

1 AN ACT concerning health.

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

4 Section 5. The Department of Public Health Powers and
5 Duties Law of the Civil Administrative Code of Illinois is
6 amended by adding Section 2310-70 as follows:

7 (20 ILCS 2310/2310-70 new)

8 Sec. 2310-70. Establish areawide health planning
9 organizations. The Department shall assist communities and
10 regions throughout the State to establish areawide health
11 planning organizations and, in particular, shall assist these
12 organizations to develop health care facilities planning that
13 meets the criteria for recognition. Areawide health planning
14 organizations may be recognized to do health facilities
15 planning by providing this component of health planning
16 within the organization or by contracting with a
17 special-purpose health planning organization that meets the
18 criteria for health facilities planning.

19 Recognition of these organizations with regard to health
20 facilities planning, including establishment of the criteria
21 for recognition, is the responsibility of the Department.

22 The Department is authorized to make grants-in-aid or to
23 furnish direct services to organizations in the development
24 of health facilities planning capability, as a part of other
25 financial and service assistance that the Department is
26 empowered and required to provide in support of health
27 planning organizations.

28 Section 10. The Illinois Health Facilities Planning Act
29 is amended by changing Section 8 as follows:

(20 ILCS 3960/8) (from Ch. 111 1/2, par. 1158)

(Section scheduled to be repealed on July 1, 2003)

Sec. 8. ~~The Agency shall assist communities and regions throughout the State to establish areawide health planning organizations and, in particular, shall assist such organizations to develop health care facilities planning which meets the criteria for recognition thereof. Areawide health planning organizations may be recognized to do health facilities planning by providing this component of health planning within the organization or by contracting with a special purpose health planning organization that meets the criteria for health facilities planning.~~

~~Recognition of these organizations with regard to health facilities planning, including establishment of the criteria for such recognition, shall be the responsibility of the State Board, as provided elsewhere in this Act.~~

~~The Agency is authorized to make grants in aid or to furnish direct services to organizations in the development of health facilities planning capability, as a part of other financial and service assistance which the Agency is empowered and required to provide in support of health planning organizations.~~

Upon receipt of an application for a permit to establish, construct or modify a health care facility, the Agency shall notify the applicant in writing within 10 working days either that the application is complete or the reasons why the application is not complete. If the application is complete, the Agency shall notify affected persons of the beginning of a review and the review time cycle for the purposes of this Act shall begin on the date this notification is mailed.

Upon notifying affected persons of the beginning of a review of an application for a permit, a complete copy of such application shall be transmitted to the areawide health planning organization serving the area or community where the

1 health care facility or major medical equipment is proposed
2 to be acquired, established, constructed or modified. The
3 Agency shall also transmit a complete copy of such
4 application to any reasonably contiguous areawide health
5 planning organization. The Agency shall afford a reasonable
6 time as established by the State Board, but not to exceed 120
7 days in length, for the areawide planning organizations'
8 review of the application. After reviewing the application,
9 each recognized areawide planning organization shall certify
10 its findings to the State Board as to whether or not the
11 application is approved or disapproved in accordance with
12 standards, criteria or plans of need adopted and approved by
13 the recognized areawide health planning organization pursuant
14 to its recognition by the State Board for health care
15 facilities planning. The 120-day period shall begin on the
16 day the application is found to be substantially complete, as
17 that term is defined by the State Board. During such 120-day
18 period, the applicant may request an extension. An applicant
19 may modify the application at any time prior to a final
20 administrative decision on the application.

21 Upon its receipt of an application, the areawide health
22 planning organization or the Agency, as the case may be, may
23 submit a copy of such application to the federally-recognized
24 professional standards review organization, if any, and
25 appropriate local health planning organization, if any,
26 existing in the area where the proposed project is to occur.
27 Such organizations may review the application for a permit
28 and submit, within 30 days from the receipt of the
29 application, a finding to the agency or to the areawide
30 health planning organization, as the case may be. A review
31 and finding by a federally-recognized professional standards
32 review organization must be relevant to the activities for
33 which such organization is recognized, and shall be
34 considered by the Agency or the areawide health planning

1 organization, as the case may be, in its review of the
2 application.

3 The State Board shall prescribe and provide the forms
4 upon which the review and finding of the organization shall
5 be made. The recognized areawide health planning
6 organizations shall submit their review and finding to the
7 Agency for its finding on the application and transmittal to
8 the State Board for its consideration of denial or approval.

9 If there is no areawide health planning organization in
10 the area where the proposed establishment, construction or
11 modification of a health care facility is to occur, then the
12 Agency shall be afforded a reasonable time, but not to exceed
13 120 days, for its review and finding thereon. The Agency
14 shall submit its review and finding to the State Board for
15 its approval or denial of the permit.

16 When an application for a permit is initially reviewed by
17 a recognized areawide health planning organization or the
18 Agency, as herein provided, the organization or the Agency,
19 as the case may be, shall afford an opportunity for a public
20 hearing within a reasonable time after receipt of the
21 complete application, not to exceed 90 days. Notice of such
22 hearing shall be made promptly by certified mail to the
23 applicant and, within 10 days of the hearing, by publication
24 in a newspaper of general circulation in the area or
25 community to be affected. Such hearing shall be conducted in
26 the area or community where the proposed project is to occur,
27 and shall be for the purpose of allowing the applicant and
28 any interested person to present public testimony concerning
29 the approval, denial, renewal or revocation of the permit.
30 All interested persons attending such hearing shall be given
31 reasonable opportunity to present their views or arguments in
32 writing or orally, and a record of all such testimony shall
33 accompany any recommendation of the Agency or the recognized
34 areawide health planning organization for the issuance,

1 denial, revocation or renewal of a permit to the State Board.
2 The State Board shall promulgate reasonable rules and
3 regulations governing the procedure and conduct of such
4 hearings.

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

6 (20 ILCS 3960/12.1 rep.)

7 Section 15. The Illinois Health Facilities Planning Act
8 is amended by repealing Section 12.1.

9 Section 20. The Health Care Worker Self-Referral Act is
10 amended by changing Sections 5, 15, and 30 as follows:

11 (225 ILCS 47/5)

12 Sec. 5. Legislative intent. The General Assembly
13 recognizes that patient referrals by health care workers for
14 health services to an entity in which the referring health
15 care worker has an investment interest may present a
16 potential conflict of interest. The General Assembly finds
17 that these referral practices may limit or completely
18 eliminate competitive alternatives in the health care market.
19 In some instances, these referral practices may expand and
20 improve care or may make services available which were
21 previously unavailable. They may also provide lower cost
22 options to patients or increase competition. Generally,
23 referral practices are positive occurrences. However,
24 self-referrals may result in over utilization of health
25 services, increased overall costs of the health care systems,
26 and may affect the quality of health care.

27 It is the intent of the General Assembly to provide
28 guidance to health care workers regarding acceptable patient
29 referrals, to prohibit patient referrals to entities
30 providing health services in which the referring health care
31 worker has an investment interest, and to protect the

1 citizens of Illinois from unnecessary and costly health care
2 expenditures.

3 Recognizing the need for flexibility to quickly respond
4 to changes in the delivery of health services, to avoid
5 results beyond the limitations on self referral provided
6 under this Act and to provide minimal disruption to the
7 appropriate delivery of health care, the Health--Facilities
8 Planning Board shall be exclusively and solely authorized to
9 implement and interpret this Act through adopted rules.

10 The General Assembly recognizes that changes in delivery
11 of health care has resulted in various methods by which
12 health care workers practice their professions. It is not
13 the intent of the General Assembly to limit appropriate
14 delivery of care, nor force unnecessary changes in the
15 structures created by workers for the health and convenience
16 of their patients.

17 (Source: P.A. 87-1207.)

18 (225 ILCS 47/15)

19 Sec. 15. Definitions. In this Act:

20 (a) "Board" means, before the effective date of this
21 amendatory Act of the 93rd General Assembly, the Health
22 Facilities Planning Board. On and after the effective date of
23 this amendatory Act of the 93rd General Assembly, "Board"
24 means the Illinois Department of Public Health.

25 (b) "Entity" means any individual, partnership, firm,
26 corporation, or other business that provides health services
27 but does not include an individual who is a health care
28 worker who provides professional services to an individual.

29 (c) "Group practice" means a group of 2 or more health
30 care workers legally organized as a partnership, professional
31 corporation, not-for-profit corporation, faculty practice
32 plan or a similar association in which:

33 (1) each health care worker who is a member or

1 employee or an independent contractor of the group
2 provides substantially the full range of services that
3 the health care worker routinely provides, including
4 consultation, diagnosis, or treatment, through the use of
5 office space, facilities, equipment, or personnel of the
6 group;

7 (2) the services of the health care workers are
8 provided through the group, and payments received for
9 health services are treated as receipts of the group; and

10 (3) the overhead expenses and the income from the
11 practice are distributed by methods previously determined
12 by the group.

13 (d) "Health care worker" means any individual licensed
14 under the laws of this State to provide health services,
15 including but not limited to: dentists licensed under the
16 Illinois Dental Practice Act; dental hygienists licensed
17 under the Illinois Dental Practice Act; nurses and advanced
18 practice nurses licensed under the Nursing and Advanced
19 Practice Nursing Act; occupational therapists licensed under
20 the Illinois Occupational Therapy Practice Act; optometrists
21 licensed under the Illinois Optometric Practice Act of 1987;
22 pharmacists licensed under the Pharmacy Practice Act of 1987;
23 physical therapists licensed under the Illinois Physical
24 Therapy Act; physicians licensed under the Medical Practice
25 Act of 1987; physician assistants licensed under the
26 Physician Assistant Practice Act of 1987; podiatrists
27 licensed under the Podiatric Medical Practice Act of 1987;
28 clinical psychologists licensed under the Clinical
29 Psychologist Licensing Act; clinical social workers licensed
30 under the Clinical Social Work and Social Work Practice Act;
31 speech-language pathologists and audiologists licensed under
32 the Illinois Speech-Language Pathology and Audiology Practice
33 Act; or hearing instrument dispensers licensed under the
34 Hearing Instrument Consumer Protection Act, or any of their

1 successor Acts.

2 (e) "Health services" means health care procedures and
3 services provided by or through a health care worker.

4 (f) "Immediate family member" means a health care
5 worker's spouse, child, child's spouse, or a parent.

6 (g) "Investment interest" means an equity or debt
7 security issued by an entity, including, without limitation,
8 shares of stock in a corporation, units or other interests in
9 a partnership, bonds, debentures, notes, or other equity
10 interests or debt instruments except that investment interest
11 for purposes of Section 20 does not include interest in a
12 hospital licensed under the laws of the State of Illinois.

13 (h) "Investor" means an individual or entity directly or
14 indirectly owning a legal or beneficial ownership or
15 investment interest, (such as through an immediate family
16 member, trust, or another entity related to the investor).

17 (i) "Office practice" includes the facility or
18 facilities at which a health care worker, on an ongoing
19 basis, provides or supervises the provision of professional
20 health services to individuals.

21 (j) "Referral" means any referral of a patient for
22 health services, including, without limitation:

23 (1) The forwarding of a patient by one health care
24 worker to another health care worker or to an entity
25 outside the health care worker's office practice or group
26 practice that provides health services.

27 (2) The request or establishment by a health care
28 worker of a plan of care outside the health care worker's
29 office practice or group practice that includes the
30 provision of any health services.

31 (Source: P.A. 89-72, eff. 12-31-95; 90-742, eff. 8-13-98.)

32 (225 ILCS 47/30)

33 Sec. 30. Rulemaking. The Health--Facilities-Planning

1 Board shall exclusively and solely implement the provisions
2 of this Act pursuant to rules adopted in accordance with the
3 Illinois Administrative Procedure Act concerning, but not
4 limited to:

5 (a) Standards and procedures for the administration of
6 this Act.

7 (b) Procedures and criteria for exceptions from the
8 prohibitions set forth in Section 20.

9 (c) Procedures and criteria for determining practical
10 compliance with the needs and alternative investor criteria
11 in Section 20.

12 (d) Procedures and criteria for determining when a
13 written request for an opinion set forth in Section 20 is
14 complete.

15 (e) Procedures and criteria for advising health care
16 workers of the applicability of this Act to practices
17 pursuant to written requests.

18 (Source: P.A. 87-1207.)

19 Section 99. Effective date. This Act takes effect upon
20 becoming law.