

1 AN ACT concerning government.

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

4 Section 5. The Illinois Health Facilities Planning Act is
5 amended by changing Sections 6 and 8.5 as follows:

6 (20 ILCS 3960/6) (from Ch. 111 1/2, par. 1156)

7 (Section scheduled to be repealed on December 31, 2029)

8 Sec. 6. Application for permit or exemption; exemption
9 regulations.

10 (a) An application for a permit or exemption shall be made
11 to the State Board upon forms provided by the State Board. This
12 application shall contain such information as the State Board
13 deems necessary. The State Board shall not require an applicant
14 to file a Letter of Intent before an application is filed. Such
15 application shall include affirmative evidence on which the
16 State Board or Chairman may make its decision on the approval
17 or denial of the permit or exemption.

18 (b) The State Board shall establish by regulation the
19 procedures and requirements regarding issuance of exemptions.
20 An exemption shall be approved when information required by the
21 Board by rule is submitted. Projects eligible for an exemption,
22 rather than a permit, include, but are not limited to, change
23 of ownership of a health care facility, ~~discontinuation of a~~

1 ~~category of service, and discontinuation of a health care~~
2 ~~facility, other than a health care facility maintained by the~~
3 ~~State or any agency or department thereof or a nursing home~~
4 ~~maintained by a county.~~ For a change of ownership of a health
5 care facility between related persons, the State Board shall
6 provide by rule for an expedited process for obtaining an
7 exemption ~~in accordance with Section 8.5 of this Act.~~

8 (c) All applications shall be signed by the applicant and
9 shall be verified by any 2 officers thereof.

10 (c-5) Any written review or findings of the Board staff
11 concerning an application for a permit must be made available
12 to the public at least 14 calendar days before the meeting of
13 the State Board at which the review or findings are considered.
14 The applicant and members of the public may submit, to the
15 State Board, written responses regarding the facts set forth in
16 the review or findings of the Board staff. Members of the
17 public shall have until 10 days before the meeting of the State
18 Board to submit any written response concerning the Board
19 staff's written review or findings. The Board staff may revise
20 any findings to address corrections of factual errors cited in
21 the public response. At the meeting, the State Board may, in
22 its discretion, permit the submission of other additional
23 written materials.

24 (d) Upon receipt of an application for a permit, the State
25 Board shall approve and authorize the issuance of a permit if
26 it finds (1) that the applicant is fit, willing, and able to

1 provide a proper standard of health care service for the
2 community with particular regard to the qualification,
3 background and character of the applicant, (2) that economic
4 feasibility is demonstrated in terms of effect on the existing
5 and projected operating budget of the applicant and of the
6 health care facility; in terms of the applicant's ability to
7 establish and operate such facility in accordance with
8 licensure regulations promulgated under pertinent state laws;
9 and in terms of the projected impact on the total health care
10 expenditures in the facility and community, (3) that safeguards
11 are provided that assure that the establishment, construction
12 or modification of the health care facility or acquisition of
13 major medical equipment is consistent with the public interest,
14 and (4) that the proposed project is consistent with the
15 orderly and economic development of such facilities and
16 equipment and is in accord with standards, criteria, or plans
17 of need adopted and approved pursuant to the provisions of
18 Section 12 of this Act.

19 (Source: P.A. 99-154, eff. 7-28-15; 100-518, eff. 6-1-18;
20 100-681, eff. 8-3-18.)

21 (20 ILCS 3960/8.5)

22 (Section scheduled to be repealed on December 31, 2029)

23 Sec. 8.5. Certificate of exemption for change of ownership
24 of a health care facility; ~~discontinuation of a health care~~
25 ~~facility or category of service;~~ public notice and public

1 hearing.

2 (a) Upon a finding that an application for a change of
3 ownership is complete, the State Board shall publish a legal
4 notice on 3 consecutive days ~~one day~~ in a newspaper of general
5 circulation in the area or community to be affected and afford
6 the public an opportunity to request a hearing. If the
7 application is for a facility located in a Metropolitan
8 Statistical Area, an additional legal notice shall be published
9 in a newspaper of limited circulation, if one exists, in the
10 area in which the facility is located. If the newspaper of
11 limited circulation is published on a daily basis, the
12 additional legal notice shall be published on 3 consecutive
13 days ~~one day~~. ~~The applicant shall pay the cost incurred by the~~
14 ~~Board in publishing the change of ownership notice in~~
15 ~~newspapers as required under this subsection.~~ The legal notice
16 shall also be posted on the Health Facilities and Services
17 Review Board's web site and sent to the State Representative
18 and State Senator of the district in which the health care
19 facility is located. An application for change of ownership of
20 a hospital shall not be deemed complete without a signed
21 certification that for a period of 2 years after the change of
22 ownership transaction is effective, the hospital will not adopt
23 a charity care policy that is more restrictive than the policy
24 in effect during the year prior to the transaction. ~~An~~
25 ~~application for a change of ownership need not contain signed~~
26 ~~transaction documents so long as it includes the following key~~

1 ~~terms of the transaction: names and background of the parties;~~
2 ~~structure of the transaction; the person who will be the~~
3 ~~licensed or certified entity after the transaction; the~~
4 ~~ownership or membership interests in such licensed or certified~~
5 ~~entity both prior to and after the transaction; fair market~~
6 ~~value of assets to be transferred; and the purchase price or~~
7 ~~other form of consideration to be provided for those assets.~~
8 ~~The issuance of the certificate of exemption shall be~~
9 ~~contingent upon the applicant submitting a statement to the~~
10 ~~Board within 90 days after the closing date of the transaction,~~
11 ~~or such longer period as provided by the Board, certifying that~~
12 ~~the change of ownership has been completed in accordance with~~
13 ~~the key terms contained in the application. If such key terms~~
14 ~~of the transaction change, a new application shall be required.~~

15 ~~Where a change of ownership is among related persons, and~~
16 ~~there are no other changes being proposed at the health care~~
17 ~~facility that would otherwise require a permit or exemption~~
18 ~~under this Act, the applicant shall submit an application~~
19 ~~consisting of a standard notice in a form set forth by the~~
20 ~~Board briefly explaining the reasons for the proposed change of~~
21 ~~ownership. Once such an application is submitted to the Board~~
22 ~~and reviewed by the Board staff, the Board Chair shall take~~
23 ~~action on an application for an exemption for a change of~~
24 ~~ownership among related persons within 45 days after the~~
25 ~~application has been deemed complete, provided the application~~
26 ~~meets the applicable standards under this Section. If the Board~~

1 ~~Chair has a conflict of interest or for other good cause, the~~
2 ~~Chair may request review by the Board. Notwithstanding any~~
3 ~~other provision of this Act, for purposes of this Section, a~~
4 ~~change of ownership among related persons means a transaction~~
5 ~~where the parties to the transaction are under common control~~
6 ~~or ownership before and after the transaction is completed.~~

7 ~~Nothing in this Act shall be construed as authorizing the~~
8 ~~Board to impose any conditions, obligations, or limitations,~~
9 ~~other than those required by this Section, with respect to the~~
10 ~~issuance of an exemption for a change of ownership, including,~~
11 ~~but not limited to, the time period before which a subsequent~~
12 ~~change of ownership of the health care facility could be~~
13 ~~sought, or the commitment to continue to offer for a specified~~
14 ~~time period any services currently offered by the health care~~
15 ~~facility.~~

16 (a-3) (Blank). ~~Upon a finding that an application to close~~
17 ~~a health care facility is complete, the State Board shall~~
18 ~~publish a legal notice on 3 consecutive days in a newspaper of~~
19 ~~general circulation in the area or community to be affected and~~
20 ~~afford the public an opportunity to request a hearing. If the~~
21 ~~application is for a facility located in a Metropolitan~~
22 ~~Statistical Area, an additional legal notice shall be published~~
23 ~~in a newspaper of limited circulation, if one exists, in the~~
24 ~~area in which the facility is located. If the newspaper of~~
25 ~~limited circulation is published on a daily basis, the~~
26 ~~additional legal notice shall be published on 3 consecutive~~

1 ~~days. The legal notice shall also be posted on the Health~~
2 ~~Facilities and Services Review Board's web site and sent to the~~
3 ~~State Representative and State Senator of the district in which~~
4 ~~the health care facility is located. In addition, the health~~
5 ~~care facility shall provide notice of closure to the local~~
6 ~~media that the health care facility would routinely notify~~
7 ~~about facility events. No later than 90 days after a~~
8 ~~discontinuation of a health facility, the applicant must submit~~
9 ~~a statement to the State Board certifying that the~~
10 ~~discontinuation is complete.~~

11 (a-5) (Blank). ~~Upon a finding that an application to~~
12 ~~discontinue a category of service is complete and provides the~~
13 ~~requested information, as specified by the State Board, an~~
14 ~~exemption shall be issued. No later than 30 days after the~~
15 ~~issuance of the exemption, the health care facility must give~~
16 ~~written notice of the discontinuation of the category of~~
17 ~~service to the State Senator and State Representative serving~~
18 ~~the legislative district in which the health care facility is~~
19 ~~located. No later than 90 days after a discontinuation of a~~
20 ~~category of service, the applicant must submit a statement to~~
21 ~~the State Board certifying that the discontinuation is~~
22 ~~complete.~~

23 (a-6) Notwithstanding any decision of the Board or
24 provision to the contrary, the Governor is authorized to
25 reverse a decision of the Board regarding an application for an
26 exemption submitted under this Act. If there is a pending

1 lawsuit on the closure of a health care facility for which an
2 application for an exemption is under review, the Board shall
3 suspend any pending action involving that application until the
4 resolution of the lawsuit. The changes made by this amendatory
5 Act of the 101st General Assembly shall apply to all
6 applications pending before the Board on and after the
7 effective date of this amendatory Act of the 101st General
8 Assembly in which no final action has been taken by the Board.

9 (b) If a public hearing is requested, it shall be held at
10 least 15 days but no more than 30 days after the date of
11 publication of the legal notice in the community in which the
12 facility is located. The hearing shall be held in the affected
13 area or community in a place of reasonable size and
14 accessibility and a full and complete written transcript of the
15 proceedings shall be made. All interested persons attending the
16 hearing shall be given a reasonable opportunity to present
17 their positions in writing or orally. The applicant shall
18 provide a summary of the proposed change of ownership proposal
19 for distribution at the public hearing.

20 (c) For the purposes of this Section "newspaper of limited
21 circulation" means a newspaper intended to serve a particular
22 or defined population of a specific geographic area within a
23 Metropolitan Statistical Area such as a municipality, town,
24 village, township, or community area, but does not include
25 publications of professional and trade associations.

26 (Source: P.A. 99-154, eff. 7-28-15; 99-527, eff. 1-1-17;

1 99-551, eff. 7-15-16; 100-201, eff. 8-18-17.)

2 Section 99. Effective date. This Act takes effect upon
3 becoming law.