23), the Department shall increase rates and  
4 reimbursements to fund a minimum of a \$0.75 per hour wage  
5 increase for frontline personnel, including, but not limited  
6 to, direct support professionals, aides, frontline  
7 supervisors, qualified intellectual disabilities  
8 professionals, nurses, and non-administrative support staff  
9 working in community-based provider organizations serving  
10 individuals with developmental disabilities. The Department  
11 shall adopt rules, including emergency rules under subsection  
12 (y) of Section 5-45 of the Illinois Administrative Procedure  
13 Act, to implement the provisions of this Section.

14           (b) Rates and reimbursements. Within 30 days after June 4,  
15 2018 (the effective date of Public Act 100-587), the  
16 Department shall increase rates and reimbursements to fund a  
17 minimum of a \$0.50 per hour wage increase for frontline  
18 personnel, including, but not limited to, direct support  
19 professionals, aides, frontline supervisors, qualified  
20 intellectual disabilities professionals, nurses, and  
21 non-administrative support staff working in community-based  
22 provider organizations serving individuals with developmental  
23 disabilities. The Department shall adopt rules, including  
24 emergency rules under subsection (bb) of Section 5-45 of the  
25 Illinois Administrative Procedure Act, to implement the  
26 provisions of this Section.

1 (c) Rates and reimbursements. Within 30 days after June 5,  
2 2019 (the effective date of Public Act 101-10), subject to  
3 federal approval, the Department shall increase rates and  
4 reimbursements in effect on June 30, 2019 for community-based  
5 providers for persons with Developmental Disabilities by 3.5%  
6 The Department shall adopt rules, including emergency rules  
7 under subsection (jj) of Section 5-45 of the Illinois  
8 Administrative Procedure Act, to implement the provisions of  
9 this Section, including wage increases for direct care staff.

10 (d) For community-based providers serving persons with  
11 intellectual/developmental disabilities, subject to federal  
12 approval of any relevant Waiver Amendment, the rates taking  
13 effect for services delivered on or after January 1, 2022,  
14 shall include an increase in the rate methodology sufficient  
15 to provide a \$1.50 per hour wage increase for direct support  
16 professionals in residential settings and sufficient to  
17 provide wages for all residential non-executive direct care  
18 staff, excluding direct support professionals, at the federal  
19 Department of Labor, Bureau of Labor Statistics' average wage  
20 as defined in rule by the Department.

21 The establishment of and any changes to the rate  
22 methodologies for community-based services provided to persons  
23 with intellectual/developmental disabilities are subject to  
24 federal approval of any relevant Waiver Amendment and shall be  
25 defined in rule by the Department. The Department shall adopt  
26 rules, including emergency rules as authorized by Section 5-45

1 of the Illinois Administrative Procedure Act, to implement the  
2 provisions of this subsection (d).

3 (e) For community-based providers serving persons with  
4 intellectual/developmental disabilities, subject to federal  
5 approval of any relevant Waiver Amendment, the rates taking  
6 effect for services delivered on or after January 1, 2023,  
7 shall include an increase in the rate methodology sufficient  
8 to provide a \$1.00 per hour wage increase for all direct  
9 support professionals and all other frontline personnel who  
10 are not subject to the Bureau of Labor Statistics' average  
11 wage increases, who work in residential and community day  
12 services settings, with at least \$0.50 of those funds to be  
13 provided as a direct increase to base wages, with the  
14 remaining \$0.50 to be used flexibly for base wage increases.  
15 In addition, the rates taking effect for services delivered on  
16 or after January 1, 2023 shall include an increase sufficient  
17 to provide wages for all residential non-executive direct care  
18 staff, excluding direct support professionals, at the federal  
19 Department of Labor, Bureau of Labor Statistics' average wage  
20 as defined in rule by the Department.

21 The establishment of and any changes to the rate  
22 methodologies for community-based services provided to persons  
23 with intellectual/developmental disabilities are subject to  
24 federal approval of any relevant Waiver Amendment and shall be  
25 defined in rule by the Department. The Department shall adopt  
26 rules, including emergency rules as authorized by Section 5-45

1 of the Illinois Administrative Procedure Act, to implement the  
2 provisions of this subsection.

3 (f) For community-based providers serving persons with  
4 intellectual/developmental disabilities, subject to federal  
5 approval of any relevant Waiver Amendment, the rates taking  
6 effect for services delivered on or after January 1, 2024  
7 shall include an increase in the rate methodology sufficient  
8 to provide a \$2.50 per hour wage increase for all direct  
9 support professionals and all other frontline personnel who  
10 are not subject to the Bureau of Labor Statistics' average  
11 wage increases and who work in residential and community day  
12 services settings. At least \$1.25 of the per hour wage  
13 increase shall be provided as a direct increase to base wages,  
14 and the remaining \$1.25 of the per hour wage increase shall be  
15 used flexibly for base wage increases. In addition, the rates  
16 taking effect for services delivered on or after January 1,  
17 2024 shall include an increase sufficient to provide wages for  
18 all residential non-executive direct care staff, excluding  
19 direct support professionals, at the federal Department of  
20 Labor, Bureau of Labor Statistics' average wage as defined in  
21 rule by the Department.

22 The establishment of and any changes to the rate  
23 methodologies for community-based services provided to persons  
24 with intellectual/developmental disabilities are subject to  
25 federal approval of any relevant Waiver Amendment and shall be  
26 defined in rule by the Department. The Department shall adopt

1 rules, including emergency rules as authorized by Section 5-45  
2 of the Illinois Administrative Procedure Act, to implement the  
3 provisions of this subsection.

4 (g) For community-based providers serving persons with  
5 intellectual or developmental disabilities, subject to federal  
6 approval of any relevant Waiver Amendment, the rates taking  
7 effect for services delivered on or after January 1, 2025  
8 shall include an increase in the rate methodology sufficient  
9 to provide a \$1 per hour wage rate increase for all direct  
10 support personnel and all other frontline personnel who are  
11 not subject to the Bureau of Labor Statistics' average wage  
12 increases and who work in residential and community day  
13 services settings, with at least \$0.75 of those funds to be  
14 provided as a direct increase to base wages and the remaining  
15 \$0.25 to be used flexibly for base wage increases. These  
16 increases shall not be used by community-based providers for  
17 operational or administrative expenses. In addition, the rates  
18 taking effect for services delivered on or after January 1,  
19 2025 shall include an increase sufficient to provide wages for  
20 all residential non-executive direct care staff, excluding  
21 direct support personnel, at the federal Department of Labor,  
22 Bureau of Labor Statistics' average wage as defined by rule by  
23 the Department. For services delivered on or after January 1,  
24 2025, the rates shall include adjustments to  
25 employment-related expenses as defined by rule by the  
26 Department.

1           The establishment of and any changes to the rate  
2 methodologies for community-based services provided to persons  
3 with intellectual or developmental disabilities are subject to  
4 federal approval of any relevant Waiver Amendment and shall be  
5 defined in rule by the Department. The Department shall adopt  
6 rules, including emergency rules as authorized by Section 5-45  
7 of the Illinois Administrative Procedure Act, to implement the  
8 provisions of this subsection.

9           (h) For community-based providers serving persons with  
10 intellectual or developmental disabilities, subject to federal  
11 approval of any relevant Waiver Amendment, the rates taking  
12 effect for services delivered on or after January 1, 2026  
13 shall include an increase in the rate methodology sufficient  
14 to provide a \$0.80 per hour wage increase for all direct  
15 support personnel and all other frontline personnel who are  
16 not subject to the Bureau of Labor Statistics' average wage  
17 increases and who work in residential and community day  
18 services settings, with at least \$0.60 of the per hour wage  
19 increase to be provided as a direct increase to base wages, and  
20 the remaining \$0.20 of the per hour wage increase to be used  
21 flexibly for base wage increases. These increases shall not be  
22 used by community-based providers for operational or  
23 administrative expenses. In addition, the rates taking effect  
24 for services delivered on or after January 1, 2026 shall  
25 include an increase sufficient to provide wages for all  
26 residential non-executive direct care staff, excluding direct

1 support personnel, at the federal Department of Labor, Bureau  
2 of Labor Statistics' average wage as defined in rule by the  
3 Department.

4 The establishment of and any changes to the rate  
5 methodologies for community-based services provided to persons  
6 with intellectual or developmental disabilities are subject to  
7 federal approval of any relevant Waiver Amendment and shall be  
8 defined in rule by the Department. The Department shall adopt  
9 rules, including emergency rules as authorized by Section 5-45  
10 of the Illinois Administrative Procedure Act, to implement the  
11 provisions of this subsection.

12 (i) For community-based providers serving persons with  
13 intellectual or developmental disabilities, by no later than  
14 January 1, 2027, the Department shall file an amendment to the  
15 Home and Community-Based Services Waiver Program for Adults  
16 with Developmental Disabilities authorized under Section  
17 1915(c) of the Social Security Act that shall include an  
18 increase in the rate methodology sufficient to provide for a  
19 wage rate of 150% of the statewide, regional, or local minimum  
20 wage for services delivered on or after January 1, 2027, for  
21 all direct support personnel and all other frontline personnel  
22 who are not subject to the Bureau of Labor Statistics' average  
23 wage increases and who work in residential and community day  
24 services settings. The amendment shall also include an  
25 increase in the rate methodology sufficient to provide wage  
26 increases for all residential non-executive direct care staff,

1 excluding direct support personnel, at the federal Department  
2 of Labor, Bureau of Labor Statistics' average wage as defined  
3 by rule by the Department of Human Services for services  
4 delivered on or after January 1, 2027. For services delivered  
5 on or after January 1, 2027, the rates shall include  
6 adjustments to employment-related expenses as defined by rule  
7 by the Department of Human Services. The Department of Human  
8 Services shall adopt rules, including emergency rules as  
9 authorized by Section 5-45 of the Illinois Administrative  
10 Procedure Act, to implement the provisions of this subsection.

11 (j) Benchmark rates for therapy and counseling for adults  
12 with intellectual and developmental disabilities. The  
13 Department shall file an amendment to the Home and  
14 Community-Based Services Waiver Program for Adults with  
15 Developmental Disabilities authorized under Section 1915(c) of  
16 the Social Security Act sufficient to establish rate increases  
17 for therapy and counseling services at the levels prescribed  
18 in the Department's Guidehouse Rate Study for State Fiscal  
19 Year 2027. This Section is subject to federal approval. The  
20 Department shall adopt rules to implement this Section.

21 (k) Tiered rates for community day services. The  
22 Department shall file an amendment to the Home and  
23 Community-Based Services Waiver Program for Adults with  
24 Developmental Disabilities authorized under Section 1915(c) of  
25 the Social Security Act sufficient to establish rate increases  
26 to implement tiered rates for community day services. The

1 Department shall establish enhanced rates tiered for acuity  
2 for each day program to provide additional supports to  
3 individuals with significant medical or behavioral needs. The  
4 tiered rates shall be implemented in the manner prescribed in  
5 the Department's Guidehouse Rate Study. This Section is  
6 subject to federal approval. The Department shall adopt rules  
7 to implement this Section.

8 (l) Community integration supports for community day  
9 services. The Department shall file an amendment to the Home  
10 and Community-Based Services Waiver Program for Adults with  
11 Developmental Disabilities authorized under Section 1915(c) of  
12 the Social Security Act sufficient to establish rate increases  
13 to implement Community Integration Supports for Community Day  
14 Services in the manner prescribed in the Department's  
15 Guidehouse Rate Study. This Section is subject to federal  
16 approval. The Department shall adopt rules to implement this  
17 Section.

18 (m) Benchmark rates for CILA transportation cost center  
19 vehicle purchase allowances for adults with intellectual and  
20 developmental disabilities. The Department shall file an  
21 amendment to the Home and Community-Based Services Waiver  
22 Program for Adults with Developmental Disabilities authorized  
23 under Section 1915(c) of the Social Security Act sufficient to  
24 establish rate increases for the vehicle purchase allowance  
25 contained within the community-integrated living arrangement  
26 transportation cost center rate. The increases shall be

1 implemented in the manner prescribed within the Department's  
2 Guidehouse Rate Study. This Section is subject to federal  
3 approval. The Department shall adopt rules to implement this  
4 Section.

5 (n) Benchmark rates for the supported employment program  
6 for adults with intellectual and developmental disabilities.  
7 The Department shall file an amendment to the Home and  
8 Community-Based Services Waiver Program for Adults with  
9 Developmental Disabilities authorized under Section 1915(c) of  
10 the Social Security Act sufficient to establish rate increases  
11 for the Supported Employment Program for individuals (36U),  
12 small group (33G), and large group (36G), at the levels  
13 prescribed in the Department's Guidehouse Rate Study for State  
14 Fiscal Year 2027. This Section is subject to federal approval.  
15 The Department shall adopt rules to implement this Section.

16 (Source: P.A. 103-8, eff. 6-7-23; 103-154, eff. 6-30-23;  
17 103-588, eff. 6-5-24; 104-2, eff. 6-16-25.)

18 (20 ILCS 1705/80 new)

19 Sec. 80. Zero hour staffing model for CILAs. Beginning  
20 January 1, 2027, the Department shall implement the Zero Hour  
21 Staffing Model for Community-Integrated Living Arrangements  
22 for community-based providers serving persons with  
23 intellectual and developmental disabilities at rates  
24 consistent with what is outlined in the Department's  
25 Guidehouse Rate Study. Implementation of the Zero Hour

1 Staffing Model shall not mandate staff be present in  
2 community-integrated living arrangements when individuals are  
3 not present nor shall it eliminate the Enhanced Residential  
4 Billing code (37U). The Department shall adopt administrative  
5 rules to implement this Section.

6 Section 10. The Illinois Public Aid Code is amended by  
7 changing Section 5-5.4 as follows:

8 (305 ILCS 5/5-5.4) (from Ch. 23, par. 5-5.4)

9 Sec. 5-5.4. Standards of payment; Department of Healthcare  
10 and Family Services. The Department of Healthcare and Family  
11 Services shall develop standards of payment of nursing  
12 facility and ICF/DD services in facilities providing such  
13 services under this Article which:

14 (1) Provide for the determination of a facility's payment  
15 for nursing facility or ICF/DD services on a prospective  
16 basis. The amount of the payment rate for all nursing  
17 facilities certified by the Department of Public Health under  
18 the ID/DD Community Care Act or the Nursing Home Care Act as  
19 Intermediate Care for the Developmentally Disabled facilities,  
20 Long Term Care for Under Age 22 facilities, Skilled Nursing  
21 facilities, or Intermediate Care facilities under the medical  
22 assistance program shall be prospectively established annually  
23 on the basis of historical, financial, and statistical data  
24 reflecting actual costs from prior years, which shall be

1 applied to the current rate year and updated for inflation,  
2 except that the capital cost element for newly constructed  
3 facilities shall be based upon projected budgets. The annually  
4 established payment rate shall take effect on July 1 in 1984  
5 and subsequent years. No rate increase and no update for  
6 inflation shall be provided on or after July 1, 1994, unless  
7 specifically provided for in this Section. The changes made by  
8 Public Act 93-841 extending the duration of the prohibition  
9 against a rate increase or update for inflation are effective  
10 retroactive to July 1, 2004.

11 For facilities licensed by the Department of Public Health  
12 under the Nursing Home Care Act as Intermediate Care for the  
13 Developmentally Disabled facilities or Long Term Care for  
14 Under Age 22 facilities, the rates taking effect on July 1,  
15 1998 shall include an increase of 3%. For facilities licensed  
16 by the Department of Public Health under the Nursing Home Care  
17 Act as Skilled Nursing facilities or Intermediate Care  
18 facilities, the rates taking effect on July 1, 1998 shall  
19 include an increase of 3% plus \$1.10 per resident-day, as  
20 defined by the Department. For facilities licensed by the  
21 Department of Public Health under the Nursing Home Care Act as  
22 Intermediate Care Facilities for the Developmentally Disabled  
23 or Long Term Care for Under Age 22 facilities, the rates taking  
24 effect on January 1, 2006 shall include an increase of 3%. For  
25 facilities licensed by the Department of Public Health under  
26 the Nursing Home Care Act as Intermediate Care Facilities for

1 the Developmentally Disabled or Long Term Care for Under Age  
2 22 facilities, the rates taking effect on January 1, 2009  
3 shall include an increase sufficient to provide a \$0.50 per  
4 hour wage increase for non-executive staff. For facilities  
5 licensed by the Department of Public Health under the ID/DD  
6 Community Care Act as ID/DD Facilities the rates taking effect  
7 within 30 days after July 6, 2017 (the effective date of Public  
8 Act 100-23) shall include an increase sufficient to provide a  
9 \$0.75 per hour wage increase for non-executive staff. The  
10 Department shall adopt rules, including emergency rules under  
11 subsection (y) of Section 5-45 of the Illinois Administrative  
12 Procedure Act, to implement the provisions of this paragraph.  
13 For facilities licensed by the Department of Public Health  
14 under the ID/DD Community Care Act as ID/DD Facilities and  
15 under the MC/DD Act as MC/DD Facilities, the rates taking  
16 effect within 30 days after June 5, 2019 (the effective date of  
17 Public Act 101-10) shall include an increase sufficient to  
18 provide a \$0.50 per hour wage increase for non-executive  
19 frontline personnel, including, but not limited to, direct  
20 support persons, aides, frontline supervisors, qualified  
21 intellectual disabilities professionals, nurses, and  
22 non-administrative support staff. The Department shall adopt  
23 rules, including emergency rules under subsection (bb) of  
24 Section 5-45 of the Illinois Administrative Procedure Act, to  
25 implement the provisions of this paragraph.

26 For facilities licensed by the Department of Public Health

1 under the Nursing Home Care Act as Intermediate Care for the  
2 Developmentally Disabled facilities or Long Term Care for  
3 Under Age 22 facilities, the rates taking effect on July 1,  
4 1999 shall include an increase of 1.6% plus \$3.00 per  
5 resident-day, as defined by the Department. For facilities  
6 licensed by the Department of Public Health under the Nursing  
7 Home Care Act as Skilled Nursing facilities or Intermediate  
8 Care facilities, the rates taking effect on July 1, 1999 shall  
9 include an increase of 1.6% and, for services provided on or  
10 after October 1, 1999, shall be increased by \$4.00 per  
11 resident-day, as defined by the Department.

12 For facilities licensed by the Department of Public Health  
13 under the Nursing Home Care Act as Intermediate Care for the  
14 Developmentally Disabled facilities or Long Term Care for  
15 Under Age 22 facilities, the rates taking effect on July 1,  
16 2000 shall include an increase of 2.5% per resident-day, as  
17 defined by the Department. For facilities licensed by the  
18 Department of Public Health under the Nursing Home Care Act as  
19 Skilled Nursing facilities or Intermediate Care facilities,  
20 the rates taking effect on July 1, 2000 shall include an  
21 increase of 2.5% per resident-day, as defined by the  
22 Department.

23 For facilities licensed by the Department of Public Health  
24 under the Nursing Home Care Act as skilled nursing facilities  
25 or intermediate care facilities, a new payment methodology  
26 must be implemented for the nursing component of the rate

1 effective July 1, 2003. The Department of Public Aid (now  
2 Healthcare and Family Services) shall develop the new payment  
3 methodology using the Minimum Data Set (MDS) as the instrument  
4 to collect information concerning nursing home resident  
5 condition necessary to compute the rate. The Department shall  
6 develop the new payment methodology to meet the unique needs  
7 of Illinois nursing home residents while remaining subject to  
8 the appropriations provided by the General Assembly. A  
9 transition period from the payment methodology in effect on  
10 June 30, 2003 to the payment methodology in effect on July 1,  
11 2003 shall be provided for a period not exceeding 3 years and  
12 184 days after implementation of the new payment methodology  
13 as follows:

14 (A) For a facility that would receive a lower nursing  
15 component rate per patient day under the new system than  
16 the facility received effective on the date immediately  
17 preceding the date that the Department implements the new  
18 payment methodology, the nursing component rate per  
19 patient day for the facility shall be held at the level in  
20 effect on the date immediately preceding the date that the  
21 Department implements the new payment methodology until a  
22 higher nursing component rate of reimbursement is achieved  
23 by that facility.

24 (B) For a facility that would receive a higher nursing  
25 component rate per patient day under the payment  
26 methodology in effect on July 1, 2003 than the facility

1 received effective on the date immediately preceding the  
2 date that the Department implements the new payment  
3 methodology, the nursing component rate per patient day  
4 for the facility shall be adjusted.

5 (C) Notwithstanding paragraphs (A) and (B), the  
6 nursing component rate per patient day for the facility  
7 shall be adjusted subject to appropriations provided by  
8 the General Assembly.

9 For facilities licensed by the Department of Public Health  
10 under the Nursing Home Care Act as Intermediate Care for the  
11 Developmentally Disabled facilities or Long Term Care for  
12 Under Age 22 facilities, the rates taking effect on March 1,  
13 2001 shall include a statewide increase of 7.85%, as defined  
14 by the Department.

15 Notwithstanding any other provision of this Section, for  
16 facilities licensed by the Department of Public Health under  
17 the Nursing Home Care Act as skilled nursing facilities or  
18 intermediate care facilities, except facilities participating  
19 in the Department's demonstration program pursuant to the  
20 provisions of Title 77, Part 300, Subpart T of the Illinois  
21 Administrative Code, the numerator of the ratio used by the  
22 Department of Healthcare and Family Services to compute the  
23 rate payable under this Section using the Minimum Data Set  
24 (MDS) methodology shall incorporate the following annual  
25 amounts as the additional funds appropriated to the Department  
26 specifically to pay for rates based on the MDS nursing

1 component methodology in excess of the funding in effect on  
2 December 31, 2006:

3 (i) For rates taking effect January 1, 2007,  
4 \$60,000,000.

5 (ii) For rates taking effect January 1, 2008,  
6 \$110,000,000.

7 (iii) For rates taking effect January 1, 2009,  
8 \$194,000,000.

9 (iv) For rates taking effect April 1, 2011, or the  
10 first day of the month that begins at least 45 days after  
11 February 16, 2011 (the effective date of Public Act  
12 96-1530), \$416,500,000 or an amount as may be necessary to  
13 complete the transition to the MDS methodology for the  
14 nursing component of the rate. Increased payments under  
15 this item (iv) are not due and payable, however, until (i)  
16 the methodologies described in this paragraph are approved  
17 by the federal government in an appropriate State Plan  
18 amendment and (ii) the assessment imposed by Section 5B-2  
19 of this Code is determined to be a permissible tax under  
20 Title XIX of the Social Security Act.

21 Notwithstanding any other provision of this Section, for  
22 facilities licensed by the Department of Public Health under  
23 the Nursing Home Care Act as skilled nursing facilities or  
24 intermediate care facilities, the support component of the  
25 rates taking effect on January 1, 2008 shall be computed using  
26 the most recent cost reports on file with the Department of

1 Healthcare and Family Services no later than April 1, 2005,  
2 updated for inflation to January 1, 2006.

3 For facilities licensed by the Department of Public Health  
4 under the Nursing Home Care Act as Intermediate Care for the  
5 Developmentally Disabled facilities or Long Term Care for  
6 Under Age 22 facilities, the rates taking effect on April 1,  
7 2002 shall include a statewide increase of 2.0%, as defined by  
8 the Department. This increase terminates on July 1, 2002;  
9 beginning July 1, 2002 these rates are reduced to the level of  
10 the rates in effect on March 31, 2002, as defined by the  
11 Department.

12 For facilities licensed by the Department of Public Health  
13 under the Nursing Home Care Act as skilled nursing facilities  
14 or intermediate care facilities, the rates taking effect on  
15 July 1, 2001 shall be computed using the most recent cost  
16 reports on file with the Department of Public Aid no later than  
17 April 1, 2000, updated for inflation to January 1, 2001. For  
18 rates effective July 1, 2001 only, rates shall be the greater  
19 of the rate computed for July 1, 2001 or the rate effective on  
20 June 30, 2001.

21 Notwithstanding any other provision of this Section, for  
22 facilities licensed by the Department of Public Health under  
23 the Nursing Home Care Act as skilled nursing facilities or  
24 intermediate care facilities, the Illinois Department shall  
25 determine by rule the rates taking effect on July 1, 2002,  
26 which shall be 5.9% less than the rates in effect on June 30,

1 2002.

2 Notwithstanding any other provision of this Section, for  
3 facilities licensed by the Department of Public Health under  
4 the Nursing Home Care Act as skilled nursing facilities or  
5 intermediate care facilities, if the payment methodologies  
6 required under Section 5A-12 and the waiver granted under 42  
7 CFR 433.68 are approved by the United States Centers for  
8 Medicare and Medicaid Services, the rates taking effect on  
9 July 1, 2004 shall be 3.0% greater than the rates in effect on  
10 June 30, 2004. These rates shall take effect only upon  
11 approval and implementation of the payment methodologies  
12 required under Section 5A-12.

13 Notwithstanding any other provisions of this Section, for  
14 facilities licensed by the Department of Public Health under  
15 the Nursing Home Care Act as skilled nursing facilities or  
16 intermediate care facilities, the rates taking effect on  
17 January 1, 2005 shall be 3% more than the rates in effect on  
18 December 31, 2004.

19 Notwithstanding any other provision of this Section, for  
20 facilities licensed by the Department of Public Health under  
21 the Nursing Home Care Act as skilled nursing facilities or  
22 intermediate care facilities, effective January 1, 2009, the  
23 per diem support component of the rates effective on January  
24 1, 2008, computed using the most recent cost reports on file  
25 with the Department of Healthcare and Family Services no later  
26 than April 1, 2005, updated for inflation to January 1, 2006,

1 shall be increased to the amount that would have been derived  
2 using standard Department of Healthcare and Family Services  
3 methods, procedures, and inflators.

4 Notwithstanding any other provisions of this Section, for  
5 facilities licensed by the Department of Public Health under  
6 the Nursing Home Care Act as intermediate care facilities that  
7 are federally defined as Institutions for Mental Disease, or  
8 facilities licensed by the Department of Public Health under  
9 the Specialized Mental Health Rehabilitation Act of 2013, a  
10 socio-development component rate equal to 6.6% of the  
11 facility's nursing component rate as of January 1, 2006 shall  
12 be established and paid effective July 1, 2006. The  
13 socio-development component of the rate shall be increased by  
14 a factor of 2.53 on the first day of the month that begins at  
15 least 45 days after January 11, 2008 (the effective date of  
16 Public Act 95-707). As of August 1, 2008, the  
17 socio-development component rate shall be equal to 6.6% of the  
18 facility's nursing component rate as of January 1, 2006,  
19 multiplied by a factor of 3.53. For services provided on or  
20 after April 1, 2011, or the first day of the month that begins  
21 at least 45 days after February 16, 2011 (the effective date of  
22 Public Act 96-1530), whichever is later, the Illinois  
23 Department may by rule adjust these socio-development  
24 component rates, and may use different adjustment  
25 methodologies for those facilities participating, and those  
26 not participating, in the Illinois Department's demonstration

1 program pursuant to the provisions of Title 77, Part 300,  
2 Subpart T of the Illinois Administrative Code, but in no case  
3 may such rates be diminished below those in effect on August 1,  
4 2008.

5 For facilities licensed by the Department of Public Health  
6 under the Nursing Home Care Act as Intermediate Care for the  
7 Developmentally Disabled facilities or as long-term care  
8 facilities for residents under 22 years of age, the rates  
9 taking effect on July 1, 2003 shall include a statewide  
10 increase of 4%, as defined by the Department.

11 For facilities licensed by the Department of Public Health  
12 under the Nursing Home Care Act as Intermediate Care for the  
13 Developmentally Disabled facilities or Long Term Care for  
14 Under Age 22 facilities, the rates taking effect on the first  
15 day of the month that begins at least 45 days after January 11,  
16 2008 (the effective date of Public Act 95-707) shall include a  
17 statewide increase of 2.5%, as defined by the Department.

18 Notwithstanding any other provision of this Section, for  
19 facilities licensed by the Department of Public Health under  
20 the Nursing Home Care Act as skilled nursing facilities or  
21 intermediate care facilities, effective January 1, 2005,  
22 facility rates shall be increased by the difference between  
23 (i) a facility's per diem property, liability, and malpractice  
24 insurance costs as reported in the cost report filed with the  
25 Department of Public Aid and used to establish rates effective  
26 July 1, 2001 and (ii) those same costs as reported in the

1 facility's 2002 cost report. These costs shall be passed  
2 through to the facility without caps or limitations, except  
3 for adjustments required under normal auditing procedures.

4 Rates established effective each July 1 shall govern  
5 payment for services rendered throughout that fiscal year,  
6 except that rates established on July 1, 1996 shall be  
7 increased by 6.8% for services provided on or after January 1,  
8 1997. Such rates will be based upon the rates calculated for  
9 the year beginning July 1, 1990, and for subsequent years  
10 thereafter until June 30, 2001 shall be based on the facility  
11 cost reports for the facility fiscal year ending at any point  
12 in time during the previous calendar year, updated to the  
13 midpoint of the rate year. The cost report shall be on file  
14 with the Department no later than April 1 of the current rate  
15 year. Should the cost report not be on file by April 1, the  
16 Department shall base the rate on the latest cost report filed  
17 by each skilled care facility and intermediate care facility,  
18 updated to the midpoint of the current rate year. In  
19 determining rates for services rendered on and after July 1,  
20 1985, fixed time shall not be computed at less than zero. The  
21 Department shall not make any alterations of regulations which  
22 would reduce any component of the Medicaid rate to a level  
23 below what that component would have been utilizing in the  
24 rate effective on July 1, 1984.

25 (2) Shall take into account the actual costs incurred by  
26 facilities in providing services for recipients of skilled

1 nursing and intermediate care services under the medical  
2 assistance program.

3 (3) Shall take into account the medical and psycho-social  
4 characteristics and needs of the patients.

5 (4) Shall take into account the actual costs incurred by  
6 facilities in meeting licensing and certification standards  
7 imposed and prescribed by the State of Illinois, any of its  
8 political subdivisions or municipalities and by the U.S.  
9 Department of Health and Human Services pursuant to Title XIX  
10 of the Social Security Act.

11 The Department of Healthcare and Family Services shall  
12 develop precise standards for payments to reimburse nursing  
13 facilities for any utilization of appropriate rehabilitative  
14 personnel for the provision of rehabilitative services which  
15 is authorized by federal regulations, including reimbursement  
16 for services provided by qualified therapists or qualified  
17 assistants, and which is in accordance with accepted  
18 professional practices. Reimbursement also may be made for  
19 utilization of other supportive personnel under appropriate  
20 supervision.

21 The Department shall develop enhanced payments to offset  
22 the additional costs incurred by a facility serving  
23 exceptional need residents and shall allocate at least  
24 \$4,000,000 of the funds collected from the assessment  
25 established by Section 5B-2 of this Code for such payments.  
26 For the purpose of this Section, "exceptional needs" means,

1 but need not be limited to, ventilator care and traumatic  
2 brain injury care. The enhanced payments for exceptional need  
3 residents under this paragraph are not due and payable,  
4 however, until (i) the methodologies described in this  
5 paragraph are approved by the federal government in an  
6 appropriate State Plan amendment and (ii) the assessment  
7 imposed by Section 5B-2 of this Code is determined to be a  
8 permissible tax under Title XIX of the Social Security Act.

9 Beginning January 1, 2014 the methodologies for  
10 reimbursement of nursing facility services as provided under  
11 this Section 5-5.4 shall no longer be applicable for services  
12 provided on or after January 1, 2014.

13 No payment increase under this Section for the MDS  
14 methodology, exceptional care residents, or the  
15 socio-development component rate established by Public Act  
16 96-1530 of the 96th General Assembly and funded by the  
17 assessment imposed under Section 5B-2 of this Code shall be  
18 due and payable until after the Department notifies the  
19 long-term care providers, in writing, that the payment  
20 methodologies to long-term care providers required under this  
21 Section have been approved by the Centers for Medicare and  
22 Medicaid Services of the U.S. Department of Health and Human  
23 Services and the waivers under 42 CFR 433.68 for the  
24 assessment imposed by this Section, if necessary, have been  
25 granted by the Centers for Medicare and Medicaid Services of  
26 the U.S. Department of Health and Human Services. Upon

1 notification to the Department of approval of the payment  
2 methodologies required under this Section and the waivers  
3 granted under 42 CFR 433.68, all increased payments otherwise  
4 due under this Section prior to the date of notification shall  
5 be due and payable within 90 days of the date federal approval  
6 is received.

7 On and after July 1, 2012, the Department shall reduce any  
8 rate of reimbursement for services or other payments or alter  
9 any methodologies authorized by this Code to reduce any rate  
10 of reimbursement for services or other payments in accordance  
11 with Section 5-5e.

12 For facilities licensed by the Department of Public Health  
13 under the ID/DD Community Care Act as ID/DD Facilities and  
14 under the MC/DD Act as MC/DD Facilities, subject to federal  
15 approval, the rates taking effect for services delivered on or  
16 after August 1, 2019 shall be increased by 3.5% over the rates  
17 in effect on June 30, 2019. The Department shall adopt rules,  
18 including emergency rules under subsection (ii) of Section  
19 5-45 of the Illinois Administrative Procedure Act, to  
20 implement the provisions of this Section, including wage  
21 increases for direct care staff.

22 For facilities licensed by the Department of Public Health  
23 under the ID/DD Community Care Act as ID/DD Facilities and  
24 under the MC/DD Act as MC/DD Facilities, subject to federal  
25 approval, the rates taking effect on the latter of the  
26 approval date of the State Plan Amendment for these facilities

1 or the Waiver Amendment for the home and community-based  
2 services settings shall include an increase sufficient to  
3 provide a \$0.26 per hour wage increase to the base wage for  
4 non-executive staff. The Department shall adopt rules,  
5 including emergency rules as authorized by Section 5-45 of the  
6 Illinois Administrative Procedure Act, to implement the  
7 provisions of this Section, including wage increases for  
8 direct care staff.

9 For facilities licensed by the Department of Public Health  
10 under the ID/DD Community Care Act as ID/DD Facilities and  
11 under the MC/DD Act as MC/DD Facilities, subject to federal  
12 approval of the State Plan Amendment and the Waiver Amendment  
13 for the home and community-based services settings, the rates  
14 taking effect for the services delivered on or after July 1,  
15 2020 shall include an increase sufficient to provide a \$1.00  
16 per hour wage increase for non-executive staff. For services  
17 delivered on or after January 1, 2021, subject to federal  
18 approval of the State Plan Amendment and the Waiver Amendment  
19 for the home and community-based services settings, shall  
20 include an increase sufficient to provide a \$0.50 per hour  
21 increase for non-executive staff. The Department shall adopt  
22 rules, including emergency rules as authorized by Section 5-45  
23 of the Illinois Administrative Procedure Act, to implement the  
24 provisions of this Section, including wage increases for  
25 direct care staff.

26 For facilities licensed by the Department of Public Health

1 under the ID/DD Community Care Act as ID/DD Facilities and  
2 under the MC/DD Act as MC/DD Facilities, subject to federal  
3 approval of the State Plan Amendment, the rates taking effect  
4 for the residential services delivered on or after July 1,  
5 2021, shall include an increase sufficient to provide a \$0.50  
6 per hour increase for aides in the rate methodology. For  
7 facilities licensed by the Department of Public Health under  
8 the ID/DD Community Care Act as ID/DD Facilities and under the  
9 MC/DD Act as MC/DD Facilities, subject to federal approval of  
10 the State Plan Amendment, the rates taking effect for the  
11 residential services delivered on or after January 1, 2022  
12 shall include an increase sufficient to provide a \$1.00 per  
13 hour increase for aides in the rate methodology. In addition,  
14 for residential services delivered on or after January 1, 2022  
15 such rates shall include an increase sufficient to provide  
16 wages for all residential non-executive direct care staff,  
17 excluding aides, at the federal Department of Labor, Bureau of  
18 Labor Statistics' average wage as defined in rule by the  
19 Department. The Department shall adopt rules, including  
20 emergency rules as authorized by Section 5-45 of the Illinois  
21 Administrative Procedure Act, to implement the provisions of  
22 this Section.

23 For facilities licensed by the Department of Public Health  
24 under the ID/DD Community Care Act as ID/DD facilities and  
25 under the MC/DD Act as MC/DD facilities, subject to federal  
26 approval of the State Plan Amendment, the rates taking effect

1 for services delivered on or after January 1, 2023, shall  
2 include a \$1.00 per hour wage increase for all direct support  
3 personnel and all other frontline personnel who are not  
4 subject to the Bureau of Labor Statistics' average wage  
5 increases, who work in residential and community day services  
6 settings, with at least \$0.50 of those funds to be provided as  
7 a direct increase to all aide base wages, with the remaining  
8 \$0.50 to be used flexibly for base wage increases to the rate  
9 methodology for aides. In addition, for residential services  
10 delivered on or after January 1, 2023 the rates shall include  
11 an increase sufficient to provide wages for all residential  
12 non-executive direct care staff, excluding aides, at the  
13 federal Department of Labor, Bureau of Labor Statistics'  
14 average wage as determined by the Department. Also, for  
15 services delivered on or after January 1, 2023, the rates will  
16 include adjustments to employment-related expenses as defined  
17 in rule by the Department. The Department shall adopt rules,  
18 including emergency rules as authorized by Section 5-45 of the  
19 Illinois Administrative Procedure Act, to implement the  
20 provisions of this Section.

21 For facilities licensed by the Department of Public Health  
22 under the ID/DD Community Care Act as ID/DD facilities and  
23 under the MC/DD Act as MC/DD facilities, subject to federal  
24 approval of the State Plan Amendment, the rates taking effect  
25 for services delivered on or after January 1, 2024 shall  
26 include a \$2.50 per hour wage increase for all direct support

1 personnel and all other frontline personnel who are not  
2 subject to the Bureau of Labor Statistics' average wage  
3 increases and who work in residential and community day  
4 services settings. At least \$1.25 of the per hour wage  
5 increase shall be provided as a direct increase to all aide  
6 base wages, and the remaining \$1.25 of the per hour wage  
7 increase shall be used flexibly for base wage increases to the  
8 rate methodology for aides. In addition, for residential  
9 services delivered on or after January 1, 2024, the rates  
10 shall include an increase sufficient to provide wages for all  
11 residential non-executive direct care staff, excluding aides,  
12 at the federal Department of Labor, Bureau of Labor  
13 Statistics' average wage as determined by the Department.  
14 Also, for services delivered on or after January 1, 2024, the  
15 rates will include adjustments to employment-related expenses  
16 as defined in rule by the Department. The Department shall  
17 adopt rules, including emergency rules as authorized by  
18 Section 5-45 of the Illinois Administrative Procedure Act, to  
19 implement the provisions of this Section.

20 For facilities licensed by the Department of Public Health  
21 under the ID/DD Community Care Act as ID/DD facilities and  
22 under the MC/DD Act as MC/DD facilities, subject to federal  
23 approval of a State Plan Amendment, the rates taking effect  
24 for services delivered on or after January 1, 2025 shall  
25 include a \$1.00 per hour wage increase for all direct support  
26 personnel and all other frontline personnel who are not

1 subject to the Bureau of Labor Statistics' average wage  
2 increases and who work in residential and community day  
3 services settings, with at least \$0.75 of those funds to be  
4 provided as a direct increase to all aide base wages and the  
5 remaining \$0.25 to be used flexibly for base wage increases to  
6 the rate methodology for aides. These increases shall not be  
7 used by facilities for operational and administrative  
8 expenses. In addition, for residential services delivered on  
9 or after January 1, 2025, the rates shall include an increase  
10 sufficient to provide wages for all residential non-executive  
11 direct care staff, excluding aides, at the federal Department  
12 of Labor, Bureau of Labor Statistics' average wage as  
13 determined by the Department. Also, for services delivered on  
14 or after January 1, 2025, the rates will include adjustments  
15 to employment-related expenses as defined in rule by the  
16 Department. The Department shall adopt rules, including  
17 emergency rules as authorized by Section 5-45 of the Illinois  
18 Administrative Procedure Act, to implement the provisions of  
19 this Section.

20 For facilities licensed by the Department of Public Health  
21 under the ID/DD Community Care Act as ID/DD facilities and  
22 under the MC/DD Act as MC/DD facilities, subject to federal  
23 approval of a State Plan Amendment, the rates taking effect  
24 for services delivered on or after January 1, 2026 shall  
25 include a \$0.80 per hour wage increase for all direct support  
26 personnel and all other frontline personnel who are not

1 subject to the Bureau of Labor Statistics' average wage  
2 increases and who work in residential and community day  
3 services settings, with at least \$0.60 of those funds to be  
4 provided as a direct increase to all aide base wages and the  
5 remaining \$0.20 to be used flexibly for base wage increases to  
6 the rate methodology for aides. These increases shall not be  
7 used by facilities for operational and administrative  
8 expenses. In addition, for residential services delivered on  
9 or after January 1, 2026, the rates shall include an increase  
10 sufficient to provide wages for all residential non-executive  
11 direct care staff, excluding aides, at the federal Department  
12 of Labor, Bureau of Labor Statistics' average wage as  
13 determined by the Department. Also, for services delivered on  
14 or after January 1, 2026, the rates will include adjustments  
15 to employment-related expenses as defined in rule by the  
16 Department. The Department shall adopt rules, including  
17 emergency rules as authorized by Section 5-45 of the Illinois  
18 Administrative Procedure Act, to implement the provisions of  
19 this Section.

20 Notwithstanding any other provision of this Section to the  
21 contrary, any regional wage adjuster for facilities located  
22 outside of the counties of Cook, DuPage, Kane, Lake, McHenry,  
23 and Will shall be no lower than 1.00, and any regional wage  
24 adjuster for facilities located within the counties of Cook,  
25 DuPage, Kane, Lake, McHenry, and Will shall be no lower than  
26 1.15.

1       For facilities licensed by the Department of Public Health  
2 under the ID/DD Community Care Act as ID/DD facilities and  
3 under the MC/DD Act as MC/DD facilities, no later than January  
4 1, 2027, the Department of Healthcare and Family Services must  
5 submit a Title XIX State Plan amendment to the federal Centers  
6 for Medicare and Medicaid Services that shall include an  
7 increase in the rate methodology sufficient to provide for a  
8 wage rate of 150% of the statewide, regional, or local minimum  
9 wage for services delivered on or after January 1, 2027, for  
10 all direct support personnel and all other frontline personnel  
11 who are not subject to the Bureau of Labor Statistics' average  
12 wage increases and who work in residential and community day  
13 services settings. The State Plan amendment shall also include  
14 an increase in the rate methodology sufficient to provide wage  
15 increases for all residential non-executive direct care staff,  
16 excluding direct support personnel, at the federal Department  
17 of Labor, Bureau of Labor Statistics' average wage as defined  
18 by rule by the Department for services delivered on or after  
19 January 1, 2027. For services delivered on or after January 1,  
20 2027, the rates shall include adjustments to  
21 employment-related expenses as defined by rule by the  
22 Department.

23       (Source: P.A. 103-8, eff. 6-7-23; 103-588, eff. 7-1-24; 104-2,  
24       eff. 6-16-25.)

25       Section 99. Effective date. This Act takes effect upon  
26       becoming law.