



Rep. Lamont J. Robinson, Jr.

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LRB102 13678 RJF 25305 a

1 AMENDMENT TO HOUSE BILL 3657

2 AMENDMENT NO. \_\_\_\_\_. Amend House Bill 3657 by replacing  
3 everything after the enacting clause with the following:

4 "Section 5. The Department of Public Health Powers and  
5 Duties Law of the Civil Administrative Code of Illinois is  
6 amended by renumbering Section 2310-223 as follows:

7 (20 ILCS 2310/2310-222)

8 Sec. 2310-222 ~~2310-223~~. Obstetric hemorrhage and  
9 hypertension training.

10 (a) As used in this Section, "birthing facility" means (1)  
11 a hospital, as defined in the Hospital Licensing Act, with  
12 more than one licensed obstetric bed or a neonatal intensive  
13 care unit; (2) a hospital operated by a State university; or  
14 (3) a birth center, as defined in the Alternative Health Care  
15 Delivery Act.

16 (b) The Department shall ensure that all birthing

1 facilities conduct continuing education yearly for providers  
2 and staff of obstetric medicine and of the emergency  
3 department and other staff that may care for pregnant or  
4 postpartum women. The continuing education shall include  
5 yearly educational modules regarding management of severe  
6 maternal hypertension and obstetric hemorrhage for units that  
7 care for pregnant or postpartum women. Birthing facilities  
8 must demonstrate compliance with these education and training  
9 requirements.

10 (c) The Department shall collaborate with the Illinois  
11 Perinatal Quality Collaborative or its successor organization  
12 to develop an initiative to improve birth equity and reduce  
13 peripartum racial and ethnic disparities. The Department shall  
14 ensure that the initiative includes the development of best  
15 practices for implicit bias training and education in cultural  
16 competency to be used by birthing facilities in interactions  
17 between patients and providers. In developing the initiative,  
18 the Illinois Perinatal Quality Collaborative or its successor  
19 organization shall consider existing programs, such as the  
20 Alliance for Innovation on Maternal Health and the California  
21 Maternal Quality Collaborative's pilot work on improving birth  
22 equity. The Department shall support the initiation of a  
23 statewide perinatal quality improvement initiative in  
24 collaboration with birthing facilities to implement strategies  
25 to reduce peripartum racial and ethnic disparities and to  
26 address implicit bias in the health care system.

1 (d) The Department, in consultation with the Maternal  
2 Mortality Review Committee, shall make available to all  
3 birthing facilities best practices for timely identification  
4 of all pregnant and postpartum women in the emergency  
5 department and for appropriate and timely consultation of an  
6 obstetric provider to provide input on management and  
7 follow-up. Birthing facilities may use telemedicine for the  
8 consultation.

9 (e) The Department may adopt rules for the purpose of  
10 implementing this Section.

11 (Source: P.A. 101-390, eff. 1-1-20; revised 10-7-19.)

12 Section 10. The Illinois Health Facilities Planning Act is  
13 amended by changing Sections 2, 3, 5, 5.4, 6, 6.2, 8.5, 8.7,  
14 12, 12.3, 12.4, 13.1, 14, and 14.1 and by adding Sections 5.5,  
15 5.6, 6.05, and 14.05 as follows:

16 (20 ILCS 3960/2) (from Ch. 111 1/2, par. 1152)

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

18 Sec. 2. Purpose of the Act. This Act shall establish a  
19 procedure (1) which requires a person establishing,  
20 constructing or modifying a health care facility, as herein  
21 defined, to have the qualifications, background, character and  
22 financial resources to adequately provide a proper service for  
23 the community; (2) that promotes the orderly and economic  
24 development of health care facilities in the State of Illinois

1 that avoids unnecessary duplication of such facilities; (3)  
2 that promotes health equity including equitable access to  
3 quality health care through the development and preservation  
4 of safety net services; and (4) ~~(3)~~ that promotes planning for  
5 and development of health care facilities needed for  
6 comprehensive health care especially in areas where the health  
7 planning process has identified unmet needs.

8 The changes made to this Act by this amendatory Act of the  
9 96th General Assembly are intended to accomplish the following  
10 objectives: to improve the financial ability of the public to  
11 obtain necessary health services; to establish an orderly and  
12 comprehensive health care delivery system that will guarantee  
13 the availability of quality health care to the general public;  
14 to maintain and improve the provision of essential health care  
15 services and increase the accessibility of those services to  
16 the medically underserved and indigent; to assure that the  
17 reduction and closure of health care services or facilities is  
18 performed in an orderly and timely manner, and that these  
19 actions are deemed to be in the best interests of the public;  
20 and to assess the financial burden to patients caused by  
21 unnecessary health care construction and modification.  
22 Evidence-based assessments, projections and decisions will be  
23 applied regarding capacity, quality, value and equity in the  
24 delivery of health care services in Illinois. The integrity of  
25 the Certificate of Need process is ensured through revised  
26 ethics and communications procedures. Cost containment and

1 support for safety net services must continue to be central  
2 tenets of the Certificate of Need process.

3 The changes made to this Act by this amendatory Act of the  
4 102nd General Assembly recognize a persistent problem of  
5 hospital service cuts and facility closures. These harm the  
6 health care safety net in Illinois and have negatively  
7 impacted access to hospital services in communities of color  
8 in particular. The changes are intended to accomplish the  
9 objective of protecting the public interest in equitable  
10 access to health care services.

11 (Source: P.A. 99-527, eff. 1-1-17.)

12 (20 ILCS 3960/3) (from Ch. 111 1/2, par. 1153)

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

14 Sec. 3. Definitions. As used in this Act:

15 "Health care facilities" means and includes the following  
16 facilities, organizations, and related persons:

17 (1) An ambulatory surgical treatment center required  
18 to be licensed pursuant to the Ambulatory Surgical  
19 Treatment Center Act.

20 (2) An institution, place, building, or agency  
21 required to be licensed pursuant to the Hospital Licensing  
22 Act.

23 (3) Skilled and intermediate long term care facilities  
24 licensed under the Nursing Home Care Act.

25 (A) If a demonstration project under the Nursing

1 Home Care Act applies for a certificate of need to  
2 convert to a nursing facility, it shall meet the  
3 licensure and certificate of need requirements in  
4 effect as of the date of application.

5 (B) Except as provided in item (A) of this  
6 subsection, this Act does not apply to facilities  
7 granted waivers under Section 3-102.2 of the Nursing  
8 Home Care Act.

9 (3.5) Skilled and intermediate care facilities  
10 licensed under the ID/DD Community Care Act or the MC/DD  
11 Act. No permit or exemption is required for a facility  
12 licensed under the ID/DD Community Care Act or the MC/DD  
13 Act prior to the reduction of the number of beds at a  
14 facility. If there is a total reduction of beds at a  
15 facility licensed under the ID/DD Community Care Act or  
16 the MC/DD Act, this is a discontinuation or closure of the  
17 facility. If a facility licensed under the ID/DD Community  
18 Care Act or the MC/DD Act reduces the number of beds or  
19 discontinues the facility, that facility must notify the  
20 Board as provided in Section 14.1 of this Act.

21 (3.7) Facilities licensed under the Specialized Mental  
22 Health Rehabilitation Act of 2013.

23 (4) Hospitals, nursing homes, ambulatory surgical  
24 treatment centers, or kidney disease treatment centers  
25 maintained by the State or any department or agency  
26 thereof.

1           (5) Kidney disease treatment centers, including a  
2 free-standing hemodialysis unit required to meet the  
3 requirements of 42 CFR 494 in order to be certified for  
4 participation in Medicare and Medicaid under Titles XVIII  
5 and XIX of the federal Social Security Act.

6           (A) This Act does not apply to a dialysis facility  
7 that provides only dialysis training, support, and  
8 related services to individuals with end stage renal  
9 disease who have elected to receive home dialysis.

10           (B) This Act does not apply to a dialysis unit  
11 located in a licensed nursing home that offers or  
12 provides dialysis-related services to residents with  
13 end stage renal disease who have elected to receive  
14 home dialysis within the nursing home.

15           (C) The Board, however, may require dialysis  
16 facilities and licensed nursing homes under items (A)  
17 and (B) of this subsection to report statistical  
18 information on a quarterly basis to the Board to be  
19 used by the Board to conduct analyses on the need for  
20 proposed kidney disease treatment centers.

21           (6) An institution, place, building, or room used for  
22 the performance of outpatient surgical procedures that is  
23 leased, owned, or operated by or on behalf of an  
24 out-of-state facility.

25           (7) An institution, place, building, or room used for  
26 provision of a health care category of service, including,

1 but not limited to, cardiac catheterization and open heart  
2 surgery.

3 (8) An institution, place, building, or room housing  
4 major medical equipment used in the direct clinical  
5 diagnosis or treatment of patients, and whose project cost  
6 is in excess of the capital expenditure minimum.

7 "Health care facilities" does not include the following  
8 entities or facility transactions:

9 (1) Federally-owned facilities.

10 (2) Facilities used solely for healing by prayer or  
11 spiritual means.

12 (3) An existing facility located on any campus  
13 facility as defined in Section 5-5.8b of the Illinois  
14 Public Aid Code, provided that the campus facility  
15 encompasses 30 or more contiguous acres and that the new  
16 or renovated facility is intended for use by a licensed  
17 residential facility.

18 (4) Facilities licensed under the Supportive  
19 Residences Licensing Act or the Assisted Living and Shared  
20 Housing Act.

21 (5) Facilities designated as supportive living  
22 facilities that are in good standing with the program  
23 established under Section 5-5.01a of the Illinois Public  
24 Aid Code.

25 (6) Facilities established and operating under the  
26 Alternative Health Care Delivery Act as a children's



1 community-based health care center alternative health care  
2 model demonstration program or as an Alzheimer's Disease  
3 Management Center alternative health care model  
4 demonstration program.

5 (7) The closure of an entity or a portion of an entity  
6 licensed under the Nursing Home Care Act, the Specialized  
7 Mental Health Rehabilitation Act of 2013, the ID/DD  
8 Community Care Act, or the MC/DD Act, with the exception  
9 of facilities operated by a county or Illinois Veterans  
10 Homes, that elect to convert, in whole or in part, to an  
11 assisted living or shared housing establishment licensed  
12 under the Assisted Living and Shared Housing Act and with  
13 the exception of a facility licensed under the Specialized  
14 Mental Health Rehabilitation Act of 2013 in connection  
15 with a proposal to close a facility and re-establish the  
16 facility in another location.

17 (8) Any change of ownership of a health care facility  
18 that is licensed under the Nursing Home Care Act, the  
19 Specialized Mental Health Rehabilitation Act of 2013, the  
20 ID/DD Community Care Act, or the MC/DD Act, with the  
21 exception of facilities operated by a county or Illinois  
22 Veterans Homes. Changes of ownership of facilities  
23 licensed under the Nursing Home Care Act must meet the  
24 requirements set forth in Sections 3-101 through 3-119 of  
25 the Nursing Home Care Act.

26 (9) (Blank).

1 With the exception of those health care facilities  
2 specifically included in this Section, nothing in this Act  
3 shall be intended to include facilities operated as a part of  
4 the practice of a physician or other licensed health care  
5 professional, whether practicing in his individual capacity or  
6 within the legal structure of any partnership, medical or  
7 professional corporation, or unincorporated medical or  
8 professional group. Further, this Act shall not apply to  
9 physicians or other licensed health care professional's  
10 practices where such practices are carried out in a portion of  
11 a health care facility under contract with such health care  
12 facility by a physician or by other licensed health care  
13 professionals, whether practicing in his individual capacity  
14 or within the legal structure of any partnership, medical or  
15 professional corporation, or unincorporated medical or  
16 professional groups, unless the entity constructs, modifies,  
17 or establishes a health care facility as specifically defined  
18 in this Section. This Act shall apply to construction or  
19 modification and to establishment by such health care facility  
20 of such contracted portion which is subject to facility  
21 licensing requirements, irrespective of the party responsible  
22 for such action or attendant financial obligation.

23 "Person" means any one or more natural persons, legal  
24 entities, governmental bodies other than federal, or any  
25 combination thereof.

26 "Consumer" means any person other than a person (a) whose

1 major occupation currently involves or whose official capacity  
2 within the last 12 months has involved the providing,  
3 administering or financing of any type of health care  
4 facility, (b) who is engaged in health research or the  
5 teaching of health, (c) who has a material financial interest  
6 in any activity which involves the providing, administering or  
7 financing of any type of health care facility, or (d) who is or  
8 ever has been a member of the immediate family of the person  
9 defined by item (a), (b), or (c).

10 "State Board" or "Board" means the Health Facilities and  
11 Services Review Board.

12 "Construction or modification" means the establishment,  
13 erection, building, alteration, reconstruction,  
14 modernization, improvement, extension, discontinuation,  
15 change of ownership, of or by a health care facility, or the  
16 purchase or acquisition by or through a health care facility  
17 of equipment or service for diagnostic or therapeutic purposes  
18 or for facility administration or operation, or any capital  
19 expenditure made by or on behalf of a health care facility  
20 which exceeds the capital expenditure minimum; however, any  
21 capital expenditure made by or on behalf of a health care  
22 facility for (i) the construction or modification of a  
23 facility licensed under the Assisted Living and Shared Housing  
24 Act or (ii) a conversion project undertaken in accordance with  
25 Section 30 of the Older Adult Services Act shall be excluded  
26 from any obligations under this Act. For the purposes of this

1 paragraph and Act, any temporary suspension of a category of  
2 service by a hospital for a time period exceeding 90 days shall  
3 be considered a discontinuation of a category of service.

4 "Establish" means the construction of a health care  
5 facility or the replacement of an existing facility on another  
6 site or the initiation of a category of service.

7 "Major medical equipment" means medical equipment which is  
8 used for the provision of medical and other health services  
9 and which costs in excess of the capital expenditure minimum,  
10 except that such term does not include medical equipment  
11 acquired by or on behalf of a clinical laboratory to provide  
12 clinical laboratory services if the clinical laboratory is  
13 independent of a physician's office and a hospital and it has  
14 been determined under Title XVIII of the Social Security Act  
15 to meet the requirements of paragraphs (10) and (11) of  
16 Section 1861(s) of such Act. In determining whether medical  
17 equipment has a value in excess of the capital expenditure  
18 minimum, the value of studies, surveys, designs, plans,  
19 working drawings, specifications, and other activities  
20 essential to the acquisition of such equipment shall be  
21 included.

22 "Capital expenditure" means an expenditure: (A) made by or  
23 on behalf of a health care facility (as such a facility is  
24 defined in this Act); and (B) which under generally accepted  
25 accounting principles is not properly chargeable as an expense  
26 of operation and maintenance, or is made to obtain by lease or

1 comparable arrangement any facility or part thereof or any  
2 equipment for a facility or part; and which exceeds the  
3 capital expenditure minimum.

4 For the purpose of this paragraph, the cost of any  
5 studies, surveys, designs, plans, working drawings,  
6 specifications, and other activities essential to the  
7 acquisition, improvement, expansion, or replacement of any  
8 plant or equipment with respect to which an expenditure is  
9 made shall be included in determining if such expenditure  
10 exceeds the capital expenditures minimum. Unless otherwise  
11 interdependent, or submitted as one project by the applicant,  
12 components of construction or modification undertaken by means  
13 of a single construction contract or financed through the  
14 issuance of a single debt instrument shall not be grouped  
15 together as one project. Donations of equipment or facilities  
16 to a health care facility which if acquired directly by such  
17 facility would be subject to review under this Act shall be  
18 considered capital expenditures, and a transfer of equipment  
19 or facilities for less than fair market value shall be  
20 considered a capital expenditure for purposes of this Act if a  
21 transfer of the equipment or facilities at fair market value  
22 would be subject to review.

23 "Capital expenditure minimum" means \$11,500,000 for  
24 projects by hospital applicants, \$6,500,000 for applicants for  
25 projects related to skilled and intermediate care long-term  
26 care facilities licensed under the Nursing Home Care Act, and

1 \$3,000,000 for projects by all other applicants, which shall  
2 be annually adjusted to reflect the increase in construction  
3 costs due to inflation, for major medical equipment and for  
4 all other capital expenditures.

5 "Financial commitment" means the commitment of at least  
6 33% of total funds assigned to cover total project cost, which  
7 occurs by the actual expenditure of 33% or more of the total  
8 project cost or the commitment to expend 33% or more of the  
9 total project cost by signed contracts or other legal means.

10 "Non-clinical service area" means an area (i) for the  
11 benefit of the patients, visitors, staff, or employees of a  
12 health care facility and (ii) not directly related to the  
13 diagnosis, treatment, or rehabilitation of persons receiving  
14 services from the health care facility. "Non-clinical service  
15 areas" include, but are not limited to, chapels; gift shops;  
16 news stands; computer systems; tunnels, walkways, and  
17 elevators; telephone systems; projects to comply with life  
18 safety codes; educational facilities; student housing;  
19 patient, employee, staff, and visitor dining areas;  
20 administration and volunteer offices; modernization of  
21 structural components (such as roof replacement and masonry  
22 work); boiler repair or replacement; vehicle maintenance and  
23 storage facilities; parking facilities; mechanical systems for  
24 heating, ventilation, and air conditioning; loading docks; and  
25 repair or replacement of carpeting, tile, wall coverings,  
26 window coverings or treatments, or furniture. Solely for the

1 purpose of this definition, "non-clinical service area" does  
2 not include health and fitness centers.

3 "Areawide" means a major area of the State delineated on a  
4 geographic, demographic, and functional basis for health  
5 planning and for health service and having within it one or  
6 more local areas for health planning and health service. The  
7 term "region", as contrasted with the term "subregion", and  
8 the word "area" may be used synonymously with the term  
9 "areawide".

10 "Local" means a subarea of a delineated major area that on  
11 a geographic, demographic, and functional basis may be  
12 considered to be part of such major area. The term "subregion"  
13 may be used synonymously with the term "local".

14 "Physician" means a person licensed to practice in  
15 accordance with the Medical Practice Act of 1987, as amended.

16 "Licensed health care professional" means a person  
17 licensed to practice a health profession under pertinent  
18 licensing statutes of the State of Illinois.

19 "Director" means the Director of the Illinois Department  
20 of Public Health.

21 "Agency" or "Department" means the Illinois Department of  
22 Public Health.

23 "Alternative health care model" means a facility or  
24 program authorized under the Alternative Health Care Delivery  
25 Act.

26 "Out-of-state facility" means a person that is both (i)

1 licensed as a hospital or as an ambulatory surgery center  
2 under the laws of another state or that qualifies as a hospital  
3 or an ambulatory surgery center under regulations adopted  
4 pursuant to the Social Security Act and (ii) not licensed  
5 under the Ambulatory Surgical Treatment Center Act, the  
6 Hospital Licensing Act, or the Nursing Home Care Act.  
7 Affiliates of out-of-state facilities shall be considered  
8 out-of-state facilities. Affiliates of Illinois licensed  
9 health care facilities 100% owned by an Illinois licensed  
10 health care facility, its parent, or Illinois physicians  
11 licensed to practice medicine in all its branches shall not be  
12 considered out-of-state facilities. Nothing in this definition  
13 shall be construed to include an office or any part of an  
14 office of a physician licensed to practice medicine in all its  
15 branches in Illinois that is not required to be licensed under  
16 the Ambulatory Surgical Treatment Center Act.

17 "Change of ownership of a health care facility" means a  
18 change in the person who has ownership or control of a health  
19 care facility's physical plant and capital assets. A change in  
20 ownership is indicated by the following transactions: sale,  
21 transfer, acquisition, lease, change of sponsorship, or other  
22 means of transferring control.

23 "Related person" means any person that: (i) is at least  
24 50% owned, directly or indirectly, by either the health care  
25 facility or a person owning, directly or indirectly, at least  
26 50% of the health care facility; or (ii) owns, directly or



1 indirectly, at least 50% of the health care facility.

2 "Charity care" means care provided by a health care  
3 facility for which the provider does not expect to receive  
4 payment from the patient or a third-party payer.

5 "Health disparities" means preventable differences in the  
6 burden of disease, injury, violence, or opportunities to  
7 achieve optimal health that are experienced by socially  
8 disadvantaged populations.

9 "Health equity" means a process of assurance of the  
10 conditions for optimal health for all people through focused  
11 and ongoing societal effort valuing all individuals and  
12 populations equally, recognizing and rectifying historical  
13 injustices, and providing resources according to need.

14 "Safety net services" means services provided by health  
15 care providers or organizations that deliver health care  
16 services to persons with barriers to mainstream health care  
17 due to lack of insurance, inability to pay, special needs,  
18 ethnic or cultural characteristics, or geographic isolation,  
19 and those that deliver services to communities or populations  
20 suffering from health disparities including disparities in  
21 health status and outcomes due to differences in social,  
22 economic, environmental, or healthcare resources. Safety net  
23 service providers include, but are not limited to, hospitals  
24 and private practice physicians that provide charity care,  
25 school-based health centers, migrant health clinics, rural  
26 health clinics, federally qualified health centers, community

1 health centers, public health departments, and community  
2 mental health centers.

3 "Safety net hospital" has the meaning ascribed to it under  
4 Section 5-5e.1 of the Illinois Public Aid Code.

5 "Emergency medical and trauma" means the emergency medical  
6 services, trauma services, and associated non-emergency  
7 medical services planned and coordinated in accordance with  
8 the Emergency Medical Services (EMS) Systems Act.

9 "Perinatal and maternal care" means obstetric and neonatal  
10 services under Subpart O of Hospital Licensing Requirements,  
11 77 IAC 250; resources and services associated with hospital  
12 perinatal care level designations under the Developmental  
13 Disability Prevention Act; and maternal care resources and  
14 services developed or identified under Sections 2310-222 and  
15 2310-223 of the Department of Public Health Powers and Duties  
16 Law.

17 "Freestanding emergency center" means a facility subject  
18 to licensure under Section 32.5 of the Emergency Medical  
19 Services (EMS) Systems Act.

20 "Category of service" means a grouping by generic class of  
21 various types or levels of support functions, equipment, care,  
22 or treatment provided to patients or residents. Categories of  
23 service shall include, but not be limited to, ~~including, but~~  
24 ~~not limited to, classes such as~~ medical-surgical, pediatrics,  
25 obstetrics, intensive care, neonatal intensive care, acute  
26 mental illness, comprehensive physical rehabilitation,

1 long-term acute care, ~~or~~ cardiac catheterization, open heart  
2 surgery, kidney transplantation, general long term nursing  
3 care, long term care for the developmentally disabled (adult),  
4 long term care for the developmentally disabled (children),  
5 chronic mental illness care, in-center hemodialysis, and  
6 non-hospital ambulatory surgery. A category of service may  
7 include subcategories or levels of care that identify a  
8 particular degree or type of care within the category of  
9 service. Nothing in this definition shall be construed to  
10 include the practice of a physician or other licensed health  
11 care professional while functioning in an office providing for  
12 the care, diagnosis, or treatment of patients. A category of  
13 service that is subject to the Board's jurisdiction must be  
14 designated in rules adopted by the Board.

15 "State Board Staff Report" means the document that sets  
16 forth the review and findings of the State Board staff, as  
17 prescribed by the State Board, regarding applications subject  
18 to Board jurisdiction.

19 (Source: P.A. 100-518, eff. 6-1-18; 100-581, eff. 3-12-18;  
20 100-957, eff. 8-19-18; 101-81, eff. 7-12-19; 101-650, eff.  
21 7-7-20.)

22 (20 ILCS 3960/5) (from Ch. 111 1/2, par. 1155)

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

24 Sec. 5. Construction, modification, or establishment of  
25 health care facilities or acquisition of major medical

1 equipment; permits or exemptions. No person shall construct,  
2 modify or establish a health care facility or acquire major  
3 medical equipment without first obtaining a permit or  
4 exemption from the State Board. The State Board shall not  
5 delegate to the staff of the State Board or any other person or  
6 entity the authority to grant permits or exemptions whenever  
7 the staff or other person or entity would be required to  
8 exercise any discretion affecting the decision to grant a  
9 permit or exemption. The State Board may, by rule, delegate  
10 authority to the Chairman to grant permits or exemptions when  
11 applications meet all of the State Board's review criteria and  
12 are unopposed.

13 A permit or exemption shall be obtained prior to the  
14 acquisition of major medical equipment or to the construction  
15 or modification of a health care facility which:

16 (a) requires a total capital expenditure in excess of  
17 the capital expenditure minimum; or

18 (b) substantially changes the scope or changes the  
19 functional operation of the facility; or

20 (c) changes the bed capacity of a health care facility  
21 by increasing the total number of beds or by distributing  
22 beds among various categories of service or by relocating  
23 beds from one physical facility or site to another by more  
24 than 20 beds or more than 10% of total bed capacity as  
25 defined by the State Board, whichever is less, over a  
26 2-year period.

1           A permit shall be valid only for the defined construction  
2 or modifications, site, amount and person named in the  
3 application for such permit. The State Board may approve the  
4 transfer of an existing permit without regard to whether the  
5 permit to be transferred has yet been financially committed,  
6 except for permits to establish a new facility or category of  
7 service. A permit shall be valid until such time as the project  
8 has been completed, provided that the project commences and  
9 proceeds to completion with due diligence by the completion  
10 date or extension date approved by the Board.

11           A permit holder must do the following: (i) submit the  
12 final completion and cost report for the project within 90  
13 days after the approved project completion date or extension  
14 date and (ii) submit annual progress reports no earlier than  
15 30 days before and no later than 30 days after each anniversary  
16 date of the Board's approval of the permit until the project is  
17 completed. To maintain a valid permit and to monitor progress  
18 toward project commencement and completion, routine  
19 post-permit reports shall be limited to annual progress  
20 reports and the final completion and cost report. Annual  
21 progress reports shall include information regarding the  
22 committed funds expended toward the approved project. For  
23 projects to be completed in 12 months or less, the permit  
24 holder shall report financial commitment in the final  
25 completion and cost report. For projects to be completed  
26 between 12 to 24 months, the permit holder shall report

1 financial commitment in the first annual report. For projects  
2 to be completed in more than 24 months, the permit holder shall  
3 report financial commitment in the second annual progress  
4 report. The report shall contain information regarding  
5 expenditures and financial commitments. The State Board may  
6 extend the financial commitment period after considering a  
7 permit holder's showing of good cause and request for  
8 additional time to complete the project.

9 The Certificate of Need process required under this Act is  
10 designed to support equitable access to health care services,  
11 develop and protect safety net services, and restrain rising  
12 health care costs by preventing unnecessary construction or  
13 modification of health care facilities. The Board must assure  
14 that the establishment, construction, or modification of a  
15 health care facility or the acquisition of major medical  
16 equipment is consistent with the public interest and that the  
17 proposed project is consistent with the orderly and economic  
18 development or acquisition of those facilities and equipment  
19 and is in accord with the standards, criteria, or plans of need  
20 adopted and approved by the Board. The Board must assure  
21 decisions regarding hospital facility or service  
22 discontinuations are consistent with the health equity  
23 purposes of the Act and weigh whether or not such facility or  
24 service discontinuations will worsen health disparities. Board  
25 decisions regarding the construction of health care facilities  
26 must consider capacity, quality, value, and equity. Projects

1 may deviate from the costs, fees, and expenses provided in  
2 their project cost information for the project's cost  
3 components, provided that the final total project cost does  
4 not exceed the approved permit amount. Project alterations  
5 shall not increase the total approved permit amount by more  
6 than the limit set forth under the Board's rules.

7 The acquisition by any person of major medical equipment  
8 that will not be owned by or located in a health care facility  
9 and that will not be used to provide services to inpatients of  
10 a health care facility shall be exempt from review provided  
11 that a notice is filed in accordance with exemption  
12 requirements.

13 Notwithstanding any other provision of this Act, no permit  
14 or exemption is required for the construction or modification  
15 of a non-clinical service area of a health care facility.

16 (Source: P.A. 100-518, eff. 6-1-18; 100-681, eff. 8-3-18.)

17 (20 ILCS 3960/5.4)

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

19 Sec. 5.4. Safety Net Impact Statement.

20 (a) General review criteria shall include a requirement  
21 that all health care facilities, with the exception of skilled  
22 and intermediate long-term care facilities licensed under the  
23 Nursing Home Care Act, provide a Safety Net Impact Statement,  
24 which shall be filed with an application for a substantive  
25 project or when the application proposes to discontinue a

1 category of service.

2 (b) (Blank). ~~For the purposes of this Section, "safety net~~  
3 ~~services" are services provided by health care providers or~~  
4 ~~organizations that deliver health care services to persons~~  
5 ~~with barriers to mainstream health care due to lack of~~  
6 ~~insurance, inability to pay, special needs, ethnic or cultural~~  
7 ~~characteristics, or geographic isolation. Safety net service~~  
8 ~~providers include, but are not limited to, hospitals and~~  
9 ~~private practice physicians that provide charity care,~~  
10 ~~school-based health centers, migrant health clinics, rural~~  
11 ~~health clinics, federally qualified health centers, community~~  
12 ~~health centers, public health departments, and community~~  
13 ~~mental health centers.~~

14 (c) As developed by the applicant, a Safety Net Impact  
15 Statement shall describe all of the following:

16 (1) The project's material impact, if any, on  
17 essential safety net services in the community, including  
18 safety net hospitals and critical access hospitals, to the  
19 extent that it is feasible for an applicant to have such  
20 knowledge.

21 (2) The project's impact on the ability of another  
22 provider or health care system to cross-subsidize safety  
23 net services, to the extent that it is feasible for an  
24 applicant to have such knowledge ~~, if reasonably known to~~  
25 ~~the applicant.~~

26 (3) How the discontinuation of a facility or service



1 will ~~might~~ impact other ~~the remaining~~ safety net  
2 providers, to the extent that it is feasible for an  
3 applicant to have such knowledge in a given community, if  
4 reasonably known by the applicant.

5 (4) How the discontinuation of a facility or service  
6 will impact the Medicaid population.

7 (5) How the discontinuation of a facility or service  
8 will impact the health status and outcomes of populations  
9 suffering from health disparities. This should include  
10 consideration of disparities in healthcare access and  
11 outcomes by income, race and ethnic identity, and  
12 preferred language.

13 (d) Safety Net Impact Statements shall also include all of  
14 the following:

15 (1) For the 3 fiscal years prior to the application, a  
16 certification describing the amount of charity care  
17 provided by the applicant. The amount calculated by  
18 hospital applicants shall be in accordance with the  
19 reporting requirements for charity care reporting in the  
20 Illinois Community Benefits Act. Non-hospital applicants  
21 shall report charity care, at cost, in accordance with an  
22 appropriate methodology specified by the Board.

23 (2) For the 3 fiscal years prior to the application, a  
24 certification of the amount of care provided to Medicaid  
25 patients. Hospital and non-hospital applicants shall  
26 provide Medicaid information in a manner consistent with

1 the information reported each year to the State Board  
2 regarding "Inpatients and Outpatients Served by Payor  
3 Source" and "Inpatient and Outpatient Net Revenue by Payor  
4 Source" as required by the Board under Section 13 of this  
5 Act and published in the Annual Hospital Profile.

6 (3) Any information the applicant believes is directly  
7 relevant to safety net services, including information  
8 regarding teaching, research, and any other service.

9 (e) The Board staff shall publish a notice, that an  
10 application accompanied by a Safety Net Impact Statement has  
11 been filed, in a newspaper having general circulation within  
12 the area affected by the application. If no newspaper has a  
13 general circulation within the county, the Board shall post  
14 the notice in 5 conspicuous places within the proposed area.

15 (f) Any person, community organization, provider, or  
16 health system or other entity wishing to comment upon or  
17 oppose the application may file a Safety Net Impact Statement  
18 Response with the Board, which shall provide additional  
19 information concerning a project's impact on safety net  
20 services in the community.

21 (g) Applicants shall be provided an opportunity to submit  
22 a reply to any Safety Net Impact Statement Response.

23 (h) The State Board Staff Report shall include a statement  
24 as to whether a Safety Net Impact Statement was filed by the  
25 applicant and whether it included information on charity care,  
26 the amount of care provided to Medicaid patients, and

1 information on teaching, research, or any other service  
2 provided by the applicant directly relevant to safety net  
3 services. The report shall also indicate the names of the  
4 parties submitting responses and the number of responses and  
5 replies, if any, that were filed.

6 (Source: P.A. 100-518, eff. 6-1-18.)

7 (20 ILCS 3960/5.5 new)

8 Sec. 5.5. Emergency Medicine and Trauma Systems Impact  
9 Statement.

10 (a) Review criteria shall include a requirement that all  
11 general acute hospitals applying to discontinue a facility,  
12 intensive care services, or another category of service  
13 relevant to emergency medical service and trauma systems  
14 identified by rule by the Board include in its application an  
15 Emergency Medicine and Trauma Systems Impact Statement.

16 (b) As developed by the applicant, an Emergency Medicine  
17 and Trauma Systems Impact Statement shall describe all of the  
18 following:

19 (1) How the discontinuation of the facility or service  
20 will impact the availability of emergency medical and  
21 trauma services for area populations, specifically  
22 including those that experience difficulty accessing  
23 health services or experience health disparities.

24 (2) How the discontinuation of the facility or service  
25 might impact the remaining providers of emergency medical

1 and trauma services in the area, to the extent known by the  
2 applicant.

3 (c) Emergency Medicine and Trauma Systems Impact  
4 Statements shall also include all of the following:

5 (1) A list of each resource identified in any  
6 emergency medical service system program plan that will  
7 cease to exist as a result of the facility or service  
8 discontinuation, with a description of its utilization in  
9 the most recent 2 years for which data is available.

10 (2) A list of each resource identified in any trauma  
11 or stroke center designation that will cease to exist as a  
12 result of the facility or service discontinuation, with a  
13 description of its utilization in the most recent 2 years  
14 for which data is available.

15 (3) If any resource listed pursuant to paragraphs (1)  
16 or (2) above was on diversion or bypass status or  
17 otherwise not available during the 2 years, the statement  
18 must list the times and reasons it was on bypass.

19 (d) The Board staff shall publish a notice, that an  
20 application accompanied by an Emergency Medicine and Trauma  
21 Systems Impact Statement has been filed, in a newspaper having  
22 general circulation within the area affected by the  
23 application. If no newspaper has a general circulation within  
24 the county, the Board shall post the notice in 5 conspicuous  
25 places within the proposed area. The public notice required by  
26 this subsection may be provided in conjunction with the notice

1 required for a safety net impact statement pursuant to  
2 subsection (e) of Section 5.4.

3 (e) Any person, community organization, provider, or  
4 health system or other entity wishing to comment upon or  
5 oppose the application may file an Emergency Medical and  
6 Trauma Systems Impact Statement Response with the Board, which  
7 shall provide additional information concerning a project's  
8 impact on emergency medical and trauma services in the  
9 community.

10 (f) Applicants shall be provided an opportunity to submit  
11 a reply to any Emergency Medical and Trauma Systems Impact  
12 Statement Response.

13 (g) The State Board Staff Report shall include a statement  
14 as to whether an Emergency Medical and Trauma Systems Impact  
15 Statement was filed by the applicant and whether it included  
16 each item of information described in the lists of subsections  
17 (b) and (c) above. The report shall also indicate the names of  
18 the parties submitting responses and the number of responses  
19 and replies, if any, that were filed.

20 (20 ILCS 3960/5.6 new)

21 Sec. 5.6. Maternal and Child Health Impact Statement.

22 (a) Review criteria shall include a requirement that all  
23 general acute hospitals applying to discontinue a facility,  
24 obstetric services, pediatric services, neonatal intensive  
25 care services, or any other category of service relevant to

1 maternal and child health identified by rule by the Board  
2 include in its application an Maternal and Child Health Impact  
3 Statement.

4 (b) As developed by the applicant, a Maternal and Child  
5 Health Impact Statement shall describe all of the following:

6 (1) How the discontinuation of the facility or service  
7 will impact the availability of perinatal and maternal  
8 care services for area populations, specifically including  
9 those that experience difficulty accessing health services  
10 or experience health disparities.

11 (2) How the discontinuation of the facility or service  
12 might impact the remaining providers of perinatal and  
13 maternal care services in the area, to the extent known by  
14 the applicant.

15 (c) Maternal and Child Health Impact Statements shall also  
16 include all of the following:

17 (1) A list of each resource identified in any  
18 obstetric and neonatal service plan, hospital perinatal  
19 care level designation, or maternal care level designation  
20 that will cease to exist as a result of the facility or  
21 service discontinuation, with a description of its  
22 utilization in the most recent 2 years for which data is  
23 available.

24 (2) A list of any resource that was developed through  
25 initiatives set forth in Section 2310-222 of the  
26 Department of Public Health Powers and Duties Law to

1 improve birth equity and reduce postpartum racial and  
2 ethnic disparities, or that serves similar purposes that  
3 will cease to exist as a result of the facility or service  
4 discontinuation.

5 (d) The Board staff shall publish a notice, that an  
6 application accompanied by a Maternal and Child Health Impact  
7 Statement has been filed, in a newspaper having general  
8 circulation within the area affected by the application. If no  
9 newspaper has a general circulation within the county, the  
10 Board shall post the notice in 5 conspicuous places within the  
11 proposed area. The public notice required by this subsection  
12 may be provided in conjunction with the notice required for a  
13 safety net impact statement pursuant to subsection (e) of  
14 Section 5.4.

15 (e) Any person, community organization, provider, or  
16 health system or other entity wishing to comment upon or  
17 oppose the application may file a Maternal and Child Health  
18 Impact Statement Response with the Board, which shall provide  
19 additional information concerning a project's impact on  
20 maternal and child health services in the community.

21 (f) Applicants shall be provided an opportunity to submit  
22 a reply to any Maternal and Child Health Impact Statement  
23 Response.

24 (g) The State Board Staff Report shall include a statement  
25 as to whether a Maternal and Child Health Impact Statement was  
26 filed by the applicant and whether it included each item of

1 information described in the lists of subsections (b) and (c)  
2 above. The report shall also indicate the names of the parties  
3 submitting responses and the number of responses and replies,  
4 if any, that were filed.

5 (20 ILCS 3960/6) (from Ch. 111 1/2, par. 1156)

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

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

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

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



1 maintained by the State or any agency or department thereof or  
2 a nursing home maintained by a county. The Board may accept an  
3 application for an exemption for the discontinuation of a  
4 category of service at any other a health care facility only  
5 once in a 6-month period following (1) the previous  
6 application for exemption at the same health care facility or  
7 (2) the final decision of the Board regarding the  
8 discontinuation of a category of service at the same health  
9 care facility, whichever occurs later. A discontinuation of a  
10 category of service shall otherwise require an application for  
11 a permit if an application for an exemption has already been  
12 accepted within the 6-month period. For a change of ownership  
13 among related persons of a health care facility, the State  
14 Board shall provide by rule for an expedited process for  
15 obtaining an exemption. For the purposes of this Section,  
16 "change of ownership among related persons" means a  
17 transaction in which the parties to the transaction are under  
18 common control or ownership before and after the transaction  
19 is complete.

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

22 (c-5) Any written review or findings of the Board staff  
23 set forth in the State Board Staff Report concerning an  
24 application for a permit must be made available to the public  
25 and the applicant at least 14 calendar days before the meeting  
26 of the State Board at which the review or findings are

1 considered. The applicant and members of the public may  
2 submit, to the State Board, written responses regarding the  
3 facts set forth in the review or findings of the Board staff.  
4 Members of the public and the applicant shall have until 10  
5 days before the meeting of the State Board to submit any  
6 written response concerning the Board staff's written review  
7 or findings. The Board staff may revise any findings to  
8 address corrections of factual errors cited in the public  
9 response. At the meeting, the State Board may, in its  
10 discretion, permit the submission of other additional written  
11 materials.

12 (d) Upon receipt of an application for a permit, the State  
13 Board shall approve and authorize the issuance of a permit if  
14 it finds (1) that the applicant is fit, willing, and able to  
15 provide a proper standard of health care service for the  
16 community with particular regard to the qualification,  
17 background and character of the applicant, (2) that economic  
18 feasibility is demonstrated in terms of effect on the existing  
19 and projected operating budget of the applicant and of the  
20 health care facility; in terms of the applicant's ability to  
21 establish and operate such facility in accordance with  
22 licensure regulations promulgated under pertinent state laws;  
23 and in terms of the projected impact on the total health care  
24 expenditures in the facility and community, (3) that  
25 safeguards are provided that assure that the establishment,  
26 construction or modification of the health care facility or

1 acquisition of major medical equipment is consistent with the  
2 public interest, and (4) that the proposed project is  
3 consistent with the orderly and economic development of such  
4 facilities and equipment and is in accord with standards,  
5 criteria, or plans of need adopted and approved pursuant to  
6 the provisions of Section 12 of this Act. Notwithstanding the  
7 foregoing or any other provision of this Act, the State Board  
8 may deny issuance of a permit if it finds the project will  
9 plausibly increase health disparities.

10 (d-5) For an application for a permit to discontinue a  
11 hospital facility or service, the State Board shall consider:

12 (1) how the discontinuation of the facility or service  
13 will impact safety net services;

14 (2) the emergency medical and trauma system impact, if  
15 applicable;

16 (3) the maternal and child health impact, if  
17 applicable; and

18 (4) the economic feasibility, based on the resources  
19 of the applicant and related persons, of continued  
20 operation as an alternative.

21 (e) The State Board may attach conditions to issuance of a  
22 permit requiring that certain disclosed support or subsidies  
23 received by the hospital must be repaid.

24 (Source: P.A. 100-518, eff. 6-1-18; 100-681, eff. 8-3-18;  
25 101-83, eff. 7-15-19.)

1 (20 ILCS 3960/6.05 new)

2 Sec. 6.05. Hospital closure during a pandemic. The State  
3 Board shall not issue a permit or take any other action that  
4 would allow closure of a general acute care hospital to  
5 proceed during a public health emergency declared pursuant to  
6 the Illinois Emergency Management Act as the result of an  
7 infectious disease pandemic.

8 (20 ILCS 3960/6.2)

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

10 Sec. 6.2. Review of permits; State Board Staff Reports.  
11 Upon receipt of an application for a permit to establish,  
12 construct, or modify a health care facility, the State Board  
13 staff shall notify the applicant in writing within 10 working  
14 days either that the application is or is not substantially  
15 complete. If the application is substantially complete, the  
16 State Board staff shall notify the applicant of the beginning  
17 of the review process. If the application is not substantially  
18 complete, the Board staff shall explain within the 10-day  
19 period why the application is incomplete.

20 The State Board staff shall afford a reasonable amount of  
21 time as established by the State Board, but not to exceed 180  
22 ~~120~~ days, for the review of the application. The 180-day  
23 ~~120-day~~ period begins on the day the application is found to be  
24 substantially complete, as that term is defined by the State  
25 Board. During the 180-day ~~120-day~~ period, the applicant may

1 request an extension. An applicant may modify the application  
2 at any time before a final administrative decision has been  
3 made on the application.

4 The State Board staff shall submit its State Board Staff  
5 Report to the State Board for its decision-making regarding  
6 approval or denial of the permit.

7 When an application for a permit is initially reviewed by  
8 State Board staff, as provided in this Section, the State  
9 Board shall, upon request by the applicant or an interested  
10 person, afford an opportunity for a public hearing within a  
11 reasonable amount of time after receipt of the complete  
12 application, but not to exceed 90 days after receipt of the  
13 complete application. Notice of the hearing shall be made  
14 promptly, not less than 10 days before the hearing, by  
15 certified mail to the applicant and, not less than 10 days  
16 before the hearing, by publication in a newspaper of general  
17 circulation in the area or community to be affected. The  
18 hearing shall be held in the area or community in which the  
19 proposed project is to be located and shall be for the purpose  
20 of allowing the applicant and any interested person to present  
21 public testimony concerning the approval, denial, renewal, or  
22 revocation of the permit. All interested persons attending the  
23 hearing shall be given a reasonable opportunity to present  
24 their views or arguments in writing or orally, and a record of  
25 all of the testimony shall accompany any findings of the State  
26 Board staff. The State Board shall adopt reasonable rules and

1 regulations governing the procedure and conduct of the  
2 hearings.

3 (Source: P.A. 99-114, eff. 7-23-15; 100-681, eff. 8-3-18.)

4 (20 ILCS 3960/8.5)

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

6 Sec. 8.5. Certificate of exemption for change of ownership  
7 of a health care facility; discontinuation of a category of  
8 service; public notice and public hearing.

9 (a) Upon a finding that an application for a change of  
10 ownership is complete, the State Board shall publish a legal  
11 notice on 3 consecutive days in a newspaper of general  
12 circulation in the area or community to be affected and afford  
13 the public an opportunity to request a hearing. If the  
14 application is for a facility located in a Metropolitan  
15 Statistical Area, an additional legal notice shall be  
16 published in a newspaper of limited circulation, if one  
17 exists, in the area in which the facility is located. If the  
18 newspaper of limited circulation is published on a daily  
19 basis, the additional legal notice shall be published on 3  
20 consecutive days. The applicant shall pay the cost incurred by  
21 the Board in publishing the change of ownership notice in  
22 newspapers as required under this subsection. The legal notice  
23 shall also be posted on the Health Facilities and Services  
24 Review Board's web site and sent to the State Representative  
25 and State Senator of the district in which the health care

1 facility is located. An application for change of ownership of  
2 a hospital shall not be deemed complete without a signed  
3 certification that for a period of 2 years after the change of  
4 ownership transaction is effective, the hospital will not  
5 adopt a charity care policy that is more restrictive than the  
6 policy in effect during the year prior to the transaction. An  
7 application for change of ownership of a hospital shall not be  
8 deemed complete without a signed certification that for a  
9 period of 18 months after the change of ownership transaction  
10 is effective, the hospital will not pursue facility closure,  
11 and for a period of 6 months after the change of ownership  
12 transaction is effective, the hospital will not pursue  
13 discontinuation of any category of service. An application for  
14 a change of ownership need not contain signed transaction  
15 documents so long as it includes the following key terms of the  
16 transaction: names and background of the parties; structure of  
17 the transaction; the person who will be the licensed or  
18 certified entity after the transaction; the ownership or  
19 membership interests in such licensed or certified entity both  
20 prior to and after the transaction; fair market value of  
21 assets to be transferred; and the purchase price or other form  
22 of consideration to be provided for those assets. The issuance  
23 of the certificate of exemption shall be contingent upon the  
24 applicant submitting a statement to the Board within 90 days  
25 after the closing date of the transaction, or such longer  
26 period as provided by the Board, certifying that the change of

1 ownership has been completed in accordance with the key terms  
2 contained in the application. If such key terms of the  
3 transaction change, a new application shall be required.

4 Where a change of ownership is among related persons, and  
5 there are no other changes being proposed at the health care  
6 facility that would otherwise require a permit or exemption  
7 under this Act, the applicant shall submit an application  
8 consisting of a standard notice in a form set forth by the  
9 Board briefly explaining the reasons for the proposed change  
10 of ownership. Once such an application is submitted to the  
11 Board and reviewed by the Board staff, the Board Chair shall  
12 take action on an application for an exemption for a change of  
13 ownership among related persons within 45 days after the  
14 application has been deemed complete, provided the application  
15 meets the applicable standards under this Section. If the  
16 Board Chair has a conflict of interest or for other good cause,  
17 the Chair may request review by the Board. Notwithstanding any  
18 other provision of this Act, for purposes of this Section, a  
19 change of ownership among related persons means a transaction  
20 where the parties to the transaction are under common control  
21 or ownership before and after the transaction is completed.

22 ~~Nothing in this Act shall be construed as authorizing the~~  
23 ~~Board to impose any conditions, obligations, or limitations,~~  
24 ~~other than those required by this Section, with respect to the~~  
25 ~~issuance of an exemption for a change of ownership, including,~~  
26 ~~but not limited to, the time period before which a subsequent~~



1 ~~change of ownership of the health care facility could be~~  
2 ~~sought, or the commitment to continue to offer for a specified~~  
3 ~~time period any services currently offered by the health care~~  
4 ~~facility.~~

5 (a-3) (Blank).

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

18 (b) If a public hearing is requested, it shall be held at  
19 least 15 days but no more than 30 days after the date of  
20 publication of the legal notice in the community in which the  
21 facility is located. The hearing shall be held in the affected  
22 area or community in a place of reasonable size and  
23 accessibility and a full and complete written transcript of  
24 the proceedings shall be made. All interested persons  
25 attending the hearing shall be given a reasonable opportunity  
26 to present their positions in writing or orally. The applicant

1 shall provide a summary or describe the proposed change of  
2 ownership at the public hearing.

3 (c) For the purposes of this Section "newspaper of limited  
4 circulation" means a newspaper intended to serve a particular  
5 or defined population of a specific geographic area within a  
6 Metropolitan Statistical Area such as a municipality, town,  
7 village, township, or community area, but does not include  
8 publications of professional and trade associations.

9 (d) The changes made to this Section by this amendatory  
10 Act of the 101st General Assembly shall apply to all  
11 applications submitted after the effective date of this  
12 amendatory Act of the 101st General Assembly.

13 (Source: P.A. 100-201, eff. 8-18-17; 101-83, eff. 7-15-19.)

14 (20 ILCS 3960/8.7)

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

16 Sec. 8.7. Application for permit for discontinuation of a  
17 health care facility or category of service; public notice and  
18 public hearing.

19 (a) Upon a finding that an application to close a health  
20 care facility or discontinue a category of service is  
21 complete, the State Board shall publish a legal notice on 3  
22 consecutive days in a newspaper of general circulation in the  
23 area or community to be affected and afford the public an  
24 opportunity to request a hearing. If the application is for a  
25 facility located in a Metropolitan Statistical Area, an

1 additional legal notice shall be published in a newspaper of  
2 limited circulation, if one exists, in the area in which the  
3 facility is located. If the newspaper of limited circulation  
4 is published on a daily basis, the additional legal notice  
5 shall be published on 3 consecutive days. The legal notice  
6 shall also be posted on the Health Facilities and Services  
7 Review Board's website and sent to the State Representative  
8 and State Senator of the district in which the health care  
9 facility is located. In addition, the health care facility  
10 shall provide notice of closure to the local media that the  
11 health care facility would routinely notify about facility  
12 events.

13 An application to close a health care facility shall only  
14 be deemed complete if it includes evidence that the health  
15 care facility provided written notice at least 30 days prior  
16 to filing the application of its intent to do so to the  
17 municipality in which it is located, the State Representative  
18 and State Senator of the district in which the health care  
19 facility is located, the State Board, the Director of Public  
20 Health, and the Director of Healthcare and Family Services.  
21 The changes made to this subsection by this amendatory Act of  
22 the 101st General Assembly shall apply to all applications  
23 submitted after the effective date of this amendatory Act of  
24 the 101st General Assembly.

25 (b) An application to close a hospital facility, or  
26 discontinue a hospital service if applicable, shall only be

1 deemed complete when the applicant includes a list of public  
2 support or subsidies it has received without repaying or  
3 fulfilling obligations or any other public subsidies it has  
4 received in the past 5 years, including hospital assessment  
5 funded supplemental payments, capital development grants,  
6 public health grants, economic development grants and  
7 supports, and any other categories the Board may identify by  
8 rule. In cases of service discontinuation, this requirement  
9 applies if the support or subsidy is specific to the service.

10 (c) In cases of hospital facility or service  
11 discontinuation, a public response to a safety net impact  
12 statement under subsection (f) of Section 5.4, emergency  
13 medicine and trauma system impact statement under subsection  
14 (e) of Section 5.5, or maternal and child health impact  
15 statement under subsection (e) of Section 5.6 may request an  
16 investigative hearing by the full board under the procedures  
17 set forth in Section 13. The Board may grant at its discretion  
18 any such requests for an investigative hearing. In response to  
19 one or more requests from any of the following, the Board shall  
20 conduct at minimum one investigative hearing with a scope  
21 covering the subject matter of all impact statements subject  
22 to such requests: (i) an elected official representing a  
23 district containing the hospital; (ii) an organization  
24 representing employees at the hospital; (iii) a safety net  
25 hospital or critical access hospital plausibly affected by the  
26 application; or (iv) at least 50 community members residing in

1 the area affected by the application.

2 (d) No later than 30 days after issuance of a permit to  
3 close a health care facility or discontinue a category of  
4 service, the permit holder shall give written notice of the  
5 closure or discontinuation to the State Senator and State  
6 Representative serving the legislative district in which the  
7 health care facility is located.

8 (e) ~~(e)~~ If there is a pending lawsuit that challenges an  
9 application to discontinue a health care facility that either  
10 names the Board as a party or alleges fraud in the filing of  
11 the application, the Board may defer action on the application  
12 until there is no longer such a lawsuit pending for up to 6  
13 ~~months after the date of the initial deferral of the~~  
14 ~~application.~~

15 (f) ~~(d)~~ The changes made to this Section by this  
16 amendatory Act of the 101st General Assembly shall apply to  
17 all applications submitted after the effective date of this  
18 amendatory Act of the 101st General Assembly.

19 (Source: P.A. 101-83, eff. 7-15-19; 101-650, eff. 7-7-20.)

20 (20 ILCS 3960/12) (from Ch. 111 1/2, par. 1162)

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

22 Sec. 12. Powers and duties of State Board. For purposes of  
23 this Act, the State Board shall exercise the following powers  
24 and duties:

25 (1) Prescribe rules, regulations, standards, criteria,

1 procedures or reviews which may vary according to the  
2 purpose for which a particular review is being conducted  
3 or the type of project reviewed and which are required to  
4 carry out the provisions and purposes of this Act.  
5 Policies and procedures of the State Board shall take into  
6 consideration the priorities and needs of medically  
7 underserved areas and other health care services, giving  
8 special consideration to the impact of projects on access  
9 to safety net services.

10 (2) Adopt procedures for public notice and hearing on  
11 all proposed rules, regulations, standards, criteria, and  
12 plans required to carry out the provisions of this Act.

13 (3) (Blank).

14 (4) Develop criteria and standards for health care  
15 facilities planning, conduct statewide inventories of  
16 health care facilities, maintain an updated inventory on  
17 the Board's web site reflecting the most recent bed and  
18 service changes and updated need determinations when new  
19 census data become available or new need formulae are  
20 adopted, and develop health care facility plans which  
21 shall be utilized in the review of applications for permit  
22 under this Act. Such health facility plans shall be  
23 coordinated by the Board with pertinent State Plans.  
24 Inventories pursuant to this Section of skilled or  
25 intermediate care facilities licensed under the Nursing  
26 Home Care Act, skilled or intermediate care facilities

1 licensed under the ID/DD Community Care Act, skilled or  
2 intermediate care facilities licensed under the MC/DD Act,  
3 facilities licensed under the Specialized Mental Health  
4 Rehabilitation Act of 2013, or nursing homes licensed  
5 under the Hospital Licensing Act shall be conducted on an  
6 annual basis no later than July 1 of each year and shall  
7 include among the information requested a list of all  
8 services provided by a facility to its residents and to  
9 the community at large and differentiate between active  
10 and inactive beds.

11 In developing health care facility plans, the State  
12 Board shall consider, but shall not be limited to, the  
13 following:

14 (a) The size, composition and growth of the  
15 population of the area to be served;

16 (a-5) The incidence of diseases or health  
17 conditions that correlate with a need for services or  
18 facilities, determined either directly or through a  
19 comparison of the population characteristics of an  
20 area with those of a similar, larger, or encompassing  
21 reference area;

22 (b) The number of existing and planned facilities  
23 offering similar programs;

24 (c) The extent of utilization of existing  
25 facilities;

26 (c-5) Size, composition, and growth of the

1           population covered by Medicaid relative to existing  
2           services;

3           (d) The availability of facilities which may serve  
4           as alternatives or substitutes;

5           (e) The availability of personnel necessary to the  
6           operation of the facility;

7           (f) Multi-institutional planning and the  
8           establishment of multi-institutional systems where  
9           feasible;

10           (f-5) Impact on safety net services including  
11           safety net and critical access hospitals;

12           (g) The financial and economic feasibility of  
13           proposed construction or modification; ~~and~~

14           (h) In the case of health care facilities  
15           established by a religious body or denomination, the  
16           needs of the members of such religious body or  
17           denomination may be considered to be public need;~~;~~

18           (i) The presence and severity of health  
19           disparities among the population to be served,  
20           including consideration of disparities in healthcare  
21           access and outcomes by income, race and ethnic  
22           identity, and preferred language; and

23           (j) Beginning 2 years after the effective date of  
24           this amendatory Act of the 102nd General Assembly,  
25           need formulae shall be based on incidence of diseases  
26           or health conditions that correlate with the need for



1           a service and shall adjust such incidence by  
2           disparities among the population described in  
3           paragraph (i) above. The Office of Policy, Planning,  
4           and Statistics; the Center for Minority Health  
5           Services; the Center for Rural Health; and, at the  
6           discretion of the Director, any other division of the  
7           Department shall provide support in the development of  
8           new formulae, data, and planning policies if requested  
9           by the Board. The Board shall adopt rules to implement  
10           this paragraph (j).

11  
12           The health care facility plans which are developed and  
13           adopted in accordance with this Section shall form the  
14           basis for the plan of the State to deal most effectively  
15           with statewide health needs in regard to health care  
16           facilities.

17           (5) Coordinate with other state agencies having  
18           responsibilities affecting health care facilities,  
19           including those of licensure and cost reporting.

20           (6) Solicit, accept, hold and administer on behalf of  
21           the State any grants or bequests of money, securities or  
22           property for use by the State Board in the administration  
23           of this Act; and enter into contracts consistent with the  
24           appropriations for purposes enumerated in this Act.

25           (7) (Blank).

26           (7.5) Protect safety net services.

1           (8) Prescribe rules, regulations, standards, and  
2 criteria for the conduct of an expeditious review of  
3 applications for permits for projects of construction or  
4 modification of a health care facility, which projects are  
5 classified as emergency, substantive, or non-substantive  
6 in nature.

7           Substantive projects shall include ~~no more than~~ the  
8 following:

9           (a) Projects to construct (1) a new or replacement  
10 facility located on a new site or (2) a replacement  
11 facility located on the same site as the original  
12 facility and the cost of the replacement facility  
13 exceeds the capital expenditure minimum, which shall  
14 be reviewed by the Board within 120 days;

15           (b) Projects proposing a (1) new service within an  
16 existing healthcare facility or (2) discontinuation of  
17 a service within an existing healthcare facility,  
18 which shall be reviewed by the Board within 60 days; or

19           (c) Projects proposing a change in the bed  
20 capacity of a health care facility by an increase in  
21 the total number of beds or by a redistribution of beds  
22 among various categories of service or by a relocation  
23 of beds from one physical facility or site to another  
24 by more than 20 beds or more than 10% of total bed  
25 capacity, as defined by the State Board, whichever is  
26 less, over a 2-year period.

1           The Chairman may approve applications for exemption  
2 that meet the criteria set forth in rules or refer them to  
3 the full Board. The Chairman may approve any unopposed  
4 application that meets all of the review criteria or refer  
5 them to the full Board.

6           Such rules shall not prevent the conduct of a public  
7 hearing upon the timely request of an interested party.  
8 Such reviews shall not exceed 60 days from the date the  
9 application is declared to be complete.

10          (9) Prescribe rules, regulations, standards, and  
11 criteria pertaining to the granting of permits for  
12 construction and modifications which are emergent in  
13 nature and must be undertaken immediately to prevent or  
14 correct structural deficiencies or hazardous conditions  
15 that may harm or injure persons using the facility, as  
16 defined in the rules and regulations of the State Board.  
17 This procedure is exempt from public hearing requirements  
18 of this Act.

19          (10) Prescribe rules, regulations, standards and  
20 criteria for the conduct of an expeditious review, not  
21 exceeding 60 days, of applications for permits for  
22 projects to construct or modify health care facilities  
23 which are needed for the care and treatment of persons who  
24 have acquired immunodeficiency syndrome (AIDS) or related  
25 conditions.

26          (10.5) Provide its rationale when voting on an item

1 before it at a State Board meeting in order to comply with  
2 subsection (b) of Section 3-108 of the Code of Civil  
3 Procedure.

4 (11) Issue written decisions upon request of the  
5 applicant or an adversely affected party to the Board.  
6 Requests for a written decision shall be made within 15  
7 days after the Board meeting in which a final decision has  
8 been made. A "final decision" for purposes of this Act is  
9 the decision to approve or deny an application, or take  
10 other actions permitted under this Act, at the time and  
11 date of the meeting that such action is scheduled by the  
12 Board. The transcript of the State Board meeting shall be  
13 incorporated into the Board's final decision. The staff of  
14 the Board shall prepare a written copy of the final  
15 decision and the Board shall approve a final copy for  
16 inclusion in the formal record. The Board shall consider,  
17 for approval, the written draft of the final decision no  
18 later than the next scheduled Board meeting. The written  
19 decision shall identify the applicable criteria and  
20 factors listed in this Act and the Board's regulations  
21 that were taken into consideration by the Board when  
22 coming to a final decision. If the Board denies or fails to  
23 approve an application for permit or exemption, the Board  
24 shall include in the final decision a detailed explanation  
25 as to why the application was denied and identify what  
26 specific criteria or standards the applicant did not

1 fulfill.

2 (12) (Blank).

3 (13) Provide a mechanism for the public to comment on,  
4 and request changes to, draft rules and standards.

5 (14) Implement public information campaigns to  
6 regularly inform the general public about the opportunity  
7 for public hearings and public hearing procedures.

8 (15) Establish a separate set of rules and guidelines  
9 for long-term care that recognizes that nursing homes are  
10 a different business line and service model from other  
11 regulated facilities. An open and transparent process  
12 shall be developed that considers the following: how  
13 skilled nursing fits in the continuum of care with other  
14 care providers, modernization of nursing homes,  
15 establishment of more private rooms, development of  
16 alternative services, and current trends in long-term care  
17 services. The Chairman of the Board shall appoint a  
18 permanent Health Services Review Board Long-term Care  
19 Facility Advisory Subcommittee that shall develop and  
20 recommend to the Board the rules to be established by the  
21 Board under this paragraph (15). The Subcommittee shall  
22 also provide continuous review and commentary on policies  
23 and procedures relative to long-term care and the review  
24 of related projects. The Subcommittee shall make  
25 recommendations to the Board no later than January 1, 2016  
26 and every January thereafter pursuant to the

1 Subcommittee's responsibility for the continuous review  
2 and commentary on policies and procedures relative to  
3 long-term care. In consultation with other experts from  
4 the health field of long-term care, the Board and the  
5 Subcommittee shall study new approaches to the current bed  
6 need formula and Health Service Area boundaries to  
7 encourage flexibility and innovation in design models  
8 reflective of the changing long-term care marketplace and  
9 consumer preferences and submit its recommendations to the  
10 Chairman of the Board no later than January 1, 2017. The  
11 Subcommittee shall evaluate, and make recommendations to  
12 the State Board regarding, the buying, selling, and  
13 exchange of beds between long-term care facilities within  
14 a specified geographic area or drive time. The Board shall  
15 file the proposed related administrative rules for the  
16 separate rules and guidelines for long-term care required  
17 by this paragraph (15) by no later than September 30,  
18 2011. The Subcommittee shall be provided a reasonable and  
19 timely opportunity to review and comment on any review,  
20 revision, or updating of the criteria, standards,  
21 procedures, and rules used to evaluate project  
22 applications as provided under Section 12.3 of this Act.

23 The Chairman of the Board shall appoint voting members  
24 of the Subcommittee, who shall serve for a period of 3  
25 years, with one-third of the terms expiring each January,  
26 to be determined by lot. Appointees shall include, but not

1 be limited to, recommendations from each of the 3  
2 statewide long-term care associations, with an equal  
3 number to be appointed from each. Compliance with this  
4 provision shall be through the appointment and  
5 reappointment process. All appointees serving as of April  
6 1, 2015 shall serve to the end of their term as determined  
7 by lot or until the appointee voluntarily resigns,  
8 whichever is earlier.

9 One representative from the Department of Public  
10 Health, the Department of Healthcare and Family Services,  
11 the Department on Aging, and the Department of Human  
12 Services may each serve as an ex-officio non-voting member  
13 of the Subcommittee. The Chairman of the Board shall  
14 select a Subcommittee Chair, who shall serve for a period  
15 of 3 years.

16 (16) Prescribe the format of the State Board Staff  
17 Report. A State Board Staff Report shall pertain to  
18 applications that include, but are not limited to,  
19 applications for permit or exemption, applications for  
20 permit renewal, applications for extension of the  
21 financial commitment period, applications requesting a  
22 declaratory ruling, or applications under the Health Care  
23 Worker Self-Referral Act. State Board Staff Reports shall  
24 compare applications to the relevant review criteria under  
25 the Board's rules.

26 (17) Establish a separate set of rules and guidelines

1 for facilities licensed under the Specialized Mental  
2 Health Rehabilitation Act of 2013. An application for the  
3 re-establishment of a facility in connection with the  
4 relocation of the facility shall not be granted unless the  
5 applicant has a contractual relationship with at least one  
6 hospital to provide emergency and inpatient mental health  
7 services required by facility consumers, and at least one  
8 community mental health agency to provide oversight and  
9 assistance to facility consumers while living in the  
10 facility, and appropriate services, including case  
11 management, to assist them to prepare for discharge and  
12 reside stably in the community thereafter. No new  
13 facilities licensed under the Specialized Mental Health  
14 Rehabilitation Act of 2013 shall be established after June  
15 16, 2014 (the effective date of Public Act 98-651) except  
16 in connection with the relocation of an existing facility  
17 to a new location. An application for a new location shall  
18 not be approved unless there are adequate community  
19 services accessible to the consumers within a reasonable  
20 distance, or by use of public transportation, so as to  
21 facilitate the goal of achieving maximum individual  
22 self-care and independence. At no time shall the total  
23 number of authorized beds under this Act in facilities  
24 licensed under the Specialized Mental Health  
25 Rehabilitation Act of 2013 exceed the number of authorized  
26 beds on June 16, 2014 (the effective date of Public Act



1 98-651).

2 (18) Elect a Vice Chairman to preside over State Board  
3 meetings and otherwise act in place of the Chairman when  
4 the Chairman is unavailable.

5 (Source: P.A. 100-518, eff. 6-1-18; 100-681, eff. 8-3-18;  
6 101-83, eff. 7-15-19.)

7 (20 ILCS 3960/12.3)

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

9 Sec. 12.3. Revision of criteria, standards, and rules. At  
10 least every 2 years, the State Board shall review, revise, and  
11 update the criteria, standards, and rules used to evaluate  
12 applications for permit and exemption. The Board may appoint  
13 temporary advisory committees made up of experts with  
14 professional competence in the subject matter of the proposed  
15 standards or criteria to assist in the development of  
16 revisions to requirements, standards, and criteria. In  
17 particular, the review of the criteria, standards, and rules  
18 shall consider:

19 (1) Whether the requirements, criteria, and standards  
20 reflect current industry standards and anticipated trends.

21 (2) Whether the criteria and standards can be reduced  
22 or eliminated.

23 (3) Whether requirements, criteria, and standards can  
24 be developed to authorize the construction of unfinished  
25 space for future use when the ultimate need for such space

1 can be reasonably projected.

2 (4) Whether the criteria and standards take into  
3 account issues related to population growth, ~~and~~ changing  
4 demographics, the population covered by Medicaid, and the  
5 presence and severity of health disparities in a  
6 community, which at minimum must include consideration of  
7 disparities in healthcare access and outcomes by income,  
8 race and ethnic identity, and preferred language.

9 (5) Whether facility-defined service and planning  
10 areas should be recognized.

11 (6) Whether categories of service that are subject to  
12 review should be re-evaluated, including provisions  
13 related to structural, functional, and operational  
14 differences between long-term care facilities and acute  
15 care facilities and that allow routine changes of  
16 ownership, facility sales, and closure requests to be  
17 processed on a more timely basis.

18 (Source: P.A. 99-527, eff. 1-1-17; 100-681, eff. 8-3-18.)

19 (20 ILCS 3960/12.4)

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

21 Sec. 12.4. Hospital reduction in health care services;  
22 notice. If a hospital reduces any of the Categories of Service  
23 as outlined in Title 77, Chapter II, Part 1110 in the Illinois  
24 Administrative Code, or any other service as defined by rule  
25 by the State Board, by 50% or more according to rules adopted

1 by the State Board, then within 30 days after reducing the  
2 service, the hospital must give written notice of the  
3 reduction in service to the State Board, the Department of  
4 Public Health, and the State Senator and State Representative  
5 serving the legislative district in which the hospital is  
6 located. The State Board shall publish the notice on its  
7 website. Any party receiving notice may request a safety net  
8 impact statement, emergency medicine and trauma system impact  
9 statement, or maternal and child health impact statement, as  
10 described at: (i) subsections (c) and (d) of Section 5.4; (ii)  
11 subsections (b) and (c) of Section 5.5; and (iii) subsections  
12 (b) and (c) of Section 5.6, respectively, to be filed  
13 describing impact of the reduction in services. The State  
14 Board shall adopt rules to implement this Section, including  
15 rules that specify (i) how each health care service is  
16 defined, if not already defined in the State Board's rules,  
17 and (ii) what constitutes a reduction in service of 50% or  
18 more.

19 (Source: P.A. 100-681, eff. 8-3-18.)

20 (20 ILCS 3960/13.1) (from Ch. 111 1/2, par. 1163.1)

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

22 Sec. 13.1. Any person establishing, constructing, or  
23 modifying a health care facility or portion thereof without  
24 obtaining a required permit, or in violation of the terms of  
25 the required permit, shall not be eligible to apply for any

1 necessary operating licenses or be eligible for payment by any  
2 State agency for services rendered in that facility until the  
3 required permit is obtained. In cases of any person  
4 discontinuing a hospital facility or category of service  
5 without obtaining a required permit, or in violation of the  
6 terms of the required permit, no related person shall be  
7 eligible to apply for any necessary operating licenses nor  
8 shall any related person be eligible for payment by any State  
9 agency for services rendered until the required permit is  
10 obtained.

11 (Source: P.A. 88-18.)

12 (20 ILCS 3960/14) (from Ch. 111 1/2, par. 1164)

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

14 Sec. 14. Any person who has discontinued a hospital or a  
15 category of service at a hospital without a permit or  
16 exemption issued under this Act or in violation of the terms of  
17 such a permit or exemption is guilty of a business offense and  
18 may be fined up to \$1,000,000. Any person otherwise acquiring  
19 major medical equipment or establishing, constructing or  
20 modifying a health care facility without a permit issued under  
21 this Act or in violation of the terms of such a permit is  
22 guilty of a business offense and may be fined up to \$100,000  
23 ~~\$25,000~~. The State's Attorneys of the several counties or the  
24 Attorney General shall represent the People of the State of  
25 Illinois in proceedings under this Section. The State's

1 Attorneys of the several counties or the Attorney General may  
2 additionally maintain an action in the name of the People of  
3 the State of Illinois for injunction or other process against  
4 any person or governmental unit to restrain or prevent the  
5 acquisition of major medical equipment, or the establishment,  
6 construction or modification of a health care facility without  
7 the required permit, or to restrain or prevent the occupancy  
8 or utilization of the equipment acquired or facility which was  
9 constructed or modified without the required permit.

10 Proceedings ~~The prosecution of an offense~~ under this Section,  
11 including the prosecution of an offense, shall not prohibit  
12 the imposition of any other sanction provided under this Act.

13 (Source: P.A. 88-18.)

14 (20 ILCS 3960/14.05 new)

15 Sec. 14.05. Right of action. Any person aggrieved by a  
16 violation of this Act, due to a negative impact on their access  
17 to health care or on their health due to diminished access to  
18 health care, involving the discontinuation of a hospital or a  
19 discontinuation of a category of service at a hospital without  
20 a permit or exemption as required by this Act shall have a  
21 right of action in a State circuit court or as a supplemental  
22 claim in federal district court against an offending party. A  
23 prevailing party may recover for each violation: (i) any  
24 actual damages; (ii) an injunction or other relief as the  
25 court may deem appropriate; and (iii) reasonable attorney's

1 fees.

2 (20 ILCS 3960/14.1)

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

4 Sec. 14.1. Denial of permit; other sanctions.

5 (a) The State Board may deny an application for a permit or  
6 may revoke or take other action as permitted by this Act with  
7 regard to a permit as the State Board deems appropriate,  
8 including the imposition of fines as set forth in this  
9 Section, for any one or a combination of the following:

10 (1) The acquisition of major medical equipment without  
11 a permit or in violation of the terms of a permit.

12 (2) The establishment, construction, modification, or  
13 change of ownership of a health care facility without a  
14 permit or exemption or in violation of the terms of a  
15 permit.

16 (3) The violation of any provision of this Act or any  
17 rule adopted under this Act.

18 (4) The failure, by any person subject to this Act, to  
19 provide information requested by the State Board or Agency  
20 within 30 days after a formal written request for the  
21 information.

22 (5) The failure to pay any fine imposed under this  
23 Section within 30 days of its imposition.

24 (a-5) For facilities licensed under the ID/DD Community  
25 Care Act, no permit shall be denied on the basis of prior

1 operator history, other than for actions specified under item  
2 (2), (4), or (5) of Section 3-117 of the ID/DD Community Care  
3 Act. For facilities licensed under the MC/DD Act, no permit  
4 shall be denied on the basis of prior operator history, other  
5 than for actions specified under item (2), (4), or (5) of  
6 Section 3-117 of the MC/DD Act. For facilities licensed under  
7 the Specialized Mental Health Rehabilitation Act of 2013, no  
8 permit shall be denied on the basis of prior operator history,  
9 other than for actions specified under subsections (a) and (b)  
10 of Section 4-109 of the Specialized Mental Health  
11 Rehabilitation Act of 2013. For facilities licensed under the  
12 Nursing Home Care Act, no permit shall be denied on the basis  
13 of prior operator history, other than for: (i) actions  
14 specified under item (2), (3), (4), (5), or (6) of Section  
15 3-117 of the Nursing Home Care Act; (ii) actions specified  
16 under item (a)(6) of Section 3-119 of the Nursing Home Care  
17 Act; or (iii) actions within the preceding 5 years  
18 constituting a substantial and repeated failure to comply with  
19 the Nursing Home Care Act or the rules and regulations adopted  
20 by the Department under that Act. The State Board shall not  
21 deny a permit on account of any action described in this  
22 subsection (a-5) without also considering all such actions in  
23 the light of all relevant information available to the State  
24 Board, including whether the permit is sought to substantially  
25 comply with a mandatory or voluntary plan of correction  
26 associated with any action described in this subsection (a-5).

1 (b) Persons shall be subject to fines as provided in this  
2 subsection (b). The maximum fines imposed under this  
3 subsection (b) shall be annually adjusted and proportional  
4 with the increase in construction costs due to inflation, for  
5 major medical equipment and for all other capital  
6 expenditures. ~~as follows:~~

7 (1) A permit holder who fails to comply with the  
8 requirements of maintaining a valid permit shall be fined  
9 an amount not to exceed 1% of the approved permit amount  
10 plus an additional 1% of the approved permit amount for  
11 each 30-day period, or fraction thereof, that the  
12 violation continues.

13 (2) A permit holder who alters the scope of an  
14 approved project or whose project costs exceed the  
15 allowable permit amount without first obtaining approval  
16 from the State Board shall be fined an amount not to exceed  
17 the sum of (i) the lesser of \$40,000 ~~\$25,000~~ or 2% of the  
18 approved permit amount and (ii) in those cases where the  
19 approved permit amount is exceeded by more than  
20 \$1,000,000, an additional \$40,000 ~~\$20,000~~ for each  
21 \$1,000,000, or fraction thereof, in excess of the approved  
22 permit amount.

23 (2.5) A permit or exemption holder who fails to comply  
24 with the post-permit and reporting requirements set forth  
25 in Sections 5 and 8.5 shall be fined an amount not to  
26 exceed \$18,000 ~~\$10,000~~ plus an additional \$18,000 ~~\$10,000~~



1 for each 30-day period, or fraction thereof, that the  
2 violation continues. The accrued fine is not waived by the  
3 permit or exemption holder submitting the required  
4 information and reports. Prior to any fine beginning to  
5 accrue, the Board shall notify, in writing, a permit or  
6 exemption holder of the due date for the post-permit and  
7 reporting requirements no later than 30 days before the  
8 due date for the requirements. The exemption letter shall  
9 serve as the notice for exemptions.

10 (3) A person who acquires major medical equipment or  
11 who establishes a category of service without first  
12 obtaining a permit or exemption, as the case may be, shall  
13 be fined an amount not to exceed \$18,000 ~~\$10,000~~ for each  
14 such acquisition or category of service established plus  
15 an additional \$18,000 ~~\$10,000~~ for each 30-day period, or  
16 fraction thereof, that the violation continues.

17 (4) A person who constructs, modifies, establishes, or  
18 changes ownership of a health care facility without first  
19 obtaining a permit or exemption shall be fined an amount  
20 not to exceed \$40,000 ~~\$25,000~~ plus an additional \$40,000  
21 ~~\$25,000~~ for each 30-day period, or fraction thereof, that  
22 the violation continues.

23 (5) A person who discontinues a health care facility  
24 other than a hospital or a category of service at a health  
25 care facility other than a hospital without first  
26 obtaining a permit or exemption shall be fined an amount

1 not to exceed \$25,000 ~~\$10,000~~ plus an additional \$25,000  
2 ~~\$10,000~~ for each 30-day period, or fraction thereof, that  
3 the violation continues. For purposes of this subparagraph  
4 (5), facilities licensed under the Nursing Home Care Act,  
5 the ID/DD Community Care Act, or the MC/DD Act, with the  
6 exceptions of facilities operated by a county or Illinois  
7 Veterans Homes, are exempt from this permit requirement.  
8 However, facilities licensed under the Nursing Home Care  
9 Act, the ID/DD Community Care Act, or the MC/DD Act must  
10 comply with Section 3-423 of the Nursing Home Care Act,  
11 Section 3-423 of the ID/DD Community Care Act, or Section  
12 3-423 of the MC/DD Act and must provide the Board and the  
13 Department of Human Services with 30 days' written notice  
14 of their intent to close. Facilities licensed under the  
15 ID/DD Community Care Act or the MC/DD Act also must  
16 provide the Board and the Department of Human Services  
17 with 30 days' written notice of their intent to reduce the  
18 number of beds for a facility.

19 (5.5) A person who discontinues a hospital facility or  
20 category of service without first obtaining a permit or  
21 exemption shall be fined an amount not to exceed \$100,000  
22 plus an additional \$100,000 for each 30-day period, or  
23 fraction thereof, that the violation continues.

24 (6) A person subject to this Act who fails to provide  
25 information requested by the State Board or Agency within  
26 30 days of a formal written request shall be fined an

1 amount not to exceed \$2,000 ~~\$1,000~~ plus an additional  
2 \$2,000 ~~\$1,000~~ for each 30-day period, or fraction thereof,  
3 that the information is not received by the State Board or  
4 Agency.

5 (b-5) The State Board may accept in-kind services or  
6 donations instead of or in combination with the imposition of  
7 a fine. This authorization is limited to cases where the  
8 non-compliant individual or entity has waived the right to an  
9 administrative hearing or opportunity to appear before the  
10 Board regarding the non-compliant matter.

11 (c) Before imposing any fine authorized under this  
12 Section, the State Board shall afford the person or permit  
13 holder, as the case may be, an appearance before the State  
14 Board and an opportunity for a hearing before a hearing  
15 officer appointed by the State Board. The hearing shall be  
16 conducted in accordance with Section 10. Requests for an  
17 appearance before the State Board must be made within 30 days  
18 after receiving notice that a fine will be imposed.

19 (d) All fines collected under this Act shall be  
20 transmitted to the State Treasurer, who shall deposit them  
21 into the Illinois Health Facilities Planning Fund.

22 (e) Fines imposed under this Section shall continue to  
23 accrue until: (i) the date that the matter is referred by the  
24 State Board to the Board's legal counsel; or (ii) the date that  
25 the health care facility becomes compliant with the Act,  
26 whichever is earlier.

1 (Source: P.A. 99-114, eff. 7-23-15; 99-180, eff. 7-29-15;  
2 99-527, eff. 1-1-17; 99-642, eff. 6-28-16; 100-681, eff.  
3 8-3-18.)

4 Section 15. The Illinois Public Aid Code is amended by  
5 changing Section 5A-17 as follows:

6 (305 ILCS 5/5A-17)

7 Sec. 5A-17. Recovery of payments; liens.

8 (a) As a condition of receiving payments pursuant to  
9 subsections (d) and (k) of Section 5A-12.7 for State Fiscal  
10 Year 2021, a for-profit general acute care hospital that  
11 ceases to provide hospital services before July 1, 2021 and  
12 within 12 months of a change in the hospital's ownership  
13 status from not-for-profit to investor owned, shall be  
14 obligated to pay to the Department an amount equal to the  
15 payments received pursuant to subsections (d) and (k) of  
16 Section 5A-12.7 since the change in ownership status to the  
17 cessation of hospital services. The obligated amount shall be  
18 due immediately and must be paid to the Department within 10  
19 days of ceasing to provide services or pursuant to a payment  
20 plan approved by the Department unless the hospital requests a  
21 hearing under paragraph (d) of this Section. The obligation  
22 under this Section shall not apply to a hospital that ceases to  
23 provide services under circumstances that include:  
24 implementation of a transformation project approved by the

1 Department under subsection (d-5) of Section 14-12;  
2 emergencies as declared by federal, State, or local  
3 government; actions approved or required by federal, State, or  
4 local government; actions taken in compliance with the  
5 Illinois Health Facilities Planning Act; or other  
6 circumstances beyond the control of the hospital provider or  
7 for the benefit of the community previously served by the  
8 hospital, as determined on a case-by-case basis by the  
9 Department.

10 (a-5) As a condition of receiving payments pursuant to  
11 subsections (d) and (k) of Section 5A-12.7 for calendar year  
12 2021, a general acute care hospital that ceases to provide  
13 hospital services before January 1, 2022 shall be obligated to  
14 pay to the Department an amount equal to the payments received  
15 pursuant to subsections (d) and (k) of Section 5A-12.7 up to  
16 the cessation of hospital services. The obligated amount shall  
17 be due immediately and must be paid to the Department within 30  
18 days of ceasing to provide services, or pursuant to a payment  
19 plan approved by the Department. The obligation under this  
20 Section shall not apply to a hospital that ceases to provide  
21 services under circumstances that include: (i) implementation  
22 of a transformation project approved under subsection (d-5) of  
23 Section 14-12; (ii) emergencies as declared by federal, State,  
24 or local government; (iii) actions approved or required by  
25 federal, State, or local government; (iv) actions taken in  
26 compliance with the Illinois Health Facilities Planning Act;

1 or (v) other circumstances beyond the control of the hospital  
2 provider or for the benefit of the community previously served  
3 by the hospital, as determined on a case-by-case basis by the  
4 Department.

5 (b) The Illinois Department shall administer and enforce  
6 this Section and collect the obligations imposed under this  
7 Section using procedures employed in its administration of  
8 this Code generally. The Illinois Department, its Director,  
9 and every hospital provider subject to this Section shall have  
10 the following powers, duties, and rights:

11 (1) The Illinois Department may initiate either  
12 administrative or judicial proceedings, or both, to  
13 enforce the provisions of this Section. Administrative  
14 enforcement proceedings initiated hereunder shall be  
15 governed by the Illinois Department's administrative  
16 rules. Judicial enforcement proceedings initiated in  
17 accordance with this Section shall be governed by the  
18 rules of procedure applicable in the courts of this State.

19 (2) No proceedings for collection, refund, credit, or  
20 other adjustment of an amount payable under this Section  
21 shall be issued more than 3 years after the due date of the  
22 obligation, except in the case of an extended period  
23 agreed to in writing by the Illinois Department and the  
24 hospital provider before the expiration of this limitation  
25 period.

26 (3) Any unpaid obligation under this Section shall

1           become a lien upon the assets of the hospital. If any  
2           hospital provider sells or transfers the major part of any  
3           one or more of (i) the real property and improvements,  
4           (ii) the machinery and equipment, or (iii) the furniture  
5           or fixtures of any hospital that is subject to the  
6           provisions of this Section, the seller or transferor shall  
7           pay the Illinois Department the amount of any obligation  
8           due from it under this Section up to the date of the sale  
9           or transfer. If the seller or transferor fails to pay any  
10          amount due under this Section, the purchaser or transferee  
11          of such asset shall be liable for the amount of the  
12          obligation up to the amount of the reasonable value of the  
13          property acquired by the purchaser or transferee. The  
14          purchaser or transferee shall continue to be liable until  
15          the purchaser or transferee pays the full amount of the  
16          obligation up to the amount of the reasonable value of the  
17          property acquired by the purchaser or transferee or until  
18          the purchaser or transferee receives from the Illinois  
19          Department a certificate showing that such assessment,  
20          penalty, and interest have been paid or a certificate from  
21          the Illinois Department showing that no amount is due from  
22          the seller or transferor under this Section.

23          (c) In addition to any other remedy provided for, the  
24          Illinois Department may collect an unpaid obligation by  
25          withholding, as payment of the amount due, reimbursements or  
26          other amounts otherwise payable by the Illinois Department to

1 the hospital provider.

2 (Source: P.A. 101-650, eff. 7-7-20.)

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