



Rep. Mary E. Flowers

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1 AMENDMENT TO HOUSE BILL 1715

2 AMENDMENT NO. _____. Amend House Bill 1715 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The State Finance Act is amended by adding
5 Section 5.786 as follows:

6 (30 ILCS 105/5.786 new)

7 Sec. 5.786. The Hospital Licensure Fund.

8 Section 10. The Hospital Licensing Act is amended by
9 changing Sections 5 and 6 and by adding Section 14.5 as
10 follows:

11 (210 ILCS 85/5) (from Ch. 111 1/2, par. 146)

12 Sec. 5. (a) An application for a permit to establish a
13 hospital shall be made to the Department upon forms provided by
14 it. This application shall contain such information as the

1 Department reasonably requires, which shall include
2 affirmative evidence on which the Director may make the
3 findings required under Section 6a of this Act.

4 (b) An application for a license to open, conduct, operate,
5 and maintain a hospital shall be made to the Department upon
6 forms provided by it, accompanied by a license fee of \$30 per
7 bed, provided that a lesser amount may be established by
8 administrative rule of the Department, if the Department, in
9 consultation with the Department of Healthcare and Family
10 Services, determines that \$30 per bed would exceed the
11 limitations on health care-related taxes imposed by 42 U.S.C.
12 1396b(w) that, if violated, would result in reductions to the
13 amount of federal financial participation received by the State
14 for Medicaid expenditures, and shall contain such information
15 as the Department reasonably requires, which may include
16 affirmative evidence of ability to comply with the provisions
17 of this Act and the standards, rules, and regulations,
18 promulgated by virtue thereof.

19 (c) All applications required under this Section shall be
20 signed by the applicant and shall be verified. Applications on
21 behalf of a corporation or association or a governmental unit
22 or agency shall be made and verified by any two officers
23 thereof.

24 (Source: Laws 1965, p. 2350.)

1 Sec. 6. (a) Upon receipt of an application for a permit to
2 establish a hospital the Director shall issue a permit if he
3 finds (1) that the applicant is fit, willing, and able to
4 provide a proper standard of hospital service for the community
5 with particular regard to the qualification, background, and
6 character of the applicant, (2) that the financial resources
7 available to the applicant demonstrate an ability to construct,
8 maintain, and operate a hospital in accordance with the
9 standards, rules, and regulations adopted pursuant to this Act,
10 and (3) that safeguards are provided which assure hospital
11 operation and maintenance consistent with the public interest
12 having particular regard to safe, adequate, and efficient
13 hospital facilities and services.

14 The Director may request the cooperation of county and
15 multiple-county health departments, municipal boards of
16 health, and other governmental and non-governmental agencies
17 in obtaining information and in conducting investigations
18 relating to such applications.

19 A permit to establish a hospital shall be valid only for
20 the premises and person named in the application for such
21 permit and shall not be transferable or assignable.

22 In the event the Director issues a permit to establish a
23 hospital the applicant shall thereafter submit plans and
24 specifications to the Department in accordance with Section 8
25 of this Act.

26 (b) Upon receipt of an application for license to open,

1 conduct, operate, and maintain a hospital, the Director shall
2 issue a license if he finds the applicant and the hospital
3 facilities comply with standards, rules, and regulations
4 promulgated under this Act. A license, unless sooner suspended
5 or revoked, shall be renewable annually upon approval by the
6 Department and payment of a license fee as established pursuant
7 to Section 5 of this Act. Each license shall be issued only for
8 the premises and persons named in the application and shall not
9 be transferable or assignable. Licenses shall be posted in a
10 conspicuous place on the licensed premises. The Department may,
11 either before or after the issuance of a license, request the
12 cooperation of the State Fire Marshal, county and multiple
13 county health departments, or municipal boards of health to
14 make investigations to determine if the applicant or licensee
15 is complying with the minimum standards prescribed by the
16 Department. The report and recommendations of any such agency
17 shall be in writing and shall state with particularity its
18 findings with respect to compliance or noncompliance with such
19 minimum standards, rules, and regulations.

20 The Director may issue a provisional license to any
21 hospital which does not substantially comply with the
22 provisions of this Act and the standards, rules, and
23 regulations promulgated by virtue thereof provided that he
24 finds that such hospital has undertaken changes and corrections
25 which upon completion will render the hospital in substantial
26 compliance with the provisions of this Act, and the standards,

1 rules, and regulations adopted hereunder, and provided that the
2 health and safety of the patients of the hospital will be
3 protected during the period for which such provisional license
4 is issued. The Director shall advise the licensee of the
5 conditions under which such provisional license is issued,
6 including the manner in which the hospital facilities fail to
7 comply with the provisions of the Act, standards, rules, and
8 regulations, and the time within which the changes and
9 corrections necessary for such hospital facilities to
10 substantially comply with this Act, and the standards, rules,
11 and regulations of the Department relating thereto shall be
12 completed.

13 (Source: P.A. 80-56.)

14 (210 ILCS 85/14.5 new)

15 Sec. 14.5. Hospital Licensure Fund. The Department shall
16 deposit all fees and fines collected in relation to the
17 licensure of hospitals into the Hospital Licensure Fund, a
18 special fund created in the State treasury, for the purpose of
19 providing programs, information, or assistance designed to
20 improve patient safety and quality in hospitals.

21 Section 99. Effective date. This Act takes effect upon
22 becoming law."