

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 6 and 8.5 as follows:

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

7 (Section scheduled to be repealed on December 31, 2019)

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

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

18 (b) The State Board shall establish by regulation the  
19 procedures and requirements regarding issuance of exemptions.  
20 An exemption shall be approved when information required by the  
21 Board by rule is submitted. Projects eligible for an exemption,  
22 rather than a permit, include, but are not limited to, change  
23 of ownership of a health care facility and discontinuation of a

1 health care facility or category of service. For a change of  
2 ownership of a health care facility ~~between related persons,~~  
3 the State Board shall provide by rule for an expedited process  
4 for obtaining an exemption in accordance with Section 8.5 of  
5 this Act. In connection with a change of ownership, the State  
6 Board may approve the transfer of an existing permit without  
7 regard to whether the permit to be transferred has yet been  
8 obligated, except for permits establishing a new facility or a  
9 new category of service.

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

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

1           (d) Upon receipt of an application for a permit, the State  
2 Board shall approve and authorize the issuance of a permit if  
3 it finds (1) that the applicant is fit, willing, and able to  
4 provide a proper standard of health care service for the  
5 community with particular regard to the qualification,  
6 background and character of the applicant, (2) that economic  
7 feasibility is demonstrated in terms of effect on the existing  
8 and projected operating budget of the applicant and of the  
9 health care facility; in terms of the applicant's ability to  
10 establish and operate such facility in accordance with  
11 licensure regulations promulgated under pertinent state laws;  
12 and in terms of the projected impact on the total health care  
13 expenditures in the facility and community, (3) that safeguards  
14 are provided which assure that the establishment, construction  
15 or modification of the health care facility or acquisition of  
16 major medical equipment is consistent with the public interest,  
17 and (4) that the proposed project is consistent with the  
18 orderly and economic development of such facilities and  
19 equipment and is in accord with standards, criteria, or plans  
20 of need adopted and approved pursuant to the provisions of  
21 Section 12 of this Act.

22           (Source: P.A. 96-31, eff. 6-30-09; 97-1115, eff. 8-27-12.)

23           (20 ILCS 3960/8.5)

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

25           Sec. 8.5. Certificate of exemption for change of ownership

1 of a health care facility; discontinuation of a health care  
2 facility or category of service; public notice and public  
3 hearing.

4 (a) Upon a finding that an application for a change of  
5 ownership is complete, the State Board shall publish a legal  
6 notice on one day ~~3 consecutive days~~ in a newspaper of general  
7 circulation in the area or community to be affected and afford  
8 the public an opportunity to request a hearing. If the  
9 application is for a facility located in a Metropolitan  
10 Statistical Area, an additional legal notice shall be published  
11 in a newspaper of limited circulation, if one exists, in the  
12 area in which the facility is located. If the newspaper of  
13 limited circulation is published on a daily basis, the  
14 additional legal notice shall be published on one day ~~3~~  
15 ~~consecutive days~~. The applicant shall pay the cost incurred by  
16 the Board in publishing the change of ownership notice in  
17 newspapers as required under this subsection. The legal notice  
18 shall also be posted on the Health Facilities and Services  
19 Review Board's web site and sent to the State Representative  
20 and State Senator of the district in which the health care  
21 facility is located. An application for change of ownership of  
22 a hospital shall not be deemed complete without a signed  
23 certification that for a period of 2 years after the change of  
24 ownership transaction is effective, the hospital will not adopt  
25 a charity care policy that is more restrictive than the policy  
26 in effect during the year prior to the transaction. An

1 application for a change of ownership need not contain signed  
2 transaction documents so long as it includes the following key  
3 terms of the transaction: names and background of the parties;  
4 structure of the transaction; the person who will be the  
5 licensed or certified entity after the transaction; the  
6 ownership or membership interests in such licensed or certified  
7 entity both prior to and after the transaction; fair market  
8 value of assets to be transferred; and the purchase price or  
9 other form of consideration to be provided for those assets.  
10 The issuance of the certificate of exemption shall be  
11 contingent upon the applicant submitting a statement to the  
12 Board within 90 days after the closing date of the transaction,  
13 or such longer period as provided by the Board, certifying that  
14 the change of ownership has been completed in accordance with  
15 the key terms contained in the application. If such key terms  
16 of the transaction change, a new application shall be required.

17 Where a change of ownership is among related persons, and  
18 there are no other changes being proposed at the health care  
19 facility that would otherwise require a permit or exemption  
20 under this Act, the applicant shall submit an application  
21 consisting of a standard notice in a form set forth by the  
22 Board briefly explaining the reasons for the proposed change of  
23 ownership. Once such an application is submitted to the Board  
24 and reviewed by the Board staff, the Board Chair shall take  
25 action on an application for an exemption for a change of  
26 ownership among related persons within 45 days after the

1 application has been deemed complete, provided the application  
2 meets the applicable standards under this Section. If the Board  
3 Chair has a conflict of interest or for other good cause, the  
4 Chair may request review by the Board. Notwithstanding any  
5 other provision of this Act, for purposes of this Section, a  
6 change of ownership among related persons means a transaction  
7 where the parties to the transaction are under common control  
8 or ownership before and after the transaction is completed.

9 Nothing in this Act shall be construed as authorizing the  
10 Board to impose any conditions, obligations, or limitations,  
11 other than those required by this Section, with respect to the  
12 issuance of an exemption for a change of ownership, including,  
13 but not limited to, the time period before which a subsequent  
14 change of ownership of the health care facility could be  
15 sought, or the commitment to continue to offer for a specified  
16 time period any services currently offered by the health care  
17 facility.

18 (a-3) Upon a finding that an application to close a health  
19 care facility is complete, the State Board shall publish a  
20 legal notice on 3 consecutive days in a newspaper of general  
21 circulation in the area or community to be affected and afford  
22 the public an opportunity to request a hearing. If the  
23 application is for a facility located in a Metropolitan  
24 Statistical Area, an additional legal notice shall be published  
25 in a newspaper of limited circulation, if one exists, in the  
26 area in which the facility is located. If the newspaper of

1 limited circulation is published on a daily basis, the  
2 additional legal notice shall be published on 3 consecutive  
3 days. The legal notice shall also be posted on the Health  
4 Facilities and Services Review Board's web site and sent to the  
5 State Representative and State Senator of the district in which  
6 the health care facility is located.

7 (a-5) Upon a finding that an application to discontinue a  
8 category of service is complete and provides the requested  
9 information, as specified by the State Board, an exemption  
10 shall be issued. No later than 30 days after the issuance of  
11 the exemption, the health care facility must give written  
12 notice of the discontinuation of the category of service to the  
13 State Senator and State Representative serving the legislative  
14 district in which the health care facility is located.

15 ~~For the purposes of this subsection, "newspaper of limited~~  
16 ~~circulation" means a newspaper intended to serve a particular~~  
17 ~~or defined population of a specific geographic area within a~~  
18 ~~Metropolitan Statistical Area such as a municipality, town,~~  
19 ~~village, township, or community area, but does not include~~  
20 ~~publications of professional and trade associations.~~

21 (b) If a public hearing is requested, it shall be held at  
22 least 15 days but no more than 30 days after the date of  
23 publication of the legal notice in the community in which the  
24 facility is located. The hearing shall be held in a place of  
25 reasonable size and accessibility and a full and complete  
26 written transcript of the proceedings shall be made. The

1 applicant shall provide a summary of the proposal ~~proposed~~  
2 ~~change of ownership~~ for distribution at the public hearing.

3 (c) For the purposes of this Section "newspaper of limited  
4 circulation" means a newspaper intended to serve a particular  
5 or defined population of a specific geographic area within a  
6 Metropolitan Statistical Area such as a municipality, town,  
7 village, township, or community area, but does not include  
8 publications of professional and trade associations.

9 (Source: P.A. 98-1086, eff. 8-26-14.)

10 Section 99. Effective date. This Act takes effect upon  
11 becoming law.