

AN ACT concerning regulation.

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

Section 5. The Illinois Health Facilities Planning Act is amended by changing Section 3 and adding Section 5.1a as follows:

(20 ILCS 3960/3) (from Ch. 111 1/2, par. 1153)

(Section scheduled to be repealed on May 31, 2007)

Sec. 3. Definitions. As used in this Act:

"Health care facilities" means and includes the following facilities and organizations:

1. An ambulatory surgical treatment center required to be licensed pursuant to the Ambulatory Surgical Treatment Center Act;

2. An institution, place, building, or agency required to be licensed pursuant to the Hospital Licensing Act;

3. Skilled and intermediate long term care facilities licensed under the Nursing Home Care Act;

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4. Hospitals, nursing homes, ambulatory surgical treatment centers, or kidney disease treatment centers maintained by the State or any department or agency

thereof;

5. Kidney disease treatment centers, including a free-standing hemodialysis unit required to be licensed under the End Stage Renal Disease Facility Act; and

6. An institution, place, building, or room used for the performance of outpatient surgical procedures that is leased, owned, or operated by or on behalf of an out-of-state facility.

No federally owned facility shall be subject to the provisions of this Act, nor facilities used solely for healing by prayer or spiritual means.

No facility licensed under the Supportive Residences Licensing Act or the Assisted Living and Shared Housing Act shall be subject to the provisions of this Act.

A facility designated as a supportive living facility that is in good standing with the program established under Section 5-5.01a of the Illinois Public Aid Code shall not be subject to the provisions of this Act.

This Act does not apply to facilities granted waivers under Section 3-102.2 of the Nursing Home Care Act. However, if a demonstration project under that Act applies for a certificate of need to convert to a nursing facility, it shall meet the licensure and certificate of need requirements in effect as of the date of application.

This Act does not apply to a dialysis facility that provides only dialysis training, support, and related services

to individuals with end stage renal disease who have elected to receive home dialysis. This Act does not apply to a dialysis unit located in a licensed nursing home that offers or provides dialysis-related services to residents with end stage renal disease who have elected to receive home dialysis within the nursing home. The Board, however, may require these dialysis facilities and licensed nursing homes to report statistical information on a quarterly basis to the Board to be used by the Board to conduct analyses on the need for proposed kidney disease treatment centers.

This Act shall not apply to the closure of an entity or a portion of an entity licensed under the Nursing Home Care Act that elects to convert, in whole or in part, to an assisted living or shared housing establishment licensed under the Assisted Living and Shared Housing Act.

With the exception of those health care facilities specifically included in this Section, nothing in this Act shall be intended to include facilities operated as a part of the practice of a physician or other licensed health care professional, whether practicing in his individual capacity or within the legal structure of any partnership, medical or professional corporation, or unincorporated medical or professional group. Further, this Act shall not apply to physicians or other licensed health care professional's practices where such practices are carried out in a portion of a health care facility under contract with such health care

facility by a physician or by other licensed health care professionals, whether practicing in his individual capacity or within the legal structure of any partnership, medical or professional corporation, or unincorporated medical or professional groups. This Act shall apply to construction or modification and to establishment by such health care facility of such contracted portion which is subject to facility licensing requirements, irrespective of the party responsible for such action or attendant financial obligation.

"Person" means any one or more natural persons, legal entities, governmental bodies other than federal, or any combination thereof.

"Consumer" means any person other than a person (a) whose major occupation currently involves or whose official capacity within the last 12 months has involved the providing, administering or financing of any type of health care facility, (b) who is engaged in health research or the teaching of health, (c) who has a material financial interest in any activity which involves the providing, administering or financing of any type of health care facility, or (d) who is or ever has been a member of the immediate family of the person defined by (a), (b), or (c).

"State Board" means the Health Facilities Planning Board.

"Construction or modification" means the establishment, erection, building, alteration, reconstruction, modernization, improvement, extension, discontinuation, change of ownership,

of or by a health care facility, or the purchase or acquisition by or through a health care facility of equipment or service for diagnostic or therapeutic purposes or for facility administration or operation, or any capital expenditure made by or on behalf of a health care facility which exceeds the capital expenditure minimum; however, any capital expenditure made by or on behalf of a health care facility for (i) the construction or modification of a facility licensed under the Assisted Living and Shared Housing Act or (ii) a conversion project undertaken in accordance with Section 30 of the Older Adult Services Act shall be excluded from any obligations under this Act.

"Establish" means the construction of a health care facility or the replacement of an existing facility on another site.

"Major medical equipment" means medical equipment which is used for the provision of medical and other health services and which costs in excess of the capital expenditure minimum, except that such term does not include medical equipment acquired by or on behalf of a clinical laboratory to provide clinical laboratory services if the clinical laboratory is independent of a physician's office and a hospital and it has been determined under Title XVIII of the Social Security Act to meet the requirements of paragraphs (10) and (11) of Section 1861(s) of such Act. In determining whether medical equipment has a value in excess of the capital expenditure minimum, the

value of studies, surveys, designs, plans, working drawings, specifications, and other activities essential to the acquisition of such equipment shall be included.

"Capital Expenditure" means an expenditure: (A) made by or on behalf of a health care facility (as such a facility is defined in this Act); and (B) which under generally accepted accounting principles is not properly chargeable as an expense of operation and maintenance, or is made to obtain by lease or comparable arrangement any facility or part thereof or any equipment for a facility or part; and which exceeds the capital expenditure minimum.

For the purpose of this paragraph, the cost of any studies, surveys, designs, plans, working drawings, specifications, and other activities essential to the acquisition, improvement, expansion, or replacement of any plant or equipment with respect to which an expenditure is made shall be included in determining if such expenditure exceeds the capital expenditures minimum. Donations of equipment or facilities to a health care facility which if acquired directly by such facility would be subject to review under this Act shall be considered capital expenditures, and a transfer of equipment or facilities for less than fair market value shall be considered a capital expenditure for purposes of this Act if a transfer of the equipment or facilities at fair market value would be subject to review.

"Capital expenditure minimum" means \$6,000,000, which

shall be annually adjusted to reflect the increase in construction costs due to inflation, for major medical equipment and for all other capital expenditures; provided, however, that when a capital expenditure is for the construction or modification of a health and fitness center, "capital expenditure minimum" means the capital expenditure minimum for all other capital expenditures in effect on March 1, 2000, which shall be annually adjusted to reflect the increase in construction costs due to inflation.

"Non-clinical service area" means an area (i) for the benefit of the patients, visitors, staff, or employees of a health care facility and (ii) not directly related to the diagnosis, treatment, or rehabilitation of persons receiving services from the health care facility. "Non-clinical service areas" include, but are not limited to, chapels; gift shops; news stands; computer systems; tunnels, walkways, and elevators; telephone systems; projects to comply with life safety codes; educational facilities; student housing; patient, employee, staff, and visitor dining areas; administration and volunteer offices; modernization of structural components (such as roof replacement and masonry work); boiler repair or replacement; vehicle maintenance and storage facilities; parking facilities; mechanical systems for heating, ventilation, and air conditioning; loading docks; and repair or replacement of carpeting, tile, wall coverings, window coverings or treatments, or furniture. Solely for the

purpose of this definition, "non-clinical service area" does not include health and fitness centers.

"Areawide" means a major area of the State delineated on a geographic, demographic, and functional basis for health planning and for health service and having within it one or more local areas for health planning and health service. The term "region", as contrasted with the term "subregion", and the word "area" may be used synonymously with the term "areawide".

"Local" means a subarea of a delineated major area that on a geographic, demographic, and functional basis may be considered to be part of such major area. The term "subregion" may be used synonymously with the term "local".

"Areawide health planning organization" or "Comprehensive health planning organization" means the health systems agency designated by the Secretary, Department of Health and Human Services or any successor agency.

"Local health planning organization" means those local health planning organizations that are designated as such by the areawide health planning organization of the appropriate area.

"Physician" means a person licensed to practice in accordance with the Medical Practice Act of 1987, as amended.

"Licensed health care professional" means a person licensed to practice a health profession under pertinent licensing statutes of the State of Illinois.

"Director" means the Director of the Illinois Department of



Public Health.

"Agency" means the Illinois Department of Public Health.

"Comprehensive health planning" means health planning concerned with the total population and all health and associated problems that affect the well-being of people and that encompasses health services, health manpower, and health facilities; and the coordination among these and with those social, economic, and environmental factors that affect health.

"Alternative health care model" means a facility or program authorized under the Alternative Health Care Delivery Act.

"Out-of-state facility" means a person that is both (i) licensed as a hospital or as an ambulatory surgery center under the laws of another state or that qualifies as a hospital or an ambulatory surgery center under regulations adopted pursuant to the Social Security Act and (ii) not licensed under the Ambulatory Surgical Treatment Center Act, the Hospital Licensing Act, or the Nursing Home Care Act. Affiliates of out-of-state facilities shall be considered out-of-state facilities. Affiliates of Illinois licensed health care facilities 100% owned by an Illinois licensed health care facility, its parent, or Illinois physicians licensed to practice medicine in all its branches shall not be considered out-of-state facilities. Nothing in this definition shall be construed to include an office or any part of an office of a physician licensed to practice medicine in all its branches in

Illinois that is not required to be licensed under the Ambulatory Surgical Treatment Center Act.

"Change of ownership of a health care facility" means a change in the person who has ownership or control of a health care facility's physical plant and capital assets. A change in ownership is indicated by the following transactions: sale, transfer, acquisition, lease, change of sponsorship, or other means of transferring control.

"Related person" means any person that: (i) is at least 50% owned, directly or indirectly, by either the health care facility or a person owning, directly or indirectly, at least 50% of the health care facility; or (ii) owns, directly or indirectly, at least 50% of the health care facility.

"Charity care" means care provided by a health care facility for which the provider does not expect to receive payment from the patient or a third-party payer.

"Freestanding emergency center" means a facility subject to licensure under Section 32.5 of the Emergency Medical Services (EMS) Systems Act.

(Source: P.A. 93-41, eff. 6-27-03; 93-766, eff. 7-20-04; 93-935, eff. 1-1-05; 93-1031, eff. 8-27-04; 94-342, eff. 7-26-05; revised 4-3-07.)

(20 ILCS 3960/5.1a new)

Sec. 5.1a. No person shall construct, modify, or establish a freestanding emergency center in Illinois, or acquire major

medical equipment or make capital expenditures in relation to such a facility in excess of the capital expenditure minimum, as defined by this Act, without first obtaining a permit from the State Board in accordance with criteria, standards, and procedures adopted by the State Board for freestanding emergency centers that ensure the availability of and community access to essential emergency medical services.

Section 10. The Emergency Medical Services (EMS) Systems Act is amended by changing Sections 3.20 and 32.5 as follows:

(210 ILCS 50/3.20)

Sec. 3.20. Emergency Medical Services (EMS) Systems.

(a) "Emergency Medical Services (EMS) System" means an organization of hospitals, vehicle service providers and personnel approved by the Department in a specific geographic area, which coordinates and provides pre-hospital and inter-hospital emergency care and non-emergency medical transports at a BLS, ILS and/or ALS level pursuant to a System program plan submitted to and approved by the Department, and pursuant to the EMS Region Plan adopted for the EMS Region in which the System is located.

(b) One hospital in each System program plan must be designated as the Resource Hospital. All other hospitals which are located within the geographic boundaries of a System and which have standby, basic or comprehensive level emergency

departments must function in that EMS System as either an Associate Hospital or Participating Hospital and follow all System policies specified in the System Program Plan, including but not limited to the replacement of drugs and equipment used by providers who have delivered patients to their emergency departments. All hospitals and vehicle service providers participating in an EMS System must specify their level of participation in the System Program Plan.

(c) The Department shall have the authority and responsibility to:

(1) Approve BLS, ILS and ALS level EMS Systems which meet minimum standards and criteria established in rules adopted by the Department pursuant to this Act, including the submission of a Program Plan for Department approval. Beginning September 1, 1997, the Department shall approve the development of a new EMS System only when a local or regional need for establishing such System has been identified. This shall not be construed as a needs assessment for health planning or other purposes outside of this Act. Following Department approval, EMS Systems must be fully operational within one year from the date of approval.

(2) Monitor EMS Systems, based on minimum standards for continuing operation as prescribed in rules adopted by the Department pursuant to this Act, which shall include requirements for submitting Program Plan amendments to the

Department for approval.

(3) Renew EMS System approvals every 4 years, after an inspection, based on compliance with the standards for continuing operation prescribed in rules adopted by the Department pursuant to this Act.

(4) Suspend, revoke, or refuse to renew approval of any EMS System, after providing an opportunity for a hearing, when findings show that it does not meet the minimum standards for continuing operation as prescribed by the Department, or is found to be in violation of its previously approved Program Plan.

(5) Require each EMS System to adopt written protocols for the bypassing of or diversion to any hospital, trauma center or regional trauma center, which provide that a person shall not be transported to a facility other than the nearest hospital, regional trauma center or trauma center unless the medical benefits to the patient reasonably expected from the provision of appropriate medical treatment at a more distant facility outweigh the increased risks to the patient from transport to the more distant facility, or the transport is in accordance with the System's protocols for patient choice or refusal.

(6) Require that the EMS Medical Director of an ILS or ALS level EMS System be a physician licensed to practice medicine in all of its branches in Illinois, and certified by the American Board of Emergency Medicine or the American

Board of Osteopathic Emergency Medicine, and that the EMS Medical Director of a BLS level EMS System be a physician licensed to practice medicine in all of its branches in Illinois, with regular and frequent involvement in pre-hospital emergency medical services. In addition, all EMS Medical Directors shall:

(A) Have experience on an EMS vehicle at the highest level available within the System, or make provision to gain such experience within 12 months prior to the date responsibility for the System is assumed or within 90 days after assuming the position;

(B) Be thoroughly knowledgeable of all skills included in the scope of practices of all levels of EMS personnel within the System;

(C) Have or make provision to gain experience instructing students at a level similar to that of the levels of EMS personnel within the System; and

(D) For ILS and ALS EMS Medical Directors, successfully complete a Department-approved EMS Medical Director's Course.

(7) Prescribe statewide EMS data elements to be collected and documented by providers in all EMS Systems for all emergency and non-emergency medical services, with a one-year phase-in for commencing collection of such data elements.

(8) Define, through rules adopted pursuant to this Act,

the terms "Resource Hospital", "Associate Hospital", "Participating Hospital", "Basic Emergency Department", "Standby Emergency Department", "Comprehensive Emergency Department", "EMS Medical Director", "EMS Administrative Director", and "EMS System Coordinator".

(A) Upon the effective date of this amendatory Act of 1995, all existing Project Medical Directors shall be considered EMS Medical Directors, and all persons serving in such capacities on the effective date of this amendatory Act of 1995 shall be exempt from the requirements of paragraph (7) of this subsection;

(B) Upon the effective date of this amendatory Act of 1995, all existing EMS System Project Directors shall be considered EMS Administrative Directors.

(9) Investigate the circumstances that caused a hospital in an EMS system to go on bypass status to determine whether that hospital's decision to go on bypass status was reasonable. The Department may impose sanctions, as set forth in Section 3.140 of the Act, upon a Department determination that the hospital unreasonably went on bypass status in violation of the Act.

(10) Evaluate the capacity and performance of any freestanding emergency center established under Section 32.5 of this Act in meeting emergency medical service needs of the public, including compliance with applicable emergency medical standards and assurance of the

availability of and immediate access to the highest quality of medical care possible.

(Source: P.A. 91-357, eff. 7-29-99.)

(210 ILCS 50/32.5)

Sec. 32.5. Freestanding Emergency Center.

(a) Until June 30, 2009, the ~~The~~ Department shall issue an annual Freestanding Emergency Center (FEC) license to any facility that:

(1) is located: (A) ~~(i) (A)~~ in a municipality with a population of 75,000 or fewer inhabitants; (B) within 20 ~~15~~ miles of the hospital that owns or controls the FEC; and (C) within 20 ~~10~~ miles of the Resource Hospital affiliated with the FEC as part of the EMS System; ~~or (ii) (A) in a municipality that has a hospital that has been providing emergency services but is expected to close by the end of 1997 and (B) in a county with a population of more than 350,000 but less than 525,000 inhabitants;~~

(2) is wholly owned or controlled by an Associate or Resource Hospital, but is not a part of the hospital's physical plant;

(3) meets the standards for licensed FECs, adopted by rule of the Department, including, but not limited to:

(A) facility design, specification, operation, and maintenance standards;

(B) equipment standards; and



(C) the number and qualifications of emergency medical personnel and other staff, which must include at least one board certified emergency physician present at the FEC 24 hours per day.

(4) limits its participation in the EMS System strictly to receiving a limited number of BLS runs by emergency medical vehicles according to protocols developed by the Resource Hospital within the FEC's designated EMS System and approved by the Project Medical Director and the Department;

(5) provides comprehensive emergency treatment services, as defined in the rules adopted by the Department pursuant to the Hospital Licensing Act, 24 hours per day, on an outpatient basis;

(6) provides an ambulance and maintains on site ambulance services staffed with paramedics 24 hours per day;

(7) maintains helicopter landing capabilities approved by appropriate State and federal authorities;

(8) complies with all State and federal patient rights provisions, including, but not limited to, the Emergency Medical Treatment Act and the federal Emergency Medical Treatment and Active Labor Act;

(9) maintains a communications system that is fully integrated with its Resource Hospital within the FEC's designated EMS System;

(10) reports to the Department any patient transfers from the FEC to a hospital within 48 hours of the transfer plus any other data determined to be relevant by the Department;

(11) submits to the Department, on a quarterly basis, the FEC's morbidity and mortality rates for patients treated at the FEC and other data determined to be relevant by the Department;

(12) does not describe itself or hold itself out to the general public as a full service hospital or hospital emergency department in its advertising or marketing activities;

(13) complies with any other rules adopted by the Department under this Act that relate to FECs;

(14) passes the Department's site inspection for compliance with the FEC requirements of this Act;

(15) submits a copy of the ~~a certificate of need or other~~ permit issued by the Illinois Health Facilities Planning Board indicating that the facility has complied with the Illinois Health Facilities Planning Act with respect to the health services to be provided at the facility that will house the proposed FEC complies with State health planning laws; provided, however, that the Illinois Health Facilities Planning Board shall waive this certificate of need or permit requirement for any proposed FEC that, as of the effective date of this amendatory Act

~~of 1996, meets the criteria for providing comprehensive emergency treatment services, as defined by the rules promulgated under the Hospital Licensing Act, but is not a licensed hospital;~~

(16) submits an application for designation as an FEC in a manner and form prescribed by the Department by rule; and

(17) pays the annual license fee as determined by the Department by rule. ~~;~~ and

~~(18) participated in the demonstration program.~~

(b) The Department shall:

(1) annually inspect facilities of initial FEC applicants and licensed FECs, and issue annual licenses to or annually relicense FECs that satisfy the Department's licensure requirements as set forth in subsection (a);

(2) suspend, revoke, refuse to issue, or refuse to renew the license of any FEC, after notice and an opportunity for a hearing, when the Department finds that the FEC has failed to comply with the standards and requirements of the Act or rules adopted by the Department under the Act;

(3) issue an Emergency Suspension Order for any FEC when the Director or his or her designee has determined that the continued operation of the FEC poses an immediate and serious danger to the public health, safety, and welfare. An opportunity for a hearing shall be promptly

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initiated after an Emergency Suspension Order has been issued; and

(4) adopt rules as needed to implement this Section.

(Source: P.A. 93-372, eff. 1-1-04.)

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