



103RD GENERAL ASSEMBLY

State of Illinois

2023 and 2024

HB2375

Introduced 2/14/2023, by Rep. Jennifer Gong-Gershowitz

SYNOPSIS AS INTRODUCED:

210 ILCS 40/2

from Ch. 111 1/2, par. 4160-2

210 ILCS 40/13 new

Amends the Life Care Facilities Act. Defines "governing body", "proposed action", and "residents' association". Provides that a resident of a life care facility has the right to organize and participate in a residents' association. Prohibits reprisal by a provider for various actions taken by a residents' association. Requires a provider's governing body to hold annual meetings on and after July 1, 2023 at each of the provider's facilities located in the State for open discussion of specified subjects. Directs providers to make statements of financial activities for the facility and a written explanation of all material variances of actual costs with budget costs calculated in the statements of financial activities on and after January 1, 2024. Requires the Department of Public Health to ensure that providers comply with the provisions. Contains requirements for notice of noncompliance. Requires providers to cure noncompliance within 30 days after being notified by the Department. Contains other provisions. Effective immediately.

LRB103 25507 CPF 51856 b

1 AN ACT concerning regulation.

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

4 Section 5. The Life Care Facilities Act is amended by
5 changing Section 2 and by adding Section 13 as follows:

6 (210 ILCS 40/2) (from Ch. 111 1/2, par. 4160-2)

7 Sec. 2. As used in this Act, unless the context otherwise
8 requires:

9 (a) "Department" means the Department of Public Health.

10 (b) "Director" means the Director of the Department.

11 (c) "Life care contract" means a contract to provide to a
12 person for the duration of such person's life or for a term in
13 excess of one year, nursing services, medical services or
14 personal care services, in addition to maintenance services
15 for such person in a facility, conditioned upon the transfer
16 of an entrance fee to the provider of such services in addition
17 to or in lieu of the payment of regular periodic charges for
18 the care and services involved.

19 (d) "Provider" means a person who provides services
20 pursuant to a life care contract.

21 (e) "Resident" means a person who enters into a life care
22 contract with a provider, or who is designated in a life care
23 contract to be a person provided with maintenance and nursing,

1 medical or personal care services.

2 (f) "Facility" means a place or places in which a provider
3 undertakes to provide a resident with nursing services,
4 medical services or personal care services, in addition to
5 maintenance services for a term in excess of one year or for
6 life pursuant to a life care contract. The term also means a
7 place or places in which a provider undertakes to provide such
8 services to a non-resident.

9 (g) "Living unit" means an apartment, room or other area
10 within a facility set aside for the exclusive use of one or
11 more identified residents.

12 (h) "Entrance fee" means an initial or deferred transfer
13 to a provider of a sum of money or property, made or promised
14 to be made by a person entering into a life care contract,
15 which assures a resident of services pursuant to a life care
16 contract.

17 (i) "Permit" means a written authorization to enter into
18 life care contracts issued by the Department to a provider.

19 (j) "Medical services" means those services pertaining to
20 medical or dental care that are performed in behalf of
21 patients at the direction of a physician licensed under the
22 Medical Practice Act of 1987 or a dentist licensed under the
23 Illinois Dental Practice Act by such physicians or dentists,
24 or by a registered or licensed practical nurse as defined in
25 the Nurse Practice Act or by other professional and technical
26 personnel.

1 (k) "Nursing services" means those services pertaining to
2 the curative, restorative and preventive aspects of nursing
3 care that are performed at the direction of a physician
4 licensed under the Medical Practice Act of 1987 by or under the
5 supervision of a registered or licensed practical nurse as
6 defined in the Nurse Practice Act.

7 (l) "Personal care services" means assistance with meals,
8 dressing, movement, bathing or other personal needs or
9 maintenance, or general supervision and oversight of the
10 physical and mental well-being of an individual, who is
11 incapable of maintaining a private, independent residence or
12 who is incapable of managing his person whether or not a
13 guardian has been appointed for such individual.

14 (m) "Maintenance services" means food, shelter and laundry
15 services.

16 (n) "Certificates of Need" means those permits issued
17 pursuant to the Illinois Health Facilities Planning Act as now
18 or hereafter amended.

19 (o) "Non-resident" means a person admitted to a facility
20 who has not entered into a life care contract.

21 (p) "Governing body" means the board of directors or other
22 body having the power to direct the management and policies of
23 a facility operated by a provider that is a corporation,
24 partnership, trust, or limited liability company.

25 (q) "Proposed action" means a decision for which a vote is
26 taken by a governing body and that is related to budget

1 approvals or amendments, changes to fees paid by residents,
2 and contracts for services provided to existing residents.

3 (r) "Residents' association" means a group, committee,
4 council, or other body of residents formed as a nonprofit
5 corporation, cooperative corporation, or other entity or
6 organization that represents the interests of at least a
7 majority of the facility's residents.

8 (Source: P.A. 95-639, eff. 10-5-07.)

9 (210 ILCS 40/13 new)

10 Sec. 13. Residents' associations.

11 (a) A resident has the right to organize and participate
12 in a residents' association. Reprisal by a provider is not
13 permitted in response to a residents' association's
14 activities, including, but not limited to, efforts to form a
15 residents' association, to participate in a residents'
16 association, or to submit a complaint to the Department
17 regarding a provider's violation of this Section or any other
18 State or federal law.

19 (b) On and after July 1, 2023, a representative of a
20 provider's governing body must hold an annual meeting at each
21 of the provider's facilities located in the State for open
22 discussion of subjects, including, but not limited to, the
23 facility's income, expenditures, and financial trends; issues
24 affecting the continuing care offered by the retirement
25 community; and proposed changes in retirement community

1 policies, programs, and services. Annual meetings required
2 under this subsection shall be held with the facility's
3 residents' association, if one exists, or the residents of the
4 facility. Notice of a meeting under this subsection shall be
5 provided to residents of the respective facility no later than
6 30 days before the meeting. Any meeting required under this
7 subsection may be held by electronic means, such as by
8 teleconference, video conference, distribution of a video made
9 available to residents, or an Internet-based meeting platform
10 allowing for resident questions, the ability to interact with
11 the meeting's presenter, or both. If a provider does not have a
12 governing body, the requirements of this subsection shall be
13 fulfilled by the provider's officer, trustee, owner, or agent.
14 Nothing in this Section precludes a provider from taking
15 action or making a decision at any time without regard to the
16 meetings required under this Section.

17 (c) On and after January 1, 2024, within 60 days after
18 being requested by a residents' association or a committee of
19 the residents' association, a provider shall make available to
20 the residents' association of each facility operated by the
21 provider within the State:

22 (1) no more frequently than quarterly, a statement of
23 financial activities for the facility, which shall
24 include, but shall not be limited to, a comparison of
25 actual costs to budgeted costs, broken down by expense
26 category and calculated at an annual meeting held under

1 subsection (b); and

2 (2) a written explanation of all material variances of
3 actual costs with budget costs calculated under paragraph
4 (1).

5 A provider shall designate and make available personnel at
6 each of its facilities located in the State to fulfill the
7 requirements of this subsection.

8 (d) The Department shall ensure that providers comply with
9 this Section. If a provider does not comply with this Section,
10 the Department shall provide written notice to the provider of
11 the noncompliance and the provider shall cure the
12 noncompliance within 30 days after receiving the notice from
13 the Department.

14 Section 99. Effective date. This Act takes effect upon
15 becoming law.