



104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

HB5589

Introduced 2/13/2026, by Rep. Robyn Gabel

SYNOPSIS AS INTRODUCED:

5 ILCS 100/5-45.71 new
210 ILCS 85/6.14a
210 ILCS 85/6.14i new
305 ILCS 5/5A-3.1 new

Amends the Hospital Licensing Act. Requires each hospital licensed under the Act to submit to the Department of Public Health a financial resolution plan with the specified information for the rapid and orderly resolution of finances and operations in the event of material financial distress. Establishes further reporting requirements and penalties. Includes financial resolution plans in the list of information subject to disclosure to the public from the Department. Amends the Illinois Public Aid Code. Sets forth provisions concerning financial reporting requirements for nonexempt hospitals. Provides that, if a hospital has not filed the required information within 45 days after the close of the quarterly reporting period, the Department of Healthcare and Family Services shall suspend specified authorized payments until the Department receives the required information. Provides that the Department may adopt rules, including emergency rules, necessary to implement financial reporting requirements for nonexempt hospitals. Amends the Illinois Administrative Procedure Act to authorize emergency rulemaking.

LRB104 20227 BAB 33678 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 Illinois Administrative Procedure Act is
5 amended by adding Section 5-45.71 as follows:

6 (5 ILCS 100/5-45.71 new)

7 Sec. 5-45.71. Emergency rulemaking; financial reporting of
8 nonexempt hospitals. To provide for the expeditious and timely
9 implementation of Section 5A-3.1 of the Illinois Public Aid
10 Code, emergency rules implementing Section 5A-3.1 of the
11 Illinois Public Aid Code may be adopted in accordance with
12 Section 5-45 by the Department of Healthcare and Family
13 Services. The adoption of emergency rules authorized by
14 Section 5-45 and this Section is deemed necessary for the
15 public interest, safety, and welfare.

16 This Section is repealed one year after the effective date
17 of this amendatory Act of the 104th General Assembly.

18 Section 10. The Hospital Licensing Act is amended by
19 changing Section 6.14a and by adding Section 6.14i as follows:

20 (210 ILCS 85/6.14a)

21 Sec. 6.14a. Public disclosure of information. The

1 following information is subject to disclosure to the public
2 from the Department:

3 (1) Information submitted under Section 5 of this Act;

4 (2) Final records of license and certification
5 inspections, surveys, financial resolution plans, and
6 evaluations of hospitals; and

7 (3) Investigated complaints filed against a hospital
8 and complaint investigation reports, except that a
9 complaint or complaint investigation report shall not be
10 disclosed to a person other than the complainant or
11 complainant's representative before it is disclosed to a
12 hospital, and except that a complainant or patient's name
13 shall not be disclosed.

14 The Department shall disclose information under this
15 Section in accordance with provisions for inspection and
16 copying of public records required by the Freedom of
17 Information Act.

18 However, the disclosure of information described in
19 subsection (1) shall not be restricted by any provision of the
20 Freedom of Information Act.

21 Notwithstanding any other provision of law, under no
22 circumstances shall the Department disclose information
23 obtained from a hospital that is confidential under Part 21 of
24 Article VIII of the Code of Civil Procedure.

25 Any records or reports of inspections, surveys, or
26 evaluations of hospitals may be disclosed only after the

1 acceptance of a plan of correction by the Health Care
2 Financing Administration of the U.S. Department of Health and
3 Human Services or the Department, as appropriate, or at the
4 conclusion of any administrative review of the Department's
5 decision, or at the conclusion of any judicial review of such
6 administrative decision. Whenever any record or report is
7 subject to disclosure under this Section, the Department shall
8 permit the hospital to provide a written statement pertaining
9 to such report which shall be included as part of the
10 information to be disclosed. The Department shall not divulge
11 or disclose any record or report in a manner that identifies or
12 would permit the identification of any natural person.

13 (Source: P.A. 98-463, eff. 8-16-13.)

14 (210 ILCS 85/6.14i new)

15 Sec. 6.14i. Financial resolution plan.

16 (a) Each hospital licensed under this Act shall submit to
17 the Department a financial resolution plan for the rapid and
18 orderly resolution of finances and operations in the event of
19 material financial distress. Each financial resolution plan
20 shall include, but not be limited to, the following
21 information:

22 (1) Full descriptions or organizational charts of the
23 ownership structure, assets, liabilities, and contractual
24 obligations of the hospital.

25 (2) Plans for the safe and orderly transfer and

1 continuity of care for patients if there is contemplated
2 or planned closure of at least one category of service or a
3 temporary suspension of such service.

4 (3) Plans for filing or exploring bankruptcy and any
5 dissolution or closure of any category of service or
6 services. Such plans include, but are not limited to,
7 audit reports, operational contingency planning, and other
8 preparations or research.

9 (4) Plans for the orderly preservation and transfer of
10 medical records pursuant to the Medical Patient Rights
11 Act, the Health Insurance Portability and Accountability
12 Act (HIPAA), and other applicable medical privacy laws.

13 (5) Plans to transfer or outplace staff and employees
14 to other hospitals, health care facilities, or entities.
15 Such plans may also include proposed layoffs and
16 downsizing and shall include provisions for the placement
17 of clinical trainees to complete their training.

18 (6) Identification of potential service gaps created
19 due to material financial distress or failure, temporary
20 suspension, discontinuation, or closure.

21 (7) Any other information or data that the Department
22 requests pursuant to its discretion when reviewing the
23 financial resolution plan.

24 (b) Any hospital licensed under this Act shall submit a
25 financial resolution plan described in subsection (a) for each
26 location, campus, or facility administered under the license.

1 (c) Each financial resolution plan shall be filed with the
2 Department no later than 6 months after the effective date of
3 this amendatory Act of the 104th General Assembly. Each
4 financial resolution plan, or annual affirmation of a
5 previously filed financial resolution plan, described in this
6 Section shall be submitted on an annual basis as determined by
7 the Department by rule.

8 (d) During the period in which a hospital remains in
9 noncompliance with this Section, the Department may impose
10 finest of not more than \$500 per week.

11 Section 15. The Illinois Public Aid Code is amended by
12 adding Section 5A-3.1 as follows:

13 (305 ILCS 5/5A-3.1 new)

14 Sec. 5A-3.1. Financial reporting of nonexempt hospitals.

15 (a) The summary financial and utilization data in this
16 Section shall be reported to the Department by a hospital
17 subject to the assessment imposed by this Article within 45
18 days after the end of a calendar quarter. Adjusted reports
19 reflecting changes as a result of audited financial statements
20 may be filed within 4 months after the close of the hospital's
21 fiscal year. The Department shall provide a reporting template
22 to all hospitals that are required to submit such a report. The
23 quarterly summary financial and utilization data shall include
24 all of the following:

- 1 (1) the number of licensed beds.
- 2 (2) the average number of available beds.
- 3 (3) the average number of staffed beds.
- 4 (4) the number of discharges.
- 5 (5) the number of inpatient days.
- 6 (6) the number of outpatient visits.
- 7 (7) Total operating expenses.
- 8 (8) Total inpatient gross revenues by payor,
9 including, but not limited to, Medicare, Medicaid fee for
10 service, Medicaid managed care, commercial coverage, and
11 other payers.
- 12 (9) Total outpatient gross revenues by payer,
13 including, but not limited to, Medicare, Medicaid fee for
14 service, Medicaid managed care, commercial coverage, and
15 other payers.
- 16 (10) the total number of inpatient days, outpatient
17 visits, and discharges by payer, including, but not
18 limited to, Medicare, Medicaid fee for service, Medicaid
19 managed care, commercial coverage and other payers.
- 20 (11) Total net patient revenues by payer, including,
21 but not limited to, Medicare, Medicaid fee for service,
22 Medicaid managed care, commercial coverage, and other
23 payers.
- 24 (12) Other operating revenue.
- 25 (13) Nonoperating revenue net of nonoperating
26 expenses.

1 In addition to the information enumerated in paragraphs
2 (1) through (13), each hospital shall submit its most recent
3 audited financial statement along with its submission for the
4 first submission of each calendar year.

5 (b) If a hospital has not filed the required information
6 within 45 days after the close of the quarterly reporting
7 period, the Department shall suspend payments authorized under
8 subsection (r) of Section 5A-12.7 until the Department
9 receives the required information.

10 (c) The Department may adopt rules, including emergency
11 rules, necessary to implement this Section, including rules
12 requesting additional information or removing information from
13 the reporting requirements.