



Rep. Denyse Wang Stoneback

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10200HB4662ham001

LRB102 23617 CPF 35891 a

1 AMENDMENT TO HOUSE BILL 4662

2 AMENDMENT NO. _____. Amend House Bill 4662 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Nursing Home Care Act is amended by adding
5 Section 3-305.10 as follows:

6 (210 ILCS 45/3-305.10 new)

7 Sec. 3-305.10. Rental data disclosure; facility cost
8 report.

9 (a) In this Section:

10 "Real estate partnership" means any combination of
11 domestic or foreign corporations, limited liability companies,
12 limited liability partnerships, subsidiaries, management
13 companies, general partnerships, sole proprietorships, limited
14 liability partnership, or any other legal entity recognized
15 under Illinois law that hold real estate together.

16 "Related business entity" means one of 2 or more entities

1 where:

2 (1) the entities have (i) significant common purposes
3 and substantial common membership or (ii) directly or
4 indirectly substantial common direction or control;

5 (2) either entity owns, directly or through one or
6 more entities, a 50% or greater interest in the capital or
7 profits of the other;

8 (3) the entities share a real estate partnership; or

9 (4) the owner or operator of either entity has a
10 familial relationship or is a related party to a person
11 who is an owner or operator of another entity.

12 "Related party" includes a person's parent, step-parent,
13 child, spouse, sibling, cousin, or other family member.

14 (b) A for-profit facility licensed under this Act shall
15 disclose, with each cost report filed with the Department of
16 Healthcare and Family Services, data regarding the lease or
17 rental of the facility by a related business entity that owns
18 the facility to a business operating the facility in any cost
19 report submitted by the facility to the State. The data shall
20 include the following:

21 (1) Any new company created by an investor or a
22 related party of an investor in the facility to hold a real
23 estate asset of the facility, including the value of any
24 building on the real estate, the value of the real
25 property itself, and the value of the company itself.

26 (2) Information regarding the rental or provision of

1 ventilators, pharmaceutical supplies, ambulances,
2 management and professional services, or payroll services
3 to any facility that is leased or rented by the facility's
4 property owner, business owner, or a related party of a
5 property owner or business owner. This information
6 includes, but is not limited to, the following:

7 (A) General services, such as dietary,
8 housekeeping, laundry, or maintenance services.

9 (B) Health care and program services, such as the
10 facility's medical director, nursing and medical
11 records, therapy, activities, certified nursing
12 assistant training, program transportation, and
13 special services.

14 (C) General administration services, such as
15 professional services, payroll services, clerical and
16 general office services, data processing, in-service
17 training and education, staff and resident
18 transportation, consulting services, project manager
19 services, and associated services.

20 (D) Capital expenses and services, such as
21 facility rent, leases, grounds, equipment, supplies,
22 and vehicles.

23 (E) Ancillary expenses.

24 (F) Contractual services, such as lobbying
25 services.

26 (3) Detailed information on any declaration of

1 bankruptcy, as well as any sale of any privately or
2 publicly held real estate to a real estate investor,
3 investment trust, or private equity firm. This information
4 includes, but is not limited to, the following:

5 (A) Any required filings by a board of trustees
6 under any other law and disclosure of the names of the
7 president, leadership board, and members of the
8 corporation, limited liability company, limited
9 liability partnership, subsidiary, management company,
10 general partnership, sole proprietorship, limited
11 liability partnership, or other legal entity
12 recognized under any State or federal law or rule.

13 (B) Documentation that includes, but is not
14 limited to, annual filings with the Secretary of State
15 and any relevant federal filings.

16 (C) Identification of entities that have either a
17 significant ownership interest, meaning greater than
18 5%, in the facility or that play an important role in
19 the facility's management, financing, or operation.

20 (4) Details of any private equity backing of the
21 facility.

22 (5) All income and expenses related to the business
23 entity in question, from gross and net revenues to gross
24 and net expenses, including, but not limited to, any
25 expenses paid to management companies regarding the real
26 property.

1 (6) In a form that protects the privacy rights of
2 residents, the facility's spending relating to Medicaid
3 and Medicare and the amounts of State and federal funds
4 received or spent by the facility.

5 (c) The disclosure required under subsection (b) shall be
6 filed with the Department of Healthcare and Family Services'
7 Bureau of Health Finance within 90 days after the end of each
8 fiscal year.

9 (d) This Section only applies to a facility that is leased
10 or rented by its owner to a related party of the owner."