

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 5. The Illinois Health Facilities Planning Act is  
5 amended by changing Sections 4, 5, 6, 10, 12, 12.5, and 14.1  
6 and adding Sections 6.2 and 19.5.1 as follows:

7 (20 ILCS 3960/4) (from Ch. 111 1/2, par. 1154)

8 (Section scheduled to be repealed on December 31, 2019)

9 Sec. 4. Health Facilities and Services Review Board;  
10 membership; appointment; term; compensation; quorum.  
11 Notwithstanding any other provision in this Section, members of  
12 the State Board holding office on the day before the effective  
13 date of this amendatory Act of the 96th General Assembly shall  
14 retain their authority.

15 (a) There is created the Health Facilities and Services  
16 Review Board, which shall perform the functions described in  
17 this Act. The Department shall provide operational support to  
18 the Board, including the provision of office space, supplies,  
19 and clerical, financial, and accounting services. The Board may  
20 contract with experts related to specific health services or  
21 facilities and create technical advisory panels to assist in  
22 the development of criteria, standards, and procedures used in  
23 the evaluation of applications for permit and exemption.

1 (b) Beginning March 1, 2010, the State Board shall consist  
2 of 9 voting members. All members shall be residents of Illinois  
3 and at least 4 shall reside outside the Chicago Metropolitan  
4 Statistical Area. Consideration shall be given to potential  
5 appointees who reflect the ethnic and cultural diversity of the  
6 State. Neither Board members nor Board staff shall be convicted  
7 felons or have pled guilty to a felony.

8 Each member shall have a reasonable knowledge of the  
9 practice, procedures and principles of the health care delivery  
10 system in Illinois, including at least 5 members who shall be  
11 knowledgeable about health care delivery systems, health  
12 systems planning, finance, or the management of health care  
13 facilities currently regulated under the Act. One member shall  
14 be a representative of a non-profit health care consumer  
15 advocacy organization. A spouse, parent, sibling, or child  
16 ~~Spouses or other members of the immediate family~~ of a ~~the~~ Board  
17 member cannot be an employee, agent, or under contract with  
18 services or facilities subject to the Act. Prior to appointment  
19 and in the course of service on the Board, members of the Board  
20 shall disclose the employment or other financial interest of  
21 any other relative of the member, if known, in service or  
22 facilities subject to the Act. Members of the Board shall  
23 declare any conflict of interest that may exist with respect to  
24 the status of those relatives and recuse themselves from voting  
25 on any issue for which a conflict of interest is declared. No  
26 person shall be appointed or continue to serve as a member of

1 the State Board who is, or whose spouse, parent, sibling, or  
2 child is, a member of the Board of Directors of, has a  
3 financial interest in, or has a business relationship with a  
4 health care facility.

5 Notwithstanding any provision of this Section to the  
6 contrary, the term of office of each member of the State Board  
7 serving on the day before the effective date of this amendatory  
8 Act of the 96th General Assembly is abolished on the date upon  
9 which members of the 9-member Board, as established by this  
10 amendatory Act of the 96th General Assembly, have been  
11 appointed and can begin to take action as a Board. Members of  
12 the State Board serving on the day before the effective date of  
13 this amendatory Act of the 96th General Assembly may be  
14 reappointed to the 9-member Board. Prior to March 1, 2010, the  
15 Health Facilities Planning Board shall establish a plan to  
16 transition its powers and duties to the Health Facilities and  
17 Services Review Board.

18 (c) The State Board shall be appointed by the Governor,  
19 with the advice and consent of the Senate. Not more than 5 of  
20 the appointments shall be of the same political party at the  
21 time of the appointment.

22 The Secretary of Human Services, the Director of Healthcare  
23 and Family Services, and the Director of Public Health, or  
24 their designated representatives, shall serve as ex-officio,  
25 non-voting members of the State Board.

26 (d) Of those 9 members initially appointed by the Governor

1 following the effective date of this amendatory Act of the 96th  
2 General Assembly, 3 shall serve for terms expiring July 1,  
3 2011, 3 shall serve for terms expiring July 1, 2012, and 3  
4 shall serve for terms expiring July 1, 2013. Thereafter, each  
5 appointed member shall hold office for a term of 3 years,  
6 provided that any member appointed to fill a vacancy occurring  
7 prior to the expiration of the term for which his or her  
8 predecessor was appointed shall be appointed for the remainder  
9 of such term and the term of office of each successor shall  
10 commence on July 1 of the year in which his predecessor's term  
11 expires. Each member appointed after the effective date of this  
12 amendatory Act of the 96th General Assembly shall hold office  
13 until his or her successor is appointed and qualified. The  
14 Governor may reappoint a member for additional terms, but no  
15 member shall serve more than 3 terms, subject to review and  
16 re-approval every 3 years.

17 (e) State Board members, while serving on business of the  
18 State Board, shall receive actual and necessary travel and  
19 subsistence expenses while so serving away from their places of  
20 residence. Until March 1, 2010, a member of the State Board who  
21 experiences a significant financial hardship due to the loss of  
22 income on days of attendance at meetings or while otherwise  
23 engaged in the business of the State Board may be paid a  
24 hardship allowance, as determined by and subject to the  
25 approval of the Governor's Travel Control Board.

26 (f) The Governor shall designate one of the members to

1 serve as the Chairman of the Board, who shall be a person with  
2 expertise in health care delivery system planning, finance or  
3 management of health care facilities that are regulated under  
4 the Act. The Chairman shall annually review Board member  
5 performance and shall report the attendance record of each  
6 Board member to the General Assembly.

7 (g) The State Board, through the Chairman, shall prepare a  
8 separate and distinct budget approved by the General Assembly  
9 and shall hire and supervise its own professional staff  
10 responsible for carrying out the responsibilities of the Board.

11 (h) The State Board shall meet at least every 45 days, or  
12 as often as the Chairman of the State Board deems necessary, or  
13 upon the request of a majority of the members.

14 (i) Five members of the State Board shall constitute a  
15 quorum. The affirmative vote of 5 of the members of the State  
16 Board shall be necessary for any action requiring a vote to be  
17 taken by the State Board. A vacancy in the membership of the  
18 State Board shall not impair the right of a quorum to exercise  
19 all the rights and perform all the duties of the State Board as  
20 provided by this Act.

21 (j) A State Board member shall disqualify himself or  
22 herself from the consideration of any application for a permit  
23 or exemption in which the State Board member or the State Board  
24 member's spouse, parent, sibling, or child: (i) has an economic  
25 interest in the matter; or (ii) is employed by, serves as a  
26 consultant for, or is a member of the governing board of the

1 applicant or a party opposing the application.

2 (k) The Chairman, Board members, and Board staff must  
3 comply with the Illinois Governmental Ethics Act.

4 (Source: P.A. 95-331, eff. 8-21-07; 96-31, eff. 6-30-09.)

5 (20 ILCS 3960/5) (from Ch. 111 1/2, par. 1155)

6 (Section scheduled to be repealed on December 31, 2019)

7 Sec. 5. Construction, modification, or establishment of  
8 health care facilities or acquisition of major medical  
9 equipment; permits or exemptions. No person shall construct,  
10 modify or establish a health care facility or acquire major  
11 medical equipment without first obtaining a permit or exemption  
12 from the State Board. The State Board shall not delegate to the  
13 staff of the State Board or any other person or entity the  
14 authority to grant permits or exemptions whenever the staff or  
15 other person or entity would be required to exercise any  
16 discretion affecting the decision to grant a permit or  
17 exemption. The State Board may, by rule, delegate authority to  
18 the Chairman to grant permits or exemptions when applications  
19 meet all of the State Board's review criteria and are  
20 unopposed.

21 A permit or exemption shall be obtained prior to the  
22 acquisition of major medical equipment or to the construction  
23 or modification of a health care facility which:

24 (a) requires a total capital expenditure in excess of  
25 the capital expenditure minimum; or

1 (b) substantially changes the scope or changes the  
2 functional operation of the facility; or

3 (c) changes the bed capacity of a health care facility  
4 by increasing the total number of beds or by distributing  
5 beds among various categories of service or by relocating  
6 beds from one physical facility or site to another by more  
7 than 20 beds or more than 10% of total bed capacity as  
8 defined by the State Board, whichever is less, over a 2  
9 year period.

10 A permit shall be valid only for the defined construction  
11 or modifications, site, amount and person named in the  
12 application for such permit and shall not be transferable or  
13 assignable. A permit shall be valid until such time as the  
14 project has been completed, provided that ~~(a) obligation of the~~  
15 ~~project occurs within 12 months following issuance of the~~  
16 ~~permit except for major construction projects such obligation~~  
17 ~~must occur within 18 months following issuance of the permit;~~  
18 ~~and (b) the project commences and proceeds to completion with~~  
19 due diligence by the completion date or extension date approved  
20 by the Board.

21 A permit holder must do the following: (i) submit the final  
22 completion and cost report for the project within 90 days after  
23 the approved project completion date or extension date and (ii)  
24 submit annual progress reports no earlier than 30 days before  
25 and no later than 30 days after each anniversary date of the  
26 Board's approval of the permit until the project is completed.

1 To maintain a valid permit and to monitor progress toward  
2 project commencement and completion, routine post-permit  
3 reports shall be limited to annual progress reports and the  
4 final completion and cost report. Annual progress reports shall  
5 include information regarding the committed funds expended  
6 toward the approved project. If the project is not completed in  
7 one year, then, by the second annual report, the permit holder  
8 shall expend 33% or more of the total project cost or shall  
9 make a commitment to expend 33% or more of the total project  
10 cost by signed contracts or other legal means, and the report  
11 shall contain information regarding those expenditures or  
12 commitments. If the project is to be completed in one year,  
13 then the first annual report shall contain the expenditure  
14 commitment information for the total project cost. The State  
15 Board may extend the expenditure commitment period after  
16 considering a permit holder's showing of good cause and request  
17 for additional time to complete the project.

18 The Certificate of Need process required under this Act is  
19 designed to restrain rising health care costs by preventing  
20 unnecessary construction or modification of health care  
21 facilities. The Board must assure that the establishment,  
22 construction, or modification of a health care facility or the  
23 acquisition of major medical equipment is consistent with the  
24 public interest and that the proposed project is consistent  
25 with the orderly and economic development or acquisition of  
26 those facilities and equipment and is in accord with the



1 standards, criteria, or plans of need adopted and approved by  
2 the Board. Board decisions regarding the construction of health  
3 care facilities must consider capacity, quality, value, and  
4 equity. Projects may deviate from the costs, fees, and expenses  
5 provided in their project cost information for the project's  
6 cost components, provided that the final total project cost  
7 does not exceed the approved permit amount. Project alterations  
8 shall not increase the total approved permit amount by more  
9 than the limit set forth under the Board's rules.

10 Major construction projects, for the purposes of this Act,  
11 shall include but are not limited to: projects for the  
12 construction of new buildings; additions to existing  
13 facilities; modernization projects whose cost is in excess of  
14 \$1,000,000 or 10% of the facilities' operating revenue,  
15 whichever is less; and such other projects as the State Board  
16 shall define and prescribe pursuant to this Act.

17 ~~The State Board may extend the obligation period upon a~~  
18 ~~showing of good cause by the permit holder.~~ Permits for  
19 projects that have not been obligated within the prescribed  
20 obligation period shall expire on the last day of that period.

21 The acquisition by any person of major medical equipment  
22 that will not be owned by or located in a health care facility  
23 and that will not be used to provide services to inpatients of  
24 a health care facility shall be exempt from review provided  
25 that a notice is filed in accordance with exemption  
26 requirements.

1           Notwithstanding any other provision of this Act, no permit  
2 or exemption is required for the construction or modification  
3 of a non-clinical service area of a health care facility.

4           (Source: P.A. 96-31, eff. 6-30-09.)

5           (20 ILCS 3960/6) (from Ch. 111 1/2, par. 1156)

6           (Section scheduled to be repealed on December 31, 2019)

7           Sec. 6. Application for permit or exemption; exemption  
8 regulations.

9           (a) An application for a permit or exemption shall be made  
10 to the State Board upon forms provided by the State Board. This  
11 application shall contain such information as the State Board  
12 deems necessary. The State Board shall not require an applicant  
13 to file a Letter of Intent before an application is filed. Such  
14 application shall include affirmative evidence on which the  
15 State Board or Chairman may make its decision on the approval  
16 or denial of the permit or exemption.

17           (b) The State Board shall establish by regulation the  
18 procedures and requirements regarding issuance of exemptions.  
19 An exemption shall be approved when information required by the  
20 Board by rule is submitted. Projects eligible for an exemption,  
21 rather than a permit, include, but are not limited to, change  
22 of ownership of a health care facility. For a change of  
23 ownership of a health care facility between related persons,  
24 the State Board shall provide by rule for an expedited process  
25 for obtaining an exemption. In connection with a change of

1 ownership, the State Board may approve the transfer of an  
2 existing permit without regard to whether the permit to be  
3 transferred has yet been obligated, except for permits  
4 establishing a new facility or a new category of service.

5 (c) All applications shall be signed by the applicant and  
6 shall be verified by any 2 officers thereof.

7 (c-5) Any written review or findings of the Board staff or  
8 any other reviewing organization under Section 8 concerning an  
9 application for a permit must be made available to the public  
10 at least 14 calendar days before the meeting of the State Board  
11 at which the review or findings are considered. The applicant  
12 and members of the public may submit, to the State Board,  
13 written responses regarding the facts set forth in the review  
14 or findings of the Board staff or reviewing organization.  
15 Members of the public shall have until 10 days before the  
16 meeting of the State Board to submit any written response  
17 concerning the Board staff's written review or findings ~~at~~  
18 ~~least 10 days before the meeting of the State Board~~. The Board  
19 staff may revise any findings to address corrections of factual  
20 errors cited in the public response. At the meeting, the State  
21 Board may, in its discretion, permit the submission of other  
22 additional written materials.

23 (d) Upon receipt of an application for a permit, the State  
24 Board shall approve and authorize the issuance of a permit if  
25 it finds (1) that the applicant is fit, willing, and able to  
26 provide a proper standard of health care service for the

1 community with particular regard to the qualification,  
2 background and character of the applicant, (2) that economic  
3 feasibility is demonstrated in terms of effect on the existing  
4 and projected operating budget of the applicant and of the  
5 health care facility; in terms of the applicant's ability to  
6 establish and operate such facility in accordance with  
7 licensure regulations promulgated under pertinent state laws;  
8 and in terms of the projected impact on the total health care  
9 expenditures in the facility and community, (3) that safeguards  
10 are provided which assure that the establishment, construction  
11 or modification of the health care facility or acquisition of  
12 major medical equipment is consistent with the public interest,  
13 and (4) that the proposed project is consistent with the  
14 orderly and economic development of such facilities and  
15 equipment and is in accord with standards, criteria, or plans  
16 of need adopted and approved pursuant to the provisions of  
17 Section 12 of this Act.

18 (Source: P.A. 95-237, eff. 1-1-08; 96-31, eff. 6-30-09.)

19 (20 ILCS 3960/6.2 new)

20 Sec. 6.2. Review of permits. Upon receipt of an application  
21 for a permit to establish, construct, or modify a health care  
22 facility, the State Board staff shall notify the applicant in  
23 writing within 10 working days either that the application is  
24 or is not complete. If the application is complete, the State  
25 Board staff shall notify the applicant of the beginning of the

1 review process. If the application is not complete, the Board  
2 staff shall explain within the 10-day period why the  
3 application is incomplete.

4 The State Board staff shall afford a reasonable amount of  
5 time as established by the State Board, but not to exceed 120  
6 days, for the review of the application. The 120-day period  
7 begins on the day the application is found to be substantially  
8 complete, as that term is defined by the State Board. During  
9 the 120-day period, the applicant may request an extension. An  
10 applicant may modify the application at any time before a final  
11 administrative decision has been made on the application. The  
12 State Board shall prescribe and provide the forms upon which  
13 the review and findings of the State Board staff shall be made.  
14 The State Board staff shall submit its review and findings to  
15 the State Board for its approval or denial of the permit.

16 When an application for a permit is initially reviewed by  
17 State Board staff, as provided in this Section, the State Board  
18 shall, upon request by the applicant or an interested person,  
19 afford an opportunity for a public hearing within a reasonable  
20 amount of time after receipt of the complete application, but  
21 not to exceed 90 days after receipt of the complete  
22 application. Notice of the hearing shall be made promptly, not  
23 less than 10 days before the hearing, by certified mail to the  
24 applicant and, not less than 10 days before the hearing, by  
25 publication in a newspaper of general circulation in the area  
26 or community to be affected. The hearing shall be held in the

1 area or community in which the proposed project is to be  
2 located and shall be for the purpose of allowing the applicant  
3 and any interested person to present public testimony  
4 concerning the approval, denial, renewal, or revocation of the  
5 permit. All interested persons attending the hearing shall be  
6 given a reasonable opportunity to present their views or  
7 arguments in writing or orally, and a record of all of the  
8 testimony shall accompany any findings of the State Board  
9 staff. The State Board shall adopt reasonable rules and  
10 regulations governing the procedure and conduct of the  
11 hearings.

12 (20 ILCS 3960/10) (from Ch. 111 1/2, par. 1160)

13 (Section scheduled to be repealed on December 31, 2019)

14 Sec. 10. Presenting information relevant to the approval of  
15 a permit or certificate or in opposition to the denial of the  
16 application; notice of outcome and review proceedings. When a  
17 motion by the State Board, to approve an application for a  
18 permit or a certificate of recognition, fails to pass, or when  
19 a motion to deny an application for a permit or a certificate  
20 of recognition is passed, the applicant or the holder of the  
21 permit, as the case may be, and such other parties as the State  
22 Board permits, will be given an opportunity to appear before  
23 the State Board and present such information as may be relevant  
24 to the approval of a permit or certificate or in opposition to  
25 the denial of the application.

1           Subsequent to an appearance by the applicant before the  
2 State Board or default of such opportunity to appear, a motion  
3 by the State Board to approve an application for a permit or a  
4 certificate of recognition which fails to pass or a motion to  
5 deny an application for a permit or a certificate of  
6 recognition which passes shall be considered denial of the  
7 application for a permit or certificate of recognition, as the  
8 case may be. Such action of denial or an action by the State  
9 Board to revoke a permit or a certificate of recognition shall  
10 be communicated to the applicant or holder of the permit or  
11 certificate of recognition. Such person or organization shall  
12 be afforded an opportunity for a hearing before an  
13 administrative law judge ~~a hearing officer~~, who is appointed by  
14 the Chairman of the State Board ~~Director~~. A written notice of a  
15 request for such hearing shall be served upon the Chairman of  
16 the State Board within 30 days following notification of the  
17 decision of the State Board. ~~The State Board shall schedule a~~  
18 ~~hearing, and the Director shall appoint a hearing officer~~  
19 ~~within 30 days thereafter.~~ The administrative law judge ~~hearing~~  
20 ~~officer~~ shall take actions necessary to ensure that the hearing  
21 is completed within a reasonable period of time, but not to  
22 exceed 120 ~~90~~ days, except for delays or continuances agreed to  
23 by the person requesting the hearing. Following its  
24 consideration of the report of the hearing, or upon default of  
25 the party to the hearing, the State Board shall make its final  
26 determination, specifying its findings and conclusions within

1 90 ~~45~~ days of receiving the written report of the hearing. A  
2 copy of such determination shall be sent by certified mail or  
3 served personally upon the party.

4 A full and complete record shall be kept of all  
5 proceedings, including the notice of hearing, complaint, and  
6 all other documents in the nature of pleadings, written motions  
7 filed in the proceedings, and the report and orders of the  
8 State Board or hearing officer. All testimony shall be reported  
9 but need not be transcribed unless the decision is appealed in  
10 accordance with the Administrative Review Law, as now or  
11 hereafter amended. A copy or copies of the transcript may be  
12 obtained by any interested party on payment of the cost of  
13 preparing such copy or copies.

14 The State Board or hearing officer shall upon its own or  
15 his motion, or on the written request of any party to the  
16 proceeding who has, in the State Board's or hearing officer's  
17 opinion, demonstrated the relevancy of such request to the  
18 outcome of the proceedings, issue subpoenas requiring the  
19 attendance and the giving of testimony by witnesses, and  
20 subpoenas duces tecum requiring the production of books,  
21 papers, records, or memoranda. The fees of witnesses for  
22 attendance and travel shall be the same as the fees of  
23 witnesses before the circuit court of this State.

24 When the witness is subpoenaed at the instance of the State  
25 Board, or its hearing officer, such fees shall be paid in the  
26 same manner as other expenses of the Agency, and when the



1 witness is subpoenaed at the instance of any other party to any  
2 such proceeding the State Board may, in accordance with the  
3 rules of the Agency, require that the cost of service of the  
4 subpoena or subpoena duces tecum and the fee of the witness be  
5 borne by the party at whose instance the witness is summoned.  
6 In such case, the State Board in its discretion, may require a  
7 deposit to cover the cost of such service and witness fees. A  
8 subpoena or subpoena duces tecum so issued shall be served in  
9 the same manner as a subpoena issued out of a court.

10 Any circuit court of this State upon the application of the  
11 State Board or upon the application of any other party to the  
12 proceeding, may, in its discretion, compel the attendance of  
13 witnesses, the production of books, papers, records, or  
14 memoranda and the giving of testimony before it or its hearing  
15 officer conducting an investigation or holding a hearing  
16 authorized by this Act, by an attachment for contempt, or  
17 otherwise, in the same manner as production of evidence may be  
18 compelled before the court.

19 (Source: P.A. 93-41, eff. 6-27-03.)

20 (20 ILCS 3960/12) (from Ch. 111 1/2, par. 1162)

21 (Section scheduled to be repealed on December 31, 2019)

22 Sec. 12. Powers and duties of State Board. For purposes of  
23 this Act, the State Board shall exercise the following powers  
24 and duties:

25 (1) Prescribe rules, regulations, standards, criteria,

1 procedures or reviews which may vary according to the purpose  
2 for which a particular review is being conducted or the type of  
3 project reviewed and which are required to carry out the  
4 provisions and purposes of this Act. Policies and procedures of  
5 the State Board shall take into consideration the priorities  
6 and needs of medically underserved areas and other health care  
7 services identified through the comprehensive health planning  
8 process, giving special consideration to the impact of projects  
9 on access to safety net services.

10 (2) Adopt procedures for public notice and hearing on all  
11 proposed rules, regulations, standards, criteria, and plans  
12 required to carry out the provisions of this Act.

13 (3) (Blank).

14 (4) Develop criteria and standards for health care  
15 facilities planning, conduct statewide inventories of health  
16 care facilities, maintain an updated inventory on the Board's  
17 web site reflecting the most recent bed and service changes and  
18 updated need determinations when new census data become  
19 available or new need formulae are adopted, and develop health  
20 care facility plans which shall be utilized in the review of  
21 applications for permit under this Act. Such health facility  
22 plans shall be coordinated by the Board with pertinent State  
23 Plans. Inventories pursuant to this Section of skilled or  
24 intermediate care facilities licensed under the Nursing Home  
25 Care Act, skilled or intermediate care facilities licensed  
26 under the ID/DD Community Care Act, facilities licensed under

1 the Specialized Mental Health Rehabilitation Act, or nursing  
2 homes licensed under the Hospital Licensing Act shall be  
3 conducted on an annual basis no later than July 1 of each year  
4 and shall include among the information requested a list of all  
5 services provided by a facility to its residents and to the  
6 community at large and differentiate between active and  
7 inactive beds.

8 In developing health care facility plans, the State Board  
9 shall consider, but shall not be limited to, the following:

10 (a) The size, composition and growth of the population  
11 of the area to be served;

12 (b) The number of existing and planned facilities  
13 offering similar programs;

14 (c) The extent of utilization of existing facilities;

15 (d) The availability of facilities which may serve as  
16 alternatives or substitutes;

17 (e) The availability of personnel necessary to the  
18 operation of the facility;

19 (f) Multi-institutional planning and the establishment  
20 of multi-institutional systems where feasible;

21 (g) The financial and economic feasibility of proposed  
22 construction or modification; and

23 (h) In the case of health care facilities established  
24 by a religious body or denomination, the needs of the  
25 members of such religious body or denomination may be  
26 considered to be public need.

1           The health care facility plans which are developed and  
2 adopted in accordance with this Section shall form the basis  
3 for the plan of the State to deal most effectively with  
4 statewide health needs in regard to health care facilities.

5           (5) Coordinate with the Center for Comprehensive Health  
6 Planning and other state agencies having responsibilities  
7 affecting health care facilities, including those of licensure  
8 and cost reporting. Beginning no later than January 1, 2013,  
9 the Department of Public Health shall produce a written annual  
10 report to the Governor and the General Assembly regarding the  
11 development of the Center for Comprehensive Health Planning.  
12 The Chairman of the State Board and the State Board  
13 Administrator shall also receive a copy of the annual report.

14           (6) Solicit, accept, hold and administer on behalf of the  
15 State any grants or bequests of money, securities or property  
16 for use by the State Board or Center for Comprehensive Health  
17 Planning in the administration of this Act; and enter into  
18 contracts consistent with the appropriations for purposes  
19 enumerated in this Act.

20           (7) The State Board shall prescribe procedures for review,  
21 standards, and criteria which shall be utilized to make  
22 periodic reviews and determinations of the appropriateness of  
23 any existing health services being rendered by health care  
24 facilities subject to the Act. The State Board shall consider  
25 recommendations of the Board in making its determinations.

26           (8) Prescribe, in consultation with the Center for

1 Comprehensive Health Planning, rules, regulations, standards,  
2 and criteria for the conduct of an expeditious review of  
3 applications for permits for projects of construction or  
4 modification of a health care facility, which projects are  
5 classified as emergency, substantive, or non-substantive in  
6 nature.

7 Six months after June 30, 2009 (the effective date of  
8 Public Act 96-31), substantive projects shall include no more  
9 than the following:

10 (a) Projects to construct (1) a new or replacement  
11 facility located on a new site or (2) a replacement  
12 facility located on the same site as the original facility  
13 and the cost of the replacement facility exceeds the  
14 capital expenditure minimum, which shall be reviewed by the  
15 Board within 120 days;

16 (b) Projects proposing a (1) new service within an  
17 existing healthcare facility or (2) discontinuation of a  
18 service within an existing healthcare facility, which  
19 shall be reviewed by the Board within 60 days; or

20 (c) Projects proposing a change in the bed capacity of  
21 a health care facility by an increase in the total number  
22 of beds or by a redistribution of beds among various  
23 categories of service or by a relocation of beds from one  
24 physical facility or site to another by more than 20 beds  
25 or more than 10% of total bed capacity, as defined by the  
26 State Board, whichever is less, over a 2-year period.

1           The Chairman may approve applications for exemption that  
2 meet the criteria set forth in rules or refer them to the full  
3 Board. The Chairman may approve any unopposed application that  
4 meets all of the review criteria or refer them to the full  
5 Board.

6           Such rules shall not abridge the right of the Center for  
7 Comprehensive Health Planning to make recommendations on the  
8 classification and approval of projects, nor shall such rules  
9 prevent the conduct of a public hearing upon the timely request  
10 of an interested party. Such reviews shall not exceed 60 days  
11 from the date the application is declared to be complete.

12           (9) Prescribe rules, regulations, standards, and criteria  
13 pertaining to the granting of permits for construction and  
14 modifications which are emergent in nature and must be  
15 undertaken immediately to prevent or correct structural  
16 deficiencies or hazardous conditions that may harm or injure  
17 persons using the facility, as defined in the rules and  
18 regulations of the State Board. This procedure is exempt from  
19 public hearing requirements of this Act.

20           (10) Prescribe rules, regulations, standards and criteria  
21 for the conduct of an expeditious review, not exceeding 60  
22 days, of applications for permits for projects to construct or  
23 modify health care facilities which are needed for the care and  
24 treatment of persons who have acquired immunodeficiency  
25 syndrome (AIDS) or related conditions.

26           (11) Issue written decisions upon request of the applicant

1 or an adversely affected party to the Board within 30 days of  
2 the meeting in which a final decision has been made. A "final  
3 decision" for purposes of this Act is the decision to approve  
4 or deny an application, or take other actions permitted under  
5 this Act, at the time and date of the meeting that such action  
6 is scheduled by the Board. The staff of the State Board shall  
7 prepare a written copy of the final decision and the State  
8 Board shall approve a final copy for inclusion in the formal  
9 record. The written decision shall identify the applicable  
10 criteria and factors listed in this Act and the Board's  
11 regulations that were taken into consideration by the Board  
12 when coming to a final decision. If the State Board denies or  
13 fails to approve an application for permit or certificate, the  
14 State Board shall include in the final decision a detailed  
15 explanation as to why the application was denied and identify  
16 what specific criteria or standards the applicant did not  
17 fulfill.

18 (12) Require at least one of its members to participate in  
19 any public hearing, after the appointment of a majority of the  
20 ~~9~~ members to the Board.

21 (13) Provide a mechanism for the public to comment on, and  
22 request changes to, draft rules and standards.

23 (14) Implement public information campaigns to regularly  
24 inform the general public about the opportunity for public  
25 hearings and public hearing procedures.

26 (15) Establish a separate set of rules and guidelines for

1 long-term care that recognizes that nursing homes are a  
2 different business line and service model from other regulated  
3 facilities. An open and transparent process shall be developed  
4 that considers the following: how skilled nursing fits in the  
5 continuum of care with other care providers, modernization of  
6 nursing homes, establishment of more private rooms,  
7 development of alternative services, and current trends in  
8 long-term care services. The Chairman of the Board shall  
9 appoint a permanent Health Services Review Board Long-term Care  
10 Facility Advisory Subcommittee that shall develop and  
11 recommend to the Board the rules to be established by the Board  
12 under this paragraph (15). The Subcommittee shall also provide  
13 continuous review and commentary on policies and procedures  
14 relative to long-term care and the review of related projects.  
15 In consultation with other experts from the health field of  
16 long-term care, the Board and the Subcommittee shall study new  
17 approaches to the current bed need formula and Health Service  
18 Area boundaries to encourage flexibility and innovation in  
19 design models reflective of the changing long-term care  
20 marketplace and consumer preferences. The Board shall file the  
21 proposed related administrative rules for the separate rules  
22 and guidelines for long-term care required by this paragraph  
23 (15) by no later than September 30, 2011 ~~1, 2010~~. The  
24 Subcommittee shall be provided a reasonable and timely  
25 opportunity to review and comment on any review, revision, or  
26 updating of the criteria, standards, procedures, and rules used



1 to evaluate project applications as provided under Section 12.3  
2 of this Act ~~prior to approval by the Board and promulgation of~~  
3 ~~related rules.~~

4 (Source: P.A. 96-31, eff. 6-30-09; 96-339, eff. 7-1-10;  
5 96-1000, eff. 7-2-10; 97-38, eff. 6-28-11; 97-227, eff. 1-1-12;  
6 revised 9-7-11.)

7 (20 ILCS 3960/12.5)

8 (Section scheduled to be repealed on December 31, 2019)

9 Sec. 12.5. Update existing bed inventory and associated bed  
10 need projections. While the Task Force on Health Planning  
11 Reform will make long-term recommendations related to the  
12 method and formula for calculating the bed inventory and  
13 associated bed need projections, there is a current need for  
14 the bed inventory to be updated prior to the issuance of the  
15 recommendations of the Task Force. Therefore, the State Agency  
16 shall immediately update the existing bed inventory and  
17 associated bed need projections required by Sections 12 and  
18 12.3 of this Act, using the most recently published historical  
19 utilization data, 5-year ~~10-year~~ population projections, and  
20 an appropriate migration factor for the medical-surgical and  
21 pediatric category of service which shall be no less than 50%.  
22 The State Agency shall provide written documentation providing  
23 the methodology and rationale used to determine the appropriate  
24 migration factor.

25 (Source: P.A. 95-5, eff. 5-31-07.)

1 (20 ILCS 3960/14.1)

2 Sec. 14.1. Denial of permit; other sanctions.

3 (a) The State Board may deny an application for a permit or  
4 may revoke or take other action as permitted by this Act with  
5 regard to a permit as the State Board deems appropriate,  
6 including the imposition of fines as set forth in this Section,  
7 for any one or a combination of the following:

8 (1) The acquisition of major medical equipment without  
9 a permit or in violation of the terms of a permit.

10 (2) The establishment, construction, or modification  
11 of a health care facility without a permit or in violation  
12 of the terms of a permit.

13 (3) The violation of any provision of this Act or any  
14 rule adopted under this Act.

15 (4) The failure, by any person subject to this Act, to  
16 provide information requested by the State Board or Agency  
17 within 30 days after a formal written request for the  
18 information.

19 (5) The failure to pay any fine imposed under this  
20 Section within 30 days of its imposition.

21 (a-5) For facilities licensed under the ID/DD Community  
22 Care Act, no permit shall be denied on the basis of prior  
23 operator history, other than for actions specified under item  
24 (2), (4), or (5) of Section 3-117 of the ID/DD Community Care  
25 Act. For facilities licensed under the Specialized Mental

1 Health Rehabilitation Act, no permit shall be denied on the  
2 basis of prior operator history, other than for actions  
3 specified under item (2), (4), or (5) of Section 3-117 of the  
4 Specialized Mental Health Rehabilitation Act. For facilities  
5 licensed under the Nursing Home Care Act, no permit shall be  
6 denied on the basis of prior operator history, other than for:  
7 (i) actions specified under item (2), (3), (4), (5), or (6) of  
8 Section 3-117 of the Nursing Home Care Act; (ii) actions  
9 specified under item (a)(6) of Section 3-119 of the Nursing  
10 Home Care Act; or (iii) actions within the preceding 5 years  
11 constituting a substantial and repeated failure to comply with  
12 the Nursing Home Care Act or the rules and regulations adopted  
13 by the Department under that Act. The State Board shall not  
14 deny a permit on account of any action described in this  
15 subsection (a-5) without also considering all such actions in  
16 the light of all relevant information available to the State  
17 Board, including whether the permit is sought to substantially  
18 comply with a mandatory or voluntary plan of correction  
19 associated with any action described in this subsection (a-5).

20 (b) Persons shall be subject to fines as follows:

21 (1) A permit holder who fails to comply with the  
22 requirements of maintaining a valid permit shall be fined  
23 an amount not to exceed 1% of the approved permit amount  
24 plus an additional 1% of the approved permit amount for  
25 each 30-day period, or fraction thereof, that the violation  
26 continues.

1           (2) A permit holder who alters the scope of an approved  
2 project or whose project costs exceed the allowable permit  
3 amount without first obtaining approval from the State  
4 Board shall be fined an amount not to exceed the sum of (i)  
5 the lesser of \$25,000 or 2% of the approved permit amount  
6 and (ii) in those cases where the approved permit amount is  
7 exceeded by more than \$1,000,000, an additional \$20,000 for  
8 each \$1,000,000, or fraction thereof, in excess of the  
9 approved permit amount.

10           (2.5) A permit holder who fails to comply with the  
11 post-permit and reporting requirements set forth in  
12 Section 5 shall be fined an amount not to exceed \$10,000  
13 plus an additional \$10,000 for each 30-day period, or  
14 fraction thereof, that the violation continues. This fine  
15 shall continue to accrue until the date that (i) the  
16 post-permit requirements are met and the post-permit  
17 reports are received by the State Board or (ii) the matter  
18 is referred by the State Board to the State Board's legal  
19 counsel. The accrued fine is not waived by the permit  
20 holder submitting the required information and reports.  
21 Prior to any fine beginning to accrue, the Board shall  
22 notify, in writing, a permit holder of the due date for the  
23 post-permit and reporting requirements no later than 30  
24 days before the due date for the requirements. This  
25 paragraph (2.5) takes effect 6 months after the effective  
26 date of this amendatory Act of the 97th General Assembly.

1           (3) A person who acquires major medical equipment or  
2           who establishes a category of service without first  
3           obtaining a permit or exemption, as the case may be, shall  
4           be fined an amount not to exceed \$10,000 for each such  
5           acquisition or category of service established plus an  
6           additional \$10,000 for each 30-day period, or fraction  
7           thereof, that the violation continues.

8           (4) A person who constructs, modifies, or establishes a  
9           health care facility without first obtaining a permit shall  
10          be fined an amount not to exceed \$25,000 plus an additional  
11          \$25,000 for each 30-day period, or fraction thereof, that  
12          the violation continues.

13          (5) A person who discontinues a health care facility or  
14          a category of service without first obtaining a permit  
15          shall be fined an amount not to exceed \$10,000 plus an  
16          additional \$10,000 for each 30-day period, or fraction  
17          thereof, that the violation continues. For purposes of this  
18          subparagraph (5), facilities licensed under the Nursing  
19          Home Care Act or the ID/DD Community Care Act, with the  
20          exceptions of facilities operated by a county or Illinois  
21          Veterans Homes, are exempt from this permit requirement.  
22          However, facilities licensed under the Nursing Home Care  
23          Act or the ID/DD Community Care Act must comply with  
24          Section 3-423 of the Nursing Home Care Act or Section 3-423  
25          of the ID/DD Community Care Act and must provide the Board  
26          with 30-days' written notice of its intent to close.

1           (6) A person subject to this Act who fails to provide  
2 information requested by the State Board or Agency within  
3 30 days of a formal written request shall be fined an  
4 amount not to exceed \$1,000 plus an additional \$1,000 for  
5 each 30-day period, or fraction thereof, that the  
6 information is not received by the State Board or Agency.

7           (c) Before imposing any fine authorized under this Section,  
8 the State Board shall afford the person or permit holder, as  
9 the case may be, an appearance before the State Board and an  
10 opportunity for a hearing before a hearing officer appointed by  
11 the State Board. The hearing shall be conducted in accordance  
12 with Section 10.

13           (d) All fines collected under this Act shall be transmitted  
14 to the State Treasurer, who shall deposit them into the  
15 Illinois Health Facilities Planning Fund.

16           (Source: P.A. 96-339, eff. 7-1-10; 96-1372, eff. 7-29-10;  
17 97-38, eff. 6-28-11; 97-227, eff. 1-1-12; revised 9-7-11.)

18           (20 ILCS 3960/19.5.1 new)

19           Sec. 19.5.1. Applicability of changes made by this  
20 amendatory Act of the 97th General Assembly. The changes to  
21 this Act made by this amendatory Act of the 97th General  
22 Assembly apply only to applications or modifications to permit  
23 applications filed on or after the effective date of this  
24 amendatory Act of the 97th General Assembly.

25           Section 99. Effective date. This Act takes effect upon

1 becoming law.

1 INDEX

2 Statutes amended in order of appearance

3 20 ILCS 3960/4 from Ch. 111 1/2, par. 1154

4 20 ILCS 3960/5 from Ch. 111 1/2, par. 1155

5 20 ILCS 3960/6 from Ch. 111 1/2, par. 1156

6 20 ILCS 3960/6.2 new

7 20 ILCS 3960/10 from Ch. 111 1/2, par. 1160

8 20 ILCS 3960/12 from Ch. 111 1/2, par. 1162

9 20 ILCS 3960/12.5

10 20 ILCS 3960/14.1