

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 Alternative Health Care Delivery Act is
5 amended by changing Section 30 as follows:

6 (210 ILCS 3/30)

7 Sec. 30. Demonstration program requirements. The
8 requirements set forth in this Section shall apply to
9 demonstration programs.

10 (a) There shall be no more than:

11 (i) 3 subacute care hospital alternative health care
12 models in the City of Chicago (one of which shall be
13 located on a designated site and shall have been licensed
14 as a hospital under the Illinois Hospital Licensing Act
15 within the 10 years immediately before the application for
16 a license);

17 (ii) 2 subacute care hospital alternative health care
18 models in the demonstration program for each of the
19 following areas:

20 (1) Cook County outside the City of Chicago.

21 (2) DuPage, Kane, Lake, McHenry, and Will
22 Counties.

23 (3) Municipalities with a population greater than

1 50,000 not located in the areas described in item (i)
2 of subsection (a) and paragraphs (1) and (2) of item
3 (ii) of subsection (a); and
4 (iii) 4 subacute care hospital alternative health care
5 models in the demonstration program for rural areas.

6 In selecting among applicants for these licenses in rural
7 areas, the Health Facilities Planning Board and the Department
8 shall give preference to hospitals that may be unable for
9 economic reasons to provide continued service to the community
10 in which they are located unless the hospital were to receive
11 an alternative health care model license.

12 (a-5) There shall be no more than a total of 12
13 postsurgical recovery care center alternative health care
14 models in the demonstration program, located as follows:

15 (1) Two in the City of Chicago.

16 (2) Two in Cook County outside the City of Chicago. At
17 least one of these shall be owned or operated by a hospital
18 devoted exclusively to caring for children.

19 (3) Two in Kane, Lake, and McHenry Counties.

20 (4) Four in municipalities with a population of 50,000
21 or more not located in the areas described in paragraphs
22 (1), (2), and (3), 3 of which shall be owned or operated by
23 hospitals, at least 2 of which shall be located in counties
24 with a population of less than 175,000, according to the
25 most recent decennial census for which data are available,
26 and one of which shall be owned or operated by an

1 ambulatory surgical treatment center.

2 (5) Two in rural areas, both of which shall be owned or
3 operated by hospitals.

4 There shall be no postsurgical recovery care center
5 alternative health care models located in counties with
6 populations greater than 600,000 but less than 1,000,000. A
7 proposed postsurgical recovery care center must be owned or
8 operated by a hospital if it is to be located within, or will
9 primarily serve the residents of, a health service area in
10 which more than 60% of the gross patient revenue of the
11 hospitals within that health service area are derived from
12 Medicaid and Medicare, according to the most recently available
13 calendar year data from the Illinois Health Care Cost
14 Containment Council. Nothing in this paragraph shall preclude a
15 hospital and an ambulatory surgical treatment center from
16 forming a joint venture or developing a collaborative agreement
17 to own or operate a postsurgical recovery care center.

18 (a-10) There shall be no more than a total of 9 ~~8~~
19 children's respite care center alternative health care models
20 in the demonstration program, which shall be located as
21 follows:

22 (1) Two ~~One~~ in the City of Chicago.

23 (2) One in Cook County outside the City of Chicago.

24 (3) A total of 2 in the area comprised of DuPage, Kane,
25 Lake, McHenry, and Will counties.

26 (4) A total of 2 in municipalities with a population of

1 50,000 or more and not located in the areas described in
2 paragraphs (1), (2), or (3).

3 (5) A total of 2 in rural areas, as defined by the
4 Health Facilities Planning Board.

5 No more than one children's respite care model owned and
6 operated by a licensed skilled pediatric facility shall be
7 located in each of the areas designated in this subsection
8 (a-10).

9 (a-15) There shall be an authorized community-based
10 residential rehabilitation center alternative health care
11 model in the demonstration program. The community-based
12 residential rehabilitation center shall be located in the area
13 of Illinois south of Interstate Highway 70.

14 (a-20) There shall be an authorized Alzheimer's disease
15 management center alternative health care model in the
16 demonstration program. The Alzheimer's disease management
17 center shall be located in Will County, owned by a
18 not-for-profit entity, and endorsed by a resolution approved by
19 the county board before the effective date of this amendatory
20 Act of the 91st General Assembly.

21 (a-25) There shall be no more than 10 birth center
22 alternative health care models in the demonstration program,
23 located as follows:

24 (1) Four in the area comprising Cook, DuPage, Kane,
25 Lake, McHenry, and Will counties, one of which shall be
26 owned or operated by a hospital and one of which shall be

1 owned or operated by a federally qualified health center.

2 (2) Three in municipalities with a population of 50,000
3 or more not located in the area described in paragraph (1)
4 of this subsection, one of which shall be owned or operated
5 by a hospital and one of which shall be owned or operated
6 by a federally qualified health center.

7 (3) Three in rural areas, one of which shall be owned
8 or operated by a hospital and one of which shall be owned
9 or operated by a federally qualified health center.

10 The first 3 birth centers authorized to operate by the
11 Department shall be located in or predominantly serve the
12 residents of a health professional shortage area as determined
13 by the United States Department of Health and Human Services.
14 There shall be no more than 2 birth centers authorized to
15 operate in any single health planning area for obstetric
16 services as determined under the Illinois Health Facilities
17 Planning Act. If a birth center is located outside of a health
18 professional shortage area, (i) the birth center shall be
19 located in a health planning area with a demonstrated need for
20 obstetrical service beds, as determined by the Illinois Health
21 Facilities Planning Board or (ii) there must be a reduction in
22 the existing number of obstetrical service beds in the planning
23 area so that the establishment of the birth center does not
24 result in an increase in the total number of obstetrical
25 service beds in the health planning area.

26 (b) Alternative health care models, other than a model

1 authorized under subsection (a-10) or subsection (a-20), shall
2 obtain a certificate of need from the Illinois Health
3 Facilities Planning Board under the Illinois Health Facilities
4 Planning Act before receiving a license by the Department. If,
5 after obtaining its initial certificate of need, an alternative
6 health care delivery model that is a community based
7 residential rehabilitation center seeks to increase the bed
8 capacity of that center, it must obtain a certificate of need
9 from the Illinois Health Facilities Planning Board before
10 increasing the bed capacity. Alternative health care models in
11 medically underserved areas shall receive priority in
12 obtaining a certificate of need.

13 (c) An alternative health care model license shall be
14 issued for a period of one year and shall be annually renewed
15 if the facility or program is in substantial compliance with
16 the Department's rules adopted under this Act. A licensed
17 alternative health care model that continues to be in
18 substantial compliance after the conclusion of the
19 demonstration program shall be eligible for annual renewals
20 unless and until a different licensure program for that type of
21 health care model is established by legislation. The Department
22 may issue a provisional license to any alternative health care
23 model that does not substantially comply with the provisions of
24 this Act and the rules adopted under this Act if (i) the
25 Department finds that the alternative health care model has
26 undertaken changes and corrections which upon completion will

1 render the alternative health care model in substantial
2 compliance with this Act and rules and (ii) the health and
3 safety of the patients of the alternative health care model
4 will be protected during the period for which the provisional
5 license is issued. The Department shall advise the licensee of
6 the conditions under which the provisional license is issued,
7 including the manner in which the alternative health care model
8 fails to comply with the provisions of this Act and rules, and
9 the time within which the changes and corrections necessary for
10 the alternative health care model to substantially comply with
11 this Act and rules shall be completed.

12 (d) Alternative health care models shall seek
13 certification under Titles XVIII and XIX of the federal Social
14 Security Act. In addition, alternative health care models shall
15 provide charitable care consistent with that provided by
16 comparable health care providers in the geographic area.

17 (d-5) The Department of Healthcare and Family Services
18 (formerly Illinois Department of Public Aid), in cooperation
19 with the Illinois Department of Public Health, shall develop
20 and implement a reimbursement methodology for all facilities
21 participating in the demonstration program. The Department of
22 Healthcare and Family Services shall keep a record of services
23 provided under the demonstration program to recipients of
24 medical assistance under the Illinois Public Aid Code and shall
25 submit an annual report of that information to the Illinois
26 Department of Public Health.

1 (e) Alternative health care models shall, to the extent
2 possible, link and integrate their services with nearby health
3 care facilities.

4 (f) Each alternative health care model shall implement a
5 quality assurance program with measurable benefits and at
6 reasonable cost.

7 (Source: P.A. 95-331, eff. 8-21-07; 95-445, eff. 1-1-08.)

8 Section 99. Effective date. This Act takes effect upon
9 becoming law.