



104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

SB1690

Introduced 2/5/2025, by Sen. David Koehler

SYNOPSIS AS INTRODUCED:

5 ILCS 100/5-45.65 new
20 ILCS 1705/74
305 ILCS 5/5-5.4

from Ch. 23, par. 5-5.4

Amends the Mental Health and Developmental Disabilities Administrative Act. Requires the Department of Healthcare and Family Services, in collaboration with the Department of Human Services, to file an amendment to the Home and Community-Based Services Waiver Program for Adults with Developmental Disabilities that shall include an increase in the rate methodology sufficient to provide for a wage rate of 150% of the statewide, regional, or local minimum wage for services delivered on or after January 1, 2026, for all direct support personnel and all other frontline personnel who are not subject to the Bureau of Labor Statistics' average wage increases and who work in residential and community day services settings. Provides that for services delivered on or after January 1, 2026, the rates shall include adjustments to employment-related expenses as defined by rule by the Department of Human Services. Requires the Department of Human Services to adopt rules, including emergency rules, to implement the rate increases. Amends the Medical Assistance Article of the Illinois Public Aid Code. Requires the Department of Healthcare and Family Services to submit a Title XIX State Plan amendment to the federal Centers for Medicare and Medicaid Services that shall include an increase in the rate methodology sufficient to provide for a wage rate of 150% of the statewide, regional, or local minimum wage for services delivered on or after January 1, 2026, for all direct support personnel and all other frontline personnel at ID/DD and MC/DD facilities. Provides that the State Plan amendment shall provide wage increases for all residential non-executive direct care staff. Effective immediately.

LRB104 10113 KTG 20185 b

1 AN ACT concerning State government.

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

4 Section 1. The Illinois Administrative Procedure Act is
5 amended by adding Section 5-45.65 as follows:

6 (5 ILCS 100/5-45.65 new)

7 Sec. 5-45.65. Emergency rulemaking; wage increase for
8 direct support personnel. To provide for the expeditious and
9 timely implementation of subsection (h) of Section 74 of the
10 Mental Health and Developmental Disabilities Administrative
11 Act, emergency rules implementing the changes may be adopted
12 in accordance with Section 5-45 by the Department of Human
13 Services. The adoption of emergency rules authorized by
14 Section 5-45 and this Section is deemed to be 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 5. The Mental Health and Developmental
19 Disabilities Administrative Act is amended by changing Section
20 74 as follows:

21 (20 ILCS 1705/74)

1 Sec. 74. Rates and reimbursements.

2 (a) Within 30 days after July 6, 2017 (the effective date
3 of Public Act 100-23), the Department shall increase rates and
4 reimbursements to fund a minimum of a \$0.75 per hour wage
5 increase for front-line personnel, including, but not limited
6 to, direct support professionals, aides, front-line
7 supervisors, qualified intellectual disabilities
8 professionals, nurses, and non-administrative support staff
9 working in community-based provider organizations serving
10 individuals with developmental disabilities. The Department
11 shall adopt rules, including emergency rules under subsection
12 (y) of Section 5-45 of the Illinois Administrative Procedure
13 Act, to implement the provisions of this Section.

14 (b) Rates and reimbursements. Within 30 days after June 4,
15 2018 (the effective date of Public Act 100-587), the
16 Department shall increase rates and reimbursements to fund a
17 minimum of a \$0.50 per hour wage increase for front-line
18 personnel, including, but not limited to, direct support
19 professionals, aides, front-line supervisors, qualified
20 intellectual disabilities professionals, nurses, and
21 non-administrative support staff working in community-based
22 provider organizations serving individuals with developmental
23 disabilities. The Department shall adopt rules, including
24 emergency rules under subsection (bb) of Section 5-45 of the
25 Illinois Administrative Procedure Act, to implement the
26 provisions of this Section.

1 (c) Rates and reimbursements. Within 30 days after June 5,
2 2019 (the effective date of Public Act 101-10), subject to
3 federal approval, the Department shall increase rates and
4 reimbursements in effect on June 30, 2019 for community-based
5 providers for persons with Developmental Disabilities by 3.5%
6 The Department shall adopt rules, including emergency rules
7 under subsection (jj) of Section 5-45 of the Illinois
8 Administrative Procedure Act, to implement the provisions of
9 this Section, including wage increases for direct care staff.

10 (d) For community-based providers serving persons with
11 intellectual/developmental disabilities, subject to federal
12 approval of any relevant Waiver Amendment, the rates taking
13 effect for services delivered on or after January 1, 2022,
14 shall include an increase in the rate methodology sufficient
15 to provide a \$1.50 per hour wage increase for direct support
16 professionals in residential settings and sufficient to
17 provide wages for all residential non-executive direct care
18 staff, excluding direct support professionals, at the federal
19 Department of Labor, Bureau of Labor Statistics' average wage
20 as defined in rule by the Department.

21 The establishment of and any changes to the rate
22 methodologies for community-based services provided to persons
23 with intellectual/developmental disabilities are subject to
24 federal approval of any relevant Waiver Amendment and shall be
25 defined in rule by the Department. The Department shall adopt
26 rules, including emergency rules as authorized by Section 5-45

1 of the Illinois Administrative Procedure Act, to implement the
2 provisions of this subsection (d).

3 (e) For community-based providers serving persons with
4 intellectual/developmental disabilities, subject to federal
5 approval of any relevant Waiver Amendment, the rates taking
6 effect for services delivered on or after January 1, 2023,
7 shall include an increase in the rate methodology sufficient
8 to provide a \$1.00 per hour wage increase for all direct
9 support professionals and all other frontline personnel who
10 are not subject to the Bureau of Labor Statistics' average
11 wage increases, who work in residential and community day
12 services settings, with at least \$0.50 of those funds to be
13 provided as a direct increase to base wages, with the
14 remaining \$0.50 to be used flexibly for base wage increases.
15 In addition, the rates taking effect for services delivered on
16 or after January 1, 2023 shall include an increase sufficient
17 to provide wages for all residential non-executive direct care
18 staff, excluding direct support professionals, at the federal
19 Department of Labor, Bureau of Labor Statistics' average wage
20 as defined in rule by the Department.

21 The establishment of and any changes to the rate
22 methodologies for community-based services provided to persons
23 with intellectual/developmental disabilities are subject to
24 federal approval of any relevant Waiver Amendment and shall be
25 defined in rule by the Department. The Department shall adopt
26 rules, including emergency rules as authorized by Section 5-45

1 of the Illinois Administrative Procedure Act, to implement the
2 provisions of this subsection.

3 (f) For community-based providers serving persons with
4 intellectual/developmental disabilities, subject to federal
5 approval of any relevant Waiver Amendment, the rates taking
6 effect for services delivered on or after January 1, 2024
7 shall include an increase in the rate methodology sufficient
8 to provide a \$2.50 per hour wage increase for all direct
9 support professionals and all other frontline personnel who
10 are not subject to the Bureau of Labor Statistics' average
11 wage increases and who work in residential and community day
12 services settings. At least \$1.25 of the per hour wage
13 increase shall be provided as a direct increase to base wages,
14 and the remaining \$1.25 of the per hour wage increase shall be
15 used flexibly for base wage increases. In addition, the rates
16 taking effect for services delivered on or after January 1,
17 2024 shall include an increase sufficient to provide wages for
18 all residential non-executive direct care staff, excluding
19 direct support professionals, at the federal Department of
20 Labor, Bureau of Labor Statistics' average wage as defined in
21 rule by the Department.

22 The establishment of and any changes to the rate
23 methodologies for community-based services provided to persons
24 with intellectual/developmental disabilities are subject to
25 federal approval of any relevant Waiver Amendment and shall be
26 defined in rule by the Department. The Department shall adopt

1 rules, including emergency rules as authorized by Section 5-45
2 of the Illinois Administrative Procedure Act, to implement the
3 provisions of this subsection.

4 (g) For community-based providers serving persons with
5 intellectual or developmental disabilities, subject to federal
6 approval of any relevant Waiver Amendment, the rates taking
7 effect for services delivered on or after January 1, 2025
8 shall include an increase in the rate methodology sufficient
9 to provide a \$1 per hour wage rate increase for all direct
10 support personnel and all other frontline personnel who are
11 not subject to the Bureau of Labor Statistics' average wage
12 increases and who work in residential and community day
13 services settings, with at least \$0.75 of those funds to be
14 provided as a direct increase to base wages and the remaining
15 \$0.25 to be used flexibly for base wage increases. These
16 increases shall not be used by community-based providers for
17 operational or administrative expenses. In addition, the rates
18 taking effect for services delivered on or after January 1,
19 2025 shall include an increase sufficient to provide wages for
20 all residential non-executive direct care staff, excluding
21 direct support personnel, at the federal Department of Labor,
22 Bureau of Labor Statistics' average wage as defined by rule by
23 the Department. For services delivered on or after January 1,
24 2025, the rates shall include adjustments to
25 employment-related expenses as defined by rule by the
26 Department.

1 The establishment of and any changes to the rate
2 methodologies for community-based services provided to persons
3 with intellectual or developmental disabilities are subject to
4 federal approval of any relevant Waiver Amendment and shall be
5 defined in rule by the Department. The Department shall adopt
6 rules, including emergency rules as authorized by Section 5-45
7 of the Illinois Administrative Procedure Act, to implement the
8 provisions of this subsection.

9 (h) For community-based providers serving persons with
10 intellectual or developmental disabilities, by no later than
11 January 1, 2026, the Department of Healthcare and Family
12 Services, in collaboration with the Department of Human
13 Services, shall file an amendment to the Home and
14 Community-Based Services Waiver Program for Adults with
15 Developmental Disabilities authorized under Section 1915(c) of
16 the Social Security Act that shall include an increase in the
17 rate methodology sufficient to provide for a wage rate of 150%
18 of the statewide, regional, or local minimum wage for services
19 delivered on or after January 1, 2026, for all direct support
20 personnel and all other frontline personnel who are not
21 subject to the Bureau of Labor Statistics' average wage
22 increases and who work in residential and community day
23 services settings. The amendment shall also include an
24 increase in the rate methodology sufficient to provide wage
25 increases for all residential non-executive direct care staff,
26 excluding direct support personnel, at the federal Department

1 of Labor, Bureau of Labor Statistics' average wage as defined
2 by rule by the Department of Human Services for services
3 delivered on or after January 1, 2026. For services delivered
4 on or after January 1, 2026, the rates shall include
5 adjustments to employment-related expenses as defined by rule
6 by the Department of Human Services. The Department of Human
7 Services shall adopt rules, including emergency rules as
8 authorized by Section 5-45 of the Illinois Administrative
9 Procedure Act, to implement the provisions of this subsection.

10 (Source: P.A. 102-16, eff. 6-17-21; 102-699, eff. 4-19-22;
11 102-830, eff. 1-1-23; 103-8, eff. 6-7-23; 103-154, eff.
12 6-30-23; 103-588, eff. 6-5-24.)

13 Section 10. The Illinois Public Aid Code is amended by
14 changing Section 5-5.4 as follows:

15 (305 ILCS 5/5-5.4) (from Ch. 23, par. 5-5.4)

16 Sec. 5-5.4. Standards of payment; Department of Healthcare
17 and Family Services. The Department of Healthcare and Family
18 Services shall develop standards of payment of nursing
19 facility and ICF/DD services in facilities providing such
20 services under this Article which:

21 (1) Provide for the determination of a facility's payment
22 for nursing facility or ICF/DD services on a prospective
23 basis. The amount of the payment rate for all nursing
24 facilities certified by the Department of Public Health under

1 the ID/DD Community Care Act or the Nursing Home Care Act as
2 Intermediate Care for the Developmentally Disabled facilities,
3 Long Term Care for Under Age 22 facilities, Skilled Nursing
4 facilities, or Intermediate Care facilities under the medical
5 assistance program shall be prospectively established annually
6 on the basis of historical, financial, and statistical data
7 reflecting actual costs from prior years, which shall be
8 applied to the current rate year and updated for inflation,
9 except that the capital cost element for newly constructed
10 facilities shall be based upon projected budgets. The annually
11 established payment rate shall take effect on July 1 in 1984
12 and subsequent years. No rate increase and no update for
13 inflation shall be provided on or after July 1, 1994, unless
14 specifically provided for in this Section. The changes made by
15 Public Act 93-841 extending the duration of the prohibition
16 against a rate increase or update for inflation are effective
17 retroactive to July 1, 2004.

18 For facilities licensed by the Department of Public Health
19 under the Nursing Home Care Act as Intermediate Care for the
20 Developmentally Disabled facilities or Long Term Care for
21 Under Age 22 facilities, the rates taking effect on July 1,
22 1998 shall include an increase of 3%. For facilities licensed
23 by the Department of Public Health under the Nursing Home Care
24 Act as Skilled Nursing facilities or Intermediate Care
25 facilities, the rates taking effect on July 1, 1998 shall
26 include an increase of 3% plus \$1.10 per resident-day, as

1 defined by the Department. For facilities licensed by the
2 Department of Public Health under the Nursing Home Care Act as
3 Intermediate Care Facilities for the Developmentally Disabled
4 or Long Term Care for Under Age 22 facilities, the rates taking
5 effect on January 1, 2006 shall include an increase of 3%. For
6 facilities licensed by the Department of Public Health under
7 the Nursing Home Care Act as Intermediate Care Facilities for
8 the Developmentally Disabled or Long Term Care for Under Age
9 22 facilities, the rates taking effect on January 1, 2009
10 shall include an increase sufficient to provide a \$0.50 per
11 hour wage increase for non-executive staff. For facilities
12 licensed by the Department of Public Health under the ID/DD
13 Community Care Act as ID/DD Facilities the rates taking effect
14 within 30 days after July 6, 2017 (the effective date of Public
15 Act 100-23) shall include an increase sufficient to provide a
16 \$0.75 per hour wage increase for non-executive staff. The
17 Department shall adopt rules, including emergency rules under
18 subsection (y) of Section 5-45 of the Illinois Administrative
19 Procedure Act, to implement the provisions of this paragraph.
20 For facilities licensed by the Department of Public Health
21 under the ID/DD Community Care Act as ID/DD Facilities and
22 under the MC/DD Act as MC/DD Facilities, the rates taking
23 effect within 30 days after June 5, 2019 (the effective date of
24 Public Act 101-10) shall include an increase sufficient to
25 provide a \$0.50 per hour wage increase for non-executive
26 front-line personnel, including, but not limited to, direct

1 support persons, aides, front-line supervisors, qualified
2 intellectual disabilities professionals, nurses, and
3 non-administrative support staff. The Department shall adopt
4 rules, including emergency rules under subsection (bb) of
5 Section 5-45 of the Illinois Administrative Procedure Act, to
6 implement the provisions of this paragraph.

7 For facilities licensed by the Department of Public Health
8 under the Nursing Home Care Act as Intermediate Care for the
9 Developmentally Disabled facilities or Long Term Care for
10 Under Age 22 facilities, the rates taking effect on July 1,
11 1999 shall include an increase of 1.6% plus \$3.00 per
12 resident-day, as defined by the Department. For facilities
13 licensed by the Department of Public Health under the Nursing
14 Home Care Act as Skilled Nursing facilities or Intermediate
15 Care facilities, the rates taking effect on July 1, 1999 shall
16 include an increase of 1.6% and, for services provided on or
17 after October 1, 1999, shall be increased by \$4.00 per
18 resident-day, as defined by the Department.

19 For facilities licensed by the Department of Public Health
20 under the Nursing Home Care Act as Intermediate Care for the
21 Developmentally Disabled facilities or Long Term Care for
22 Under Age 22 facilities, the rates taking effect on July 1,
23 2000 shall include an increase of 2.5% per resident-day, as
24 defined by the Department. For facilities licensed by the
25 Department of Public Health under the Nursing Home Care Act as
26 Skilled Nursing facilities or Intermediate Care facilities,

1 the rates taking effect on July 1, 2000 shall include an
2 increase of 2.5% per resident-day, as defined by the
3 Department.

4 For facilities licensed by the Department of Public Health
5 under the Nursing Home Care Act as skilled nursing facilities
6 or intermediate care facilities, a new payment methodology
7 must be implemented for the nursing component of the rate
8 effective July 1, 2003. The Department of Public Aid (now
9 Healthcare and Family Services) shall develop the new payment
10 methodology using the Minimum Data Set (MDS) as the instrument
11 to collect information concerning nursing home resident
12 condition necessary to compute the rate. The Department shall
13 develop the new payment methodology to meet the unique needs
14 of Illinois nursing home residents while remaining subject to
15 the appropriations provided by the General Assembly. A
16 transition period from the payment methodology in effect on
17 June 30, 2003 to the payment methodology in effect on July 1,
18 2003 shall be provided for a period not exceeding 3 years and
19 184 days after implementation of the new payment methodology
20 as follows:

21 (A) For a facility that would receive a lower nursing
22 component rate per patient day under the new system than
23 the facility received effective on the date immediately
24 preceding the date that the Department implements the new
25 payment methodology, the nursing component rate per
26 patient day for the facility shall be held at the level in

1 effect on the date immediately preceding the date that the
2 Department implements the new payment methodology until a
3 higher nursing component rate of reimbursement is achieved
4 by that facility.

5 (B) For a facility that would receive a higher nursing
6 component rate per patient day under the payment
7 methodology in effect on July 1, 2003 than the facility
8 received effective on the date immediately preceding the
9 date that the Department implements the new payment
10 methodology, the nursing component rate per patient day
11 for the facility shall be adjusted.

12 (C) Notwithstanding paragraphs (A) and (B), the
13 nursing component rate per patient day for the facility
14 shall be adjusted subject to appropriations provided by
15 the General Assembly.

16 For facilities licensed by the Department of Public Health
17 under the Nursing Home Care Act as Intermediate Care for the
18 Developmentally Disabled facilities or Long Term Care for
19 Under Age 22 facilities, the rates taking effect on March 1,
20 2001 shall include a statewide increase of 7.85%, as defined
21 by the Department.

22 Notwithstanding any other provision of this Section, for
23 facilities licensed by the Department of Public Health under
24 the Nursing Home Care Act as skilled nursing facilities or
25 intermediate care facilities, except facilities participating
26 in the Department's demonstration program pursuant to the

1 provisions of Title 77, Part 300, Subpart T of the Illinois
2 Administrative Code, the numerator of the ratio used by the
3 Department of Healthcare and Family Services to compute the
4 rate payable under this Section using the Minimum Data Set
5 (MDS) methodology shall incorporate the following annual
6 amounts as the additional funds appropriated to the Department
7 specifically to pay for rates based on the MDS nursing
8 component methodology in excess of the funding in effect on
9 December 31, 2006:

10 (i) For rates taking effect January 1, 2007,
11 \$60,000,000.

12 (ii) For rates taking effect January 1, 2008,
13 \$110,000,000.

14 (iii) For rates taking effect January 1, 2009,
15 \$194,000,000.

16 (iv) For rates taking effect April 1, 2011, or the
17 first day of the month that begins at least 45 days after
18 February 16, 2011 (the effective date of Public Act
19 96-1530), \$416,500,000 or an amount as may be necessary to
20 complete the transition to the MDS methodology for the
21 nursing component of the rate. Increased payments under
22 this item (iv) are not due and payable, however, until (i)
23 the methodologies described in this paragraph are approved
24 by the federal government in an appropriate State Plan
25 amendment and (ii) the assessment imposed by Section 5B-2
26 of this Code is determined to be a permissible tax under

1 Title XIX of the Social Security Act.

2 Notwithstanding any other provision of this Section, for
3 facilities licensed by the Department of Public Health under
4 the Nursing Home Care Act as skilled nursing facilities or
5 intermediate care facilities, the support component of the
6 rates taking effect on January 1, 2008 shall be computed using
7 the most recent cost reports on file with the Department of
8 Healthcare and Family Services no later than April 1, 2005,
9 updated for inflation to January 1, 2006.

10 For facilities licensed by the Department of Public Health
11 under the Nursing Home Care Act as Intermediate Care for the
12 Developmentally Disabled facilities or Long Term Care for
13 Under Age 22 facilities, the rates taking effect on April 1,
14 2002 shall include a statewide increase of 2.0%, as defined by
15 the Department. This increase terminates on July 1, 2002;
16 beginning July 1, 2002 these rates are reduced to the level of
17 the rates in effect on March 31, 2002, as defined by the
18 Department.

19 For facilities licensed by the Department of Public Health
20 under the Nursing Home Care Act as skilled nursing facilities
21 or intermediate care facilities, the rates taking effect on
22 July 1, 2001 shall be computed using the most recent cost
23 reports on file with the Department of Public Aid no later than
24 April 1, 2000, updated for inflation to January 1, 2001. For
25 rates effective July 1, 2001 only, rates shall be the greater
26 of the rate computed for July 1, 2001 or the rate effective on

1 June 30, 2001.

2 Notwithstanding any other provision of this Section, for
3 facilities licensed by the Department of Public Health under
4 the Nursing Home Care Act as skilled nursing facilities or
5 intermediate care facilities, the Illinois Department shall
6 determine by rule the rates taking effect on July 1, 2002,
7 which shall be 5.9% less than the rates in effect on June 30,
8 2002.

9 Notwithstanding any other provision of this Section, for
10 facilities licensed by the Department of Public Health under
11 the Nursing Home Care Act as skilled nursing facilities or
12 intermediate care facilities, if the payment methodologies
13 required under Section 5A-12 and the waiver granted under 42
14 CFR 433.68 are approved by the United States Centers for
15 Medicare and Medicaid Services, the rates taking effect on
16 July 1, 2004 shall be 3.0% greater than the rates in effect on
17 June 30, 2004. These rates shall take effect only upon
18 approval and implementation of the payment methodologies
19 required under Section 5A-12.

20 Notwithstanding any other provisions of this Section, for
21 facilities licensed by the Department of Public Health under
22 the Nursing Home Care Act as skilled nursing facilities or
23 intermediate care facilities, the rates taking effect on
24 January 1, 2005 shall be 3% more than the rates in effect on
25 December 31, 2004.

26 Notwithstanding any other provision of this Section, for

1 facilities licensed by the Department of Public Health under
2 the Nursing Home Care Act as skilled nursing facilities or
3 intermediate care facilities, effective January 1, 2009, the
4 per diem support component of the rates effective on January
5 1, 2008, computed using the most recent cost reports on file
6 with the Department of Healthcare and Family Services no later
7 than April 1, 2005, updated for inflation to January 1, 2006,
8 shall be increased to the amount that would have been derived
9 using standard Department of Healthcare and Family Services
10 methods, procedures, and inflators.

11 Notwithstanding any other provisions of this Section, for
12 facilities licensed by the Department of Public Health under
13 the Nursing Home Care Act as intermediate care facilities that
14 are federally defined as Institutions for Mental Disease, or
15 facilities licensed by the Department of Public Health under
16 the Specialized Mental Health Rehabilitation Act of 2013, a
17 socio-development component rate equal to 6.6% of the
18 facility's nursing component rate as of January 1, 2006 shall
19 be established and paid effective July 1, 2006. The
20 socio-development component of the rate shall be increased by
21 a factor of 2.53 on the first day of the month that begins at
22 least 45 days after January 11, 2008 (the effective date of
23 Public Act 95-707). As of August 1, 2008, the
24 socio-development component rate shall be equal to 6.6% of the
25 facility's nursing component rate as of January 1, 2006,
26 multiplied by a factor of 3.53. For services provided on or

1 after April 1, 2011, or the first day of the month that begins
2 at least 45 days after February 16, 2011 (the effective date of
3 Public Act 96-1530), whichever is later, the Illinois
4 Department may by rule adjust these socio-development
5 component rates, and may use different adjustment
6 methodologies for those facilities participating, and those
7 not participating, in the Illinois Department's demonstration
8 program pursuant to the provisions of Title 77, Part 300,
9 Subpart T of the Illinois Administrative Code, but in no case
10 may such rates be diminished below those in effect on August 1,
11 2008.

12 For facilities licensed by the Department of Public Health
13 under the Nursing Home Care Act as Intermediate Care for the
14 Developmentally Disabled facilities or as long-term care
15 facilities for residents under 22 years of age, the rates
16 taking effect on July 1, 2003 shall include a statewide
17 increase of 4%, as defined by the Department.

18 For facilities licensed by the Department of Public Health
19 under the Nursing Home Care Act as Intermediate Care for the
20 Developmentally Disabled facilities or Long Term Care for
21 Under Age 22 facilities, the rates taking effect on the first
22 day of the month that begins at least 45 days after January 11,
23 2008 (the effective date of Public Act 95-707) shall include a
24 statewide increase of 2.5%, as defined by the Department.

25 Notwithstanding any other provision of this Section, for
26 facilities licensed by the Department of Public Health under

1 the Nursing Home Care Act as skilled nursing facilities or
2 intermediate care facilities, effective January 1, 2005,
3 facility rates shall be increased by the difference between
4 (i) a facility's per diem property, liability, and malpractice
5 insurance costs as reported in the cost report filed with the
6 Department of Public Aid and used to establish rates effective
7 July 1, 2001 and (ii) those same costs as reported in the
8 facility's 2002 cost report. These costs shall be passed
9 through to the facility without caps or limitations, except
10 for adjustments required under normal auditing procedures.

11 Rates established effective each July 1 shall govern
12 payment for services rendered throughout that fiscal year,
13 except that rates established on July 1, 1996 shall be
14 increased by 6.8% for services provided on or after January 1,
15 1997. Such rates will be based upon the rates calculated for
16 the year beginning July 1, 1990, and for subsequent years
17 thereafter until June 30, 2001 shall be based on the facility
18 cost reports for the facility fiscal year ending at any point
19 in time during the previous calendar year, updated to the
20 midpoint of the rate year. The cost report shall be on file
21 with the Department no later than April 1 of the current rate
22 year. Should the cost report not be on file by April 1, the
23 Department shall base the rate on the latest cost report filed
24 by each skilled care facility and intermediate care facility,
25 updated to the midpoint of the current rate year. In
26 determining rates for services rendered on and after July 1,

1 1985, fixed time shall not be computed at less than zero. The
2 Department shall not make any alterations of regulations which
3 would reduce any component of the Medicaid rate to a level
4 below what that component would have been utilizing in the
5 rate effective on July 1, 1984.

6 (2) Shall take into account the actual costs incurred by
7 facilities in providing services for recipients of skilled
8 nursing and intermediate care services under the medical
9 assistance program.

10 (3) Shall take into account the medical and psycho-social
11 characteristics and needs of the patients.

12 (4) Shall take into account the actual costs incurred by
13 facilities in meeting licensing and certification standards
14 imposed and prescribed by the State of Illinois, any of its
15 political subdivisions or municipalities and by the U.S.
16 Department of Health and Human Services pursuant to Title XIX
17 of the Social Security Act.

18 The Department of Healthcare and Family Services shall
19 develop precise standards for payments to reimburse nursing
20 facilities for any utilization of appropriate rehabilitative
21 personnel for the provision of rehabilitative services which
22 is authorized by federal regulations, including reimbursement
23 for services provided by qualified therapists or qualified
24 assistants, and which is in accordance with accepted
25 professional practices. Reimbursement also may be made for
26 utilization of other supportive personnel under appropriate

1 supervision.

2 The Department shall develop enhanced payments to offset
3 the additional costs incurred by a facility serving
4 exceptional need residents and shall allocate at least
5 \$4,000,000 of the funds collected from the assessment
6 established by Section 5B-2 of this Code for such payments.
7 For the purpose of this Section, "exceptional needs" means,
8 but need not be limited to, ventilator care and traumatic
9 brain injury care. The enhanced payments for exceptional need
10 residents under this paragraph are not due and payable,
11 however, until (i) the methodologies described in this
12 paragraph are approved by the federal government in an
13 appropriate State Plan amendment and (ii) the assessment
14 imposed by Section 5B-2 of this Code is determined to be a
15 permissible tax under Title XIX of the Social Security Act.

16 Beginning January 1, 2014 the methodologies for
17 reimbursement of nursing facility services as provided under
18 this Section 5-5.4 shall no longer be applicable for services
19 provided on or after January 1, 2014.

20 No payment increase under this Section for the MDS
21 methodology, exceptional care residents, or the
22 socio-development component rate established by Public Act
23 96-1530 of the 96th General Assembly and funded by the
24 assessment imposed under Section 5B-2 of this Code shall be
25 due and payable until after the Department notifies the
26 long-term care providers, in writing, that the payment

1 methodologies to long-term care providers required under this
2 Section have been approved by the Centers for Medicare and
3 Medicaid Services of the U.S. Department of Health and Human
4 Services and the waivers under 42 CFR 433.68 for the
5 assessment imposed by this Section, if necessary, have been
6 granted by the Centers for Medicare and Medicaid Services of
7 the U.S. Department of Health and Human Services. Upon
8 notification to the Department of approval of the payment
9 methodologies required under this Section and the waivers
10 granted under 42 CFR 433.68, all increased payments otherwise
11 due under this Section prior to the date of notification shall
12 be due and payable within 90 days of the date federal approval
13 is received.

14 On and after July 1, 2012, the Department shall reduce any
15 rate of reimbursement for services or other payments or alter
16 any methodologies authorized by this Code to reduce any rate
17 of reimbursement for services or other payments in accordance
18 with Section 5-5e.

19 For facilities licensed by the Department of Public Health
20 under the ID/DD Community Care Act as ID/DD Facilities and
21 under the MC/DD Act as MC/DD Facilities, subject to federal
22 approval, the rates taking effect for services delivered on or
23 after August 1, 2019 shall be increased by 3.5% over the rates
24 in effect on June 30, 2019. The Department shall adopt rules,
25 including emergency rules under subsection (ii) of Section
26 5-45 of the Illinois Administrative Procedure Act, to

1 implement the provisions of this Section, including wage
2 increases for direct care staff.

3 For facilities licensed by the Department of Public Health
4 under the ID/DD Community Care Act as ID/DD Facilities and
5 under the MC/DD Act as MC/DD Facilities, subject to federal
6 approval, the rates taking effect on the latter of the
7 approval date of the State Plan Amendment for these facilities
8 or the Waiver Amendment for the home and community-based
9 services settings shall include an increase sufficient to
10 provide a \$0.26 per hour wage increase to the base wage for
11 non-executive staff. The Department shall adopt rules,
12 including emergency rules as authorized by Section 5-45 of the
13 Illinois Administrative Procedure Act, to implement the
14 provisions of this Section, including wage increases for
15 direct care staff.

16 For facilities licensed by the Department of Public Health
17 under the ID/DD Community Care Act as ID/DD Facilities and
18 under the MC/DD Act as MC/DD Facilities, subject to federal
19 approval of the State Plan Amendment and the Waiver Amendment
20 for the home and community-based services settings, the rates
21 taking effect for the services delivered on or after July 1,
22 2020 shall include an increase sufficient to provide a \$1.00
23 per hour wage increase for non-executive staff. For services
24 delivered on or after January 1, 2021, subject to federal
25 approval of the State Plan Amendment and the Waiver Amendment
26 for the home and community-based services settings, shall

1 include an increase sufficient to provide a \$0.50 per hour
2 increase for non-executive staff. The Department shall adopt
3 rules, including emergency rules as authorized by Section 5-45
4 of the Illinois Administrative Procedure Act, to implement the
5 provisions of this Section, including wage increases for
6 direct care staff.

7 For facilities licensed by the Department of Public Health
8 under the ID/DD Community Care Act as ID/DD Facilities and
9 under the MC/DD Act as MC/DD Facilities, subject to federal
10 approval of the State Plan Amendment, the rates taking effect
11 for the residential services delivered on or after July 1,
12 2021, shall include an increase sufficient to provide a \$0.50
13 per hour increase for aides in the rate methodology. For
14 facilities licensed by the Department of Public Health under
15 the ID/DD Community Care Act as ID/DD Facilities and under the
16 MC/DD Act as MC/DD Facilities, subject to federal approval of
17 the State Plan Amendment, the rates taking effect for the
18 residential services delivered on or after January 1, 2022
19 shall include an increase sufficient to provide a \$1.00 per
20 hour increase for aides in the rate methodology. In addition,
21 for residential services delivered on or after January 1, 2022
22 such rates shall include an increase sufficient to provide
23 wages for all residential non-executive direct care staff,
24 excluding aides, at the federal Department of Labor, Bureau of
25 Labor Statistics' average wage as defined in rule by the
26 Department. The Department shall adopt rules, including

1 emergency rules as authorized by Section 5-45 of the Illinois
2 Administrative Procedure Act, to implement the provisions of
3 this Section.

4 For facilities licensed by the Department of Public Health
5 under the ID/DD Community Care Act as ID/DD facilities and
6 under the MC/DD Act as MC/DD facilities, subject to federal
7 approval of the State Plan Amendment, the rates taking effect
8 for services delivered on or after January 1, 2023, shall
9 include a \$1.00 per hour wage increase for all direct support
10 personnel and all other frontline personnel who are not
11 subject to the Bureau of Labor Statistics' average wage
12 increases, who work in residential and community day services
13 settings, with at least \$0.50 of those funds to be provided as
14 a direct increase to all aide base wages, with the remaining
15 \$0.50 to be used flexibly for base wage increases to the rate
16 methodology for aides. In addition, for residential services
17 delivered on or after January 1, 2023 the rates shall include
18 an increase sufficient to provide wages for all residential
19 non-executive direct care staff, excluding aides, at the
20 federal Department of Labor, Bureau of Labor Statistics'
21 average wage as determined by the Department. Also, for
22 services delivered on or after January 1, 2023, the rates will
23 include adjustments to employment-related expenses as defined
24 in rule by the Department. The Department shall adopt rules,
25 including emergency rules as authorized by Section 5-45 of the
26 Illinois Administrative Procedure Act, to implement the

1 provisions of this Section.

2 For facilities licensed by the Department of Public Health
3 under the ID/DD Community Care Act as ID/DD facilities and
4 under the MC/DD Act as MC/DD facilities, subject to federal
5 approval of the State Plan Amendment, the rates taking effect
6 for services delivered on or after January 1, 2024 shall
7 include a \$2.50 per hour wage increase for all direct support
8 personnel and all other frontline personnel who are not
9 subject to the Bureau of Labor Statistics' average wage
10 increases and who work in residential and community day
11 services settings. At least \$1.25 of the per hour wage
12 increase shall be provided as a direct increase to all aide
13 base wages, and the remaining \$1.25 of the per hour wage
14 increase shall be used flexibly for base wage increases to the
15 rate methodology for aides. In addition, for residential
16 services delivered on or after January 1, 2024, the rates
17 shall include an increase sufficient to provide wages for all
18 residential non-executive direct care staff, excluding aides,
19 at the federal Department of Labor, Bureau of Labor
20 Statistics' average wage as determined by the Department.
21 Also, for services delivered on or after January 1, 2024, the
22 rates will include adjustments to employment-related expenses
23 as defined in rule by the Department. The Department shall
24 adopt rules, including emergency rules as authorized by
25 Section 5-45 of the Illinois Administrative Procedure Act, to
26 implement the provisions of this Section.

1 For facilities licensed by the Department of Public Health
2 under the ID/DD Community Care Act as ID/DD facilities and
3 under the MC/DD Act as MC/DD facilities, subject to federal
4 approval of a State Plan Amendment, the rates taking effect
5 for services delivered on or after January 1, 2025 shall
6 include a \$1.00 per hour wage increase for all direct support
7 personnel and all other frontline personnel who are not
8 subject to the Bureau of Labor Statistics' average wage
9 increases and who work in residential and community day
10 services settings, with at least \$0.75 of those funds to be
11 provided as a direct increase to all aide base wages and the
12 remaining \$0.25 to be used flexibly for base wage increases to
13 the rate methodology for aides. These increases shall not be
14 used by facilities for operational and administrative
15 expenses. In addition, for residential services delivered on
16 or after January 1, 2025, the rates shall include an increase
17 sufficient to provide wages for all residential non-executive
18 direct care staff, excluding aides, at the federal Department
19 of Labor, Bureau of Labor Statistics' average wage as
20 determined by the Department. Also, for services delivered on
21 or after January 1, 2025, the rates will include adjustments
22 to employment-related expenses as defined in rule by the
23 Department. The Department shall adopt rules, including
24 emergency rules as authorized by Section 5-45 of the Illinois
25 Administrative Procedure Act, to implement the provisions of
26 this Section.

1 Notwithstanding any other provision of this Section to the
2 contrary, any regional wage adjuster for facilities located
3 outside of the counties of Cook, DuPage, Kane, Lake, McHenry,
4 and Will shall be no lower than 1.00, and any regional wage
5 adjuster for facilities located within the counties of Cook,
6 DuPage, Kane, Lake, McHenry, and Will shall be no lower than
7 1.15.

8 For facilities licensed by the Department of Public Health
9 under the ID/DD Community Care Act as ID/DD facilities and
10 under the MC/DD Act as MC/DD facilities, no later than January
11 1, 2026, the Department of Healthcare and Family Services must
12 submit a Title XIX State Plan amendment to the federal Centers
13 for Medicare and Medicaid Services that shall include an
14 increase in the rate methodology sufficient to provide for a
15 wage rate of 150% of the statewide, regional, or local minimum
16 wage for services delivered on or after January 1, 2026, for
17 all direct support personnel and all other frontline personnel
18 who are not subject to the Bureau of Labor Statistics' average
19 wage increases and who work in residential and community day
20 services settings. The State Plan amendment shall also include
21 an increase in the rate methodology sufficient to provide wage
22 increases for all residential non-executive direct care staff,
23 excluding direct support personnel, at the federal Department
24 of Labor, Bureau of Labor Statistics' average wage as defined
25 by rule by the Department for services delivered on or after
26 January 1, 2026. For services delivered on or after January 1,

1 2026, the rates shall include adjustments to
2 employment-related expenses as defined by rule by the
3 Department.

4 (Source: P.A. 102-16, eff. 6-17-21; 102-699, eff. 4-19-22;
5 103-8, eff. 6-7-23; 103-588, eff. 7-1-24.)

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