



Rep. Robyn Gabel

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10400HB5589ham001

LRB104 20227 KTG 34577 a

1 AMENDMENT TO HOUSE BILL 5589

2 AMENDMENT NO. _____. Amend House Bill 5589 by replacing
3 everything after the enacting clause with the following:

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16 This Section is repealed one year after the effective date

1 of this amendatory Act of the 104th General Assembly.

2 Section 10. The Hospital Licensing Act is amended by
3 changing Section 6.14a and by adding Section 4.8 as follows:

4 (210 ILCS 85/4.8 new)

5 Sec. 4.8. Additional licensing requirements.

6 (a) Financial resolution plan. Any hospital licensed under
7 the provisions of this Act shall submit to the Department a
8 financial resolution plan for the rapid and orderly resolution
9 of finances and operations in the event of material financial
10 distress. Such plans shall include, but not be limited to, the
11 following:

12 (1) Full descriptions or organizational charts of the
13 ownership structure, assets, liabilities, and contractual
14 obligations of the hospital.

15 (2) Plans for the safe and orderly transfer and
16 continuity of care for patients if there is contemplated
17 or planned closure of at least one category of service, or
18 a temporary suspension of such service.

19 (3) Plans for filing or exploring bankruptcy and any
20 dissolution or closure of any category of service or
21 services. Such plans include, but are not limited to,
22 audit reports, operational contingency planning, and other
23 preparations or research.

24 (4) Plans for the orderly preservation and transfer of

1 medical records in accordance with the Medical Patient
2 Rights Act, the Health Insurance Portability and
3 Accountability Act of 1966, and other applicable medical
4 privacy laws.

5 (5) Plans to transfer or outplace staff and employees
6 to other hospitals, health care facilities, or entities.
7 Such plans may also include proposed layoffs and
8 downsizing and should include provisions for the placement
9 of clinical trainees to complete their training.

10 (6) Identification of potential service gaps created
11 due to material financial distress or failure, temporary
12 suspension, discontinuation, or closure.

13 (7) Any other information or data that the Department
14 requests pursuant to its discretion when reviewing the
15 financial resolution plan.

16 (b) Financial resolution plans for hospitals with multiple
17 locations operating under a single license. Any hospital
18 licensed by the Department under Section 4.5 of this Act shall
19 submit a financial resolution plan as outlined in subsection
20 (a) for each location, campus, or facility administered under
21 the license.

22 (c) Annual filing. Financial resolution plans shall be
23 filed with the Department no later than 6 months after the
24 effective date of this amendatory Act of the 104th General
25 Assembly. Financial resolution plans, or annual affirmations
26 of previously filed financial resolution plans, as outlined in

1 this Section shall be submitted on an annual basis as
2 determined by the Department through administrative rule.

3 (d) Penalties for non-compliance. The Department may
4 impose fines of not more than \$500 per week for failure to
5 comply with the provisions of this Section.

6 (210 ILCS 85/6.14a)

7 Sec. 6.14a. Public disclosure of information. The
8 following information is subject to disclosure to the public
9 from the Department:

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

11 (2) Final records of license and certification
12 inspections, surveys, financial resolution plans, and
13 evaluations of hospitals; and

14 (3) Investigated complaints filed against a hospital
15 and complaint investigation reports, except that a
16 complaint or complaint investigation report shall not be
17 disclosed to a person other than the complainant or
18 complainant's representative before it is disclosed to a
19 hospital, and except that a complainant or patient's name
20 shall not be disclosed.

21 The Department shall disclose information under this
22 Section in accordance with provisions for inspection and
23 copying of public records required by the Freedom of
24 Information Act.

25 However, the disclosure of information described in

1 subsection (1) shall not be restricted by any provision of the
2 Freedom of Information Act.

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

7 Any records or reports of inspections, surveys, or
8 evaluations of hospitals may be disclosed only after the
9 acceptance of a plan of correction by the Health Care
10 Financing Administration of the U.S. Department of Health and
11 Human Services or the Department, as appropriate, or at the
12 conclusion of any administrative review of the Department's
13 decision, or at the conclusion of any judicial review of such
14 administrative decision. Whenever any record or report is
15 subject to disclosure under this Section, the Department shall
16 permit the hospital to provide a written statement pertaining
17 to such report which shall be included as part of the
18 information to be disclosed. The Department shall not divulge
19 or disclose any record or report in a manner that identifies or
20 would permit the identification of any natural person.

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

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

24 (305 ILCS 5/5A-3.1 new)

1 (G) Total number of inpatient days, outpatient
2 visits, and discharges by payer, including, but not
3 limited to, Medicare, Medicaid fee-for-service,
4 Medicaid managed care, commercial coverage, and other
5 payers.

6 (5) Summary financial metrics as reflected in the most
7 recent month's financial statements, including:

8 (A) Total operating expenses.

9 (B) Operating margin.

10 (C) Earnings before interest, taxes, and
11 amortization (EBITA) margin.

12 (D) Days cash on hand.

13 (E) Unrestricted cash and investments.

14 (F) Days in accounts receivable.

15 (G) Net capital expenditure.

16 (6) Total inpatient gross revenues by payor,
17 including, but not limited to, Medicare, Medicaid
18 fee-for-service, Medicaid managed care, commercial
19 coverage, and other payers.

20 (7) Total outpatient gross revenues by payer,
21 including, but not limited to, Medicare, Medicaid
22 fee-for-service, Medicaid managed care, commercial
23 coverage, and other payers.

24 (8) Total net patient revenues by payer, including,
25 but not limited to, Medicare, Medicaid fee-for-service,
26 Medicaid managed care, commercial coverage, and other

1 payers.

2 (9) Other operating revenue.

3 (10) Uncompensated care as percentage of total
4 revenue.

5 (b) The Department of Healthcare and Family Services, in
6 coordination with the Department of Public Health, shall
7 administer the collection of required reports. The Department
8 of Healthcare and Family Services may adopt any administrative
9 rules, including emergency rules, necessary to implement this
10 Section, including requesting additional information or
11 removing information from the reporting requirements.

12 (c) If a hospital has not filed the required information
13 within 45 days after the close of the quarterly reporting
14 period, the Department of Healthcare and Family Services shall
15 suspend payments authorized under subsection (r) of Section
16 12.7 until the Department receives the required information."