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AN ACT concerning regulation.

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

Section 1. The Emergency Medical Services (EMS) Systems Act
is amended by changing Section 3.190 as follows:

6 (210 ILCS 50/3.190)

Sec. 3.190. Emergency Department Classifications. The
Department shall have the authority and responsibility to:

9 (a) Establish criteria for classifying the emergency departments of <del>all</del> hospitals within the 10 State as Comprehensive, Basic, or Standby. In establishing such 11 criteria, the Department may consult with the Illinois 12 13 Hospital Licensing Board and incorporate by reference all 14 or part of existing standards adopted as rules pursuant to the Hospital Licensing Act or Emergency Medical Treatment 15 16 Act;

17 (b) Classify the emergency departments of all
18 hospitals within the State in accordance with this Section;

(c) Annually publish, and distribute to all EMS
Systems, a list reflecting the classification of all
emergency departments.

For the purposes of paragraphs (a) and (b) of this Section, long-term acute care hospitals <u>and rehabilitation hospitals</u>, HB1322 Enrolled - 2 - LRB098 07917 DRJ 38003 b

as defined under the Hospital Emergency Service Act, are not
 required to provide hospital emergency services. Long-term
 acute care hospitals and rehabilitation hospitals with no
 emergency department and shall be classified as not available.
 (Source: P.A. 97-667, eff. 1-13-12; 98-463, eff. 8-16-13.)

- 6 Section 3. The Hospital Emergency Service Act is amended by
  7 changing Sections 1 and 1.3 as follows:
- 8 (210 ILCS 80/1) (from Ch. 111 1/2, par. 86)

9 Sec. 1. Every hospital required to be licensed by the 10 Department of Public Health pursuant to the Hospital Licensing 11 Act which provides general medical and surgical hospital 12 services, except long-term acute care hospitals and 13 rehabilitation hospitals identified in Section 1.3 of this Act, 14 shall provide a hospital emergency service in accordance with 15 rules and regulations adopted by the Department of Public Health and shall furnish such hospital emergency services to 16 17 any applicant who applies for the same in case of injury or acute medical condition where the same is liable to cause death 18 19 or severe injury or serious illness. For purposes of this Act, 20 "applicant" includes any person who is brought to a hospital by 21 ambulance or specialized emergency medical services vehicle as defined in the Emergency Medical Services (EMS) Systems Act. 22 23 (Source: P.A. 97-667, eff. 1-13-12.)

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1 (210 ILCS 80/1.3)

2 1.3. Sec. Long-term acute care hospitals and 3 rehabilitation hospitals. For the purpose of this Act, general acute care hospitals designated by Medicare as long-term acute 4 5 care hospitals and rehabilitation hospitals are not required to provide hospital emergency services described in Section 1 of 6 7 this Act. Hospitals defined in this Section may provide 8 hospital emergency services at their option.

9 Any <u>long-term acute care</u> hospital <del>defined in this Section</del> 10 that opts to discontinue <u>or otherwise not provide</u> emergency 11 services described in Section 1 shall:

12 (1) comply with all provisions of the federal Emergency
13 Medical Treatment and & Labor Act (EMTALA);

14 (2) comply with all provisions required under the15 Social Security Act;

16 (3) provide annual notice to communities in the 17 hospital's service area about available emergency medical 18 services; and

19 (4) make educational materials available to 20 individuals who are present at the hospital concerning the 21 availability of medical services within the hospital's 22 service area.

Long-term acute care hospitals that operate standby emergency services as of January 1, 2011 may discontinue hospital emergency services by notifying the Department of Public Health. Long-term acute care hospitals that operate

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1	basic or comprehensive emergency services must notify the
2	Health Facilities and Services Review Board and follow the
3	appropriate procedures.
4	Any rehabilitation hospital that opts to discontinue or
5	otherwise not provide emergency services described in Section 1
6	shall:
7	(1) comply with all provisions of the federal Emergency
8	Medical Treatment and Active Labor Act (EMTALA);
9	(2) comply with all provisions required under the
10	Social Security Act;
11	(3) provide annual notice to communities in the
12	hospital's service area about available emergency medical
13	services;
14	(4) make educational materials available to
15	individuals who are present at the hospital concerning the
16	availability of medical services within the hospital's
17	service area;
18	(5) not use the term "hospital" in its name or on any
19	signage; and
20	(6) notify in writing the Department and the Health
21	Facilities and Services Review Board of the
22	discontinuation.
23	(Source: P.A. 97-667, eff. 1-13-12; revised 9-11-13.)
24	Section 5. The Hospital Licensing Act is amended by

25 changing Sections 5 and 6 and by adding Section 14.5 as

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1 follows:

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(210 ILCS 85/5) (from Ch. 111 1/2, par. 146)

3 Sec. 5. (a) An application for a permit to establish a 4 hospital shall be made to the Department upon forms provided by 5 it. This application shall contain such information as the requires, 6 reasonably which shall include Department 7 affirmative evidence on which the Director may make the 8 findings required under Section 6a of this Act.

9 (b) An application for a license to open, conduct, operate, 10 and maintain a hospital shall be made to the Department upon 11 forms provided by it, accompanied by a license fee of \$55 per 12 bed (except as otherwise provided in this subsection), or such 13 lesser amount as the Department may establish by administrative rule in consultation with the Department of Healthcare and 14 15 Family Services to comply with the limitations on health 16 care-related taxes imposed by 42 U.S.C. 1396b(w) that, if violated, would result in reductions to the amount of federal 17 financial participation received by the State for Medicaid 18 expenditures, and shall contain such information as the 19 20 Department reasonably requires, which may include affirmative 21 evidence of ability to comply with the provisions of this Act 22 and the standards, rules, and regulations, promulgated by virtue thereof. The license fee for a critical access hospital, 23 24 as defined in Section 5-5e.1 of the Illinois Public Aid Code, or a safety-net hospital, as defined in Section 5-5e of the 25

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## Illinois Public Aid Code, shall be \$0 per bed.

(c) All applications required under this Section shall be
signed by the applicant and shall be verified. Applications on
behalf of a corporation or association or a governmental unit
or agency shall be made and verified by any two officers
thereof.

7 (Source: Laws 1965, p. 2350.)

8 (210 ILCS 85/6) (from Ch. 111 1/2, par. 147)

9 Sec. 6. (a) Upon receipt of an application for a permit to 10 establish a hospital the Director shall issue a permit if he 11 finds (1) that the applicant is fit, willing, and able to 12 provide a proper standard of hospital service for the community with particular regard to the qualification, background, and 13 14 character of the applicant, (2) that the financial resources 15 available to the applicant demonstrate an ability to construct, 16 maintain, and operate a hospital in accordance with the standards, rules, and regulations adopted pursuant to this Act, 17 and (3) that safeguards are provided which assure hospital 18 operation and maintenance consistent with the public interest 19 20 having particular regard to safe, adequate, and efficient 21 hospital facilities and services.

The Director may request the cooperation of county and multiple-county health departments, municipal boards of health, and other governmental and non-governmental agencies in obtaining information and in conducting investigations HB1322 Enrolled - 7 - LRB098 07917 DRJ 38003 b

1 relating to such applications.

A permit to establish a hospital shall be valid only for the premises and person named in the application for such permit and shall not be transferable or assignable.

5 In the event the Director issues a permit to establish a 6 hospital the applicant shall thereafter submit plans and 7 specifications to the Department in accordance with Section 8 8 of this Act.

9 (b) Upon receipt of an application for license to open, 10 conduct, operate, and maintain a hospital, the Director shall 11 issue a license if he finds the applicant and the hospital 12 facilities comply with standards, rules, and regulations promulgated under this Act. A license, unless sooner suspended 13 14 or revoked, shall be renewable annually upon approval by the 15 Department and payment of a license fee as established pursuant 16 to Section 5 of this Act. Each license shall be issued only for 17 the premises and persons named in the application and shall not be transferable or assignable. Licenses shall be posted in a 18 19 conspicuous place on the licensed premises. The Department may, 20 either before or after the issuance of a license, request the cooperation of the State Fire Marshal, county and multiple 21 22 county health departments, or municipal boards of health to 23 make investigations to determine if the applicant or licensee is complying with the minimum standards prescribed by the 24 25 Department. The report and recommendations of any such agency 26 shall be in writing and shall state with particularity its

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1 findings with respect to compliance or noncompliance with such 2 minimum standards, rules, and regulations.

3 Director may issue a provisional license The to any hospital which does not substantially comply with 4 the 5 provisions of this Act and the standards, rules, and 6 regulations promulgated by virtue thereof provided that he 7 finds that such hospital has undertaken changes and corrections 8 which upon completion will render the hospital in substantial 9 compliance with the provisions of this Act, and the standards, 10 rules, and regulations adopted hereunder, and provided that the 11 health and safety of the patients of the hospital will be 12 protected during the period for which such provisional license 13 is issued. The Director shall advise the licensee of the conditions under which such provisional license is issued, 14 15 including the manner in which the hospital facilities fail to 16 comply with the provisions of the Act, standards, rules, and 17 regulations, and the time within which the changes and necessary for such hospital facilities 18 corrections to 19 substantially comply with this Act, and the standards, rules, 20 and regulations of the Department relating thereto shall be 21 completed.

22 (Source: P.A. 80-56.)

23 (210 ILCS 85/14.5 new)

24 Sec. 14.5. Hospital Licensure Fund.

25 (a) There is created in the State treasury the Hospital

HB1322 Enrolled - 9 - LRB098 07917 DRJ 38003 b Licensure Fund. The Fund is created for the purpose of 1 2 providing funding for the administration of the licensure 3 program and patient safety and quality initiatives for hospitals, including, without limitation, the implementation 4 5 of the Illinois Adverse Health Care Events Reporting Law of 6 2005. 7 (b) The Fund shall consist of the following: 8 (1) fees collected pursuant to Section 5 of the 9 Hospital Licensing Act; 10 (2) federal matching funds received by the State as a 11 result of expenditures made by the Department that are 12 attributable to moneys deposited in the Fund; (3) interest earned on moneys deposited in the Fund; 13 14 and (4) other moneys received for the Fund from any other 15 16 source, including interest earned thereon. (c) Disbursements from the Fund shall be made only for: 17 (1) initially, the implementation of the Illinois 18 19 Adverse Health Care Events Reporting Law of 2005; 20 (2) subsequently, programs, information, or 21 assistance, including measures to address public 22 complaints, designed to measurably improve quality and 23 patient safety; and 24 (3) the reimbursement of moneys collected by the 25 Department through error or mistake. (d) The uses described in paragraph (2) of subsection (c) 26

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3 Section 8. The Illinois Adverse Health Care Events
4 Reporting Law of 2005 is amended by changing Sections 10-10 and
5 10-15 as follows:

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(410 ILCS 522/10-10)

Sec. 10-10. Definitions. As used in this Law, the following
terms have the following meanings:

9 "Adverse health care event" means any event identified as a 10 serious reportable event by the National Quality Forum and the 11 Centers for Medicare and Medicaid Services on the effective 12 date of this amendatory Act of the 98th General Assembly. The Department shall adopt, by rule, the list of adverse health 13 14 care events. The rules in effect on May 1, 2013, that define 15 "adverse health care event" shall remain in effect until new rules are adopted in accordance with this amendatory Act of the 16 98th General Assembly. If the National Quality Forum or the 17 Centers for Medicare and Medicaid Services thereafter revises 18 its list of serious reportable events through addition, 19 20 deletion, or modification, then the term "adverse health care 21 event" for purposes of this Law shall be similarly revised, effective no sooner than 6 months after the revision by the 22 originating organization described in subsections (b) through 23 24 (q) of Section 10 15.

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"Department" means the Illinois Department of Public
 Health.

"Health care facility" means a hospital maintained by the 3 State or any department or agency thereof where such department 4 5 or agency has authority under law to establish and enforce 6 standards for the hospital under its management and control, a 7 hospital maintained by any university or college established under the laws of this State and supported principally by 8 9 public funds raised by taxation, a hospital licensed under the 10 Hospital Licensing Act, a hospital organized under the 11 University of Illinois Hospital Act, and an ambulatory surgical 12 treatment center licensed under the Ambulatory Surgical 13 Treatment Center Act.

14 (Source: P.A. 94-242, eff. 7-18-05.)

15 (410 ILCS 522/10-15)

Sec. 10-15. Health care facility requirements to report, analyze, and correct.

(a) Reports of adverse health care events required. Each 18 19 health care facility shall report to the Department the 20 occurrence of any of the adverse health care events described 21 in subsections (b) through (g) no later than 30 days after 22 discovery of the event. The report shall be filed in a format specified by the Department and shall identify the health care 23 24 facility, but shall not include any information identifying or 25 that tends to identify any of the health care professionals,

1 employees, or patients involved.

2	(b)	(Blank).	Surgical	events.	Events	reportable	under	this
3	subsecti	on are:						

4 (1) Surgery performed on a wrong body part that is not 5 consistent with the documented informed consent for that 6 patient. Reportable events under this clause do not include 7 situations requiring prompt action that occur in the course 8 of surgery or situations whose urgency precludes obtaining 9 informed consent.

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(2) Surgery performed on the wrong patient.

11 (3) The wrong surgical procedure performed on a patient 12 that is not consistent with the documented informed consent 13 for that patient. Reportable events under this clause do 14 not include situations requiring prompt action that occur 15 in the course of surgery or situations whose urgency 16 precludes obtaining informed consent.

17 (4) Retention of a foreign object in a patient after
 18 surgery or other procedure, excluding objects
 19 intentionally implanted as part of a planned intervention
 20 and objects present prior to surgery that are intentionally
 21 retained.

22 (5) Death during or immediately after surgery of a 23 normal, healthy patient who has no organic, physiologic, 24 biochemical, or psychiatric disturbance and for whom the 25 pathologic processes for which the operation is to be 26 performed are localized and do not entail a systemic

1 disturbance. 2 (c) (Blank). Product or device events. Events reportable under this subsection are: 3 (1) Patient death or serious disability associated 4 5 with the use of contaminated drugs, devices, or biologics provided by the health care facility when the contamination 6 is the result of generally detectable contaminants in 7 drugs, devices, or biologics regardless of the source of 8 9 the contamination or the product. (2) Patient death or serious disability associated 10 11 with the use or function of a device in patient care in 12 which the device is used or functions other than as intended. "Device" includes, but is not limited 13 catheters, drains, and other specialized tubes, infusion 14 15 pumps, and ventilators. 16 (3) Patient death or serious disability associated 17 with intravascular air embolism that occurs while being cared for in a health care facility, excluding deaths 18 19 associated with neurosurgical procedures known to present 20 a high risk of intravascular air embolism. 21 (d) (Blank). Patient protection events. Events reportable under this subsection are: 22 23 (1) An infant discharged to the wrong person. (2) Patient death or serious disability associated 24 with patient disappearance for more than 4 hours, excluding 25 26 events involving adults who have decision making capacity.

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1 (3) Patient suicide or attempted suicide resulting in 2 serious disability while being cared for in a health care 3 facility due to patient actions after admission to the 4 health care facility, excluding deaths resulting from 5 self inflicted injuries that were the reason for admission 6 to the health care facility. 7 (e) (Blank). Care management events. Events reportable

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(e) <u>(Blank).</u> Care management events. Events reportable under this subsection are:

9 (1) Patient death or serious disability associated 10 with a medication error, including, but not limited to, 11 errors involving the wrong drug, the wrong dose, the wrong 12 patient, the wrong time, the wrong rate, the wrong 13 preparation, or the wrong route of administration, 14 excluding reasonable differences in clinical judgment on 15 drug selection and dose.

16 (2) Patient death or serious disability associated 17 with a hemolytic reaction due to the administration of 18 ABO incompatible blood or blood products.

19 (3) Maternal death or serious disability associated 20 with labor or delivery in a low-risk pregnancy while being 21 cared for in a health care facility, excluding deaths from 22 pulmonary or amniotic fluid embolism, acute fatty liver of 23 pregnancy, or cardiomyopathy.

24 (4) Patient death or serious disability directly
 25 related to hypoglycemia, the onset of which occurs while
 26 the patient is being cared for in a health care facility

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1	for a condition unrelated to hypoglycemia.
2	(f) <u>(Blank).</u> Environmental events. Events reportable under
3	this subsection are:
4	(1) Patient death or serious disability associated
5	with an electric shock while being cared for in a health
6	care facility, excluding events involving planned
7	treatments such as electric countershock.
8	(2) Any incident in which a line designated for oxygen
9	or other gas to be delivered to a patient contains the
10	wrong gas or is contaminated by toxic substances.
11	(3) Patient death or serious disability associated
12	with a burn incurred from any source while being cared for
13	in a health care facility that is not consistent with the
14	documented informed consent for that patient. Reportable
15	events under this clause do not include situations
16	requiring prompt action that occur in the course of surgery
17	or situations whose urgency precludes obtaining informed
18	<del>consent.</del>
19	(4) Patient death associated with a fall while being
20	cared for in a health care facility.
21	(5) Patient death or serious disability associated
22	with the use of restraints or bedrails while being cared
23	for in a health care facility.
24	(g) <u>(Blank).</u> <del>Physical security events. Events reportable</del>
25	under this subsection are:
26	(1) Any instance of care ordered by or provided by

1 someone impersonating a physician, nurse, pharmacist, or 2 other licensed health care provider. (2) Abduction of a patient of any age. 3 (3) Sexual assault on a patient within or on 4 5 grounds of a health care facility. 6 (4) Death or significant injury of a patient or staff 7 member resulting from a physical assault that occurs within 8 or on the grounds of a health care facility. 9 (q-5) If the adverse health care events subject to this Law 10 are revised as described in Section 10-10, then the Department 11 shall provide notice to all affected health care facilities 12 promptly upon the revision and shall inform affected health 13 care facilities of the effective date of the revision for

## 14 purposes of reporting under this Law.

15 (h) Definitions. As pertains to an adverse health care
16 event used in this Section 10-15:

"Death" means patient death related to an adverse event and not related solely to the natural course of the patient's illness or underlying condition. Events otherwise reportable under this Section 10-15 shall be reported even if the death might have otherwise occurred as the natural course of the patient's illness or underlying condition.

23 "Serious disability" means a physical or mental 24 impairment, including loss of a body part, related to an 25 adverse event and not related solely to the natural course of 26 the patient's illness or underlying condition, that

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1	substantially limits one or more of the major life activities
2	of an individual or a loss of bodily function, if the
3	impairment or loss lasts more than 7 days prior to discharge or
4	is still present at the time of discharge from an inpatient
5	health care facility.
6	(Source: P.A. 94-242, eff. 7-18-05.)
7	Section 10. The State Finance Act is amended by adding
8	Section 5.855 as follows:
9	(30 ILCS 105/5.855 new)
10	Sec. 5.855. The Hospital Licensure Fund.
11	Section 99. Effective date. This Act takes effect upon
12	becoming law.