Illinois Health and Hospital Association

END OF SESSION REPORT 2024

AUGUST 2024

This End of Session report serves as comprehensive recap of the spring 2024 legislative session. Not only does this report contain details from the Fiscal Year (FY) 2025 Illinois state budget and Medicaid Managed Care Organization (MCO) provider protection reforms, but also provides key details regarding substantive legislation impacting the hospital community.

State Budget, Medicaid and Insurance Reforms

SB 251 (Sen. Elgie Sims/Rep. Jehan Gordon-Booth)
State Budget – FY 2025
Public Act 103-0589
Effective Dates: Portions effective June 7 and July 1, 2024
The state FY 2025 budget totals approximately $53.158 billion in General Revenue Funds (GRF). This budget does not impose cuts to the Medicaid budget, including the Hospital Provider Fund. The budget is based on $53.281 billion in anticipated revenue funds during FY 2025. It includes full funding of the 10% base Medicaid rate increase for hospitals that IHA secured in 2023, which has an annualized value of over $500 million. It also includes $120 million to support the physician rate increase that IHA negotiated with the Dept. of Healthcare and Family Services (HFS) earlier this year, increasing the Medicaid physician rate to a minimum of 70% of the Medicare rate.

The budget includes funding for the following items:

- FY 2024 supplemental transfer increase of $730 million from GRF funds to the Healthcare Provider Relief Fund.
- Funds year five of the Healthcare Transformation Collaboratives.
- Reauthorizes $200 million in hospital transformation capital.
- Increases funding for the Illinois Poison Center by $500,000.
- $11.5 million in grants to Safety Net Hospitals (SNHs) to preserve their sustainability.
- $71.4 million in grants to SNHs to improve health equity, improve access to quality care, and reduce health disparities in underserved communities.
- Retains funding a pool of $50 million, to be disbursed among SNHs that maintain perinatal designation from the Illinois Dept. of Public Health (IDPH).
- Retains funding a pool of $10 million to non-public Critical Access Hospitals (CAHs) to preserve or enhance perinatal and OB/GYN services, behavioral healthcare, including substance use disorders (SUDs), other specialty services, and the expansion of telehealth services by the receiving hospital.
- Retains a $3.5 million pool to public CAHs for perinatal and OB/GYN services, behavioral healthcare, including SUDs, other specialty services, as well as the expansion of telehealth services by the receiving hospital.
- $440 million to fully fund the Health Benefits for Immigrant Adults (HBIA) and Health Benefits for Immigrant Seniors (HBIS) programs.
- Transfers $198 million into the Budget Stabilization Fund, also known as the “Rainy Day Fund.”

- $10 million for the Medical Debt Relief Pilot Program to pay approximately $1 billion in medical debt for over 300,000 individuals.
- $290.3 million to support homelessness services.

SB 3268 (Sen. Omar Aquino/Rep. Robyn Gabel)
Medicaid Omnibus – MCO Reform
Public Act 103-0593
Effective Date: June 7, 2024
The Medicaid Omnibus is a package of legislative initiatives spearheaded by the bipartisan, bicameral legislative Medicaid Working Group. Many of the initiatives in this omnibus originated as stand-alone legislation that was negotiated into the larger package. In total, this legislation includes 38 initiatives that impact the Medicaid program, including the IHA initiative of Medicaid managed care reform.

Medicaid Managed Care Reform: This legislation was negotiated by IHA, HFS and the legislative Medicaid Working Group. SB 3268 makes the following changes:

- **Inpatient Stabilization (72 Hours)**
    - Permits emergency department (ED) physicians to admit a patient in need of inpatient care to stabilize an emergency medical condition without seeking authorization from the MCO, providing inpatient coverage for stabilization services for up to 72 hours.
        - **Please note**: Requires hospitals to notify MCOs within 48 hours of admission.
        - Effective July 1, 2025.
- **Standardization and Transparency**
    - Directs HFS to adopt rules by July 1, 2025 in consultation with hospitals, MCOs, physicians and other stakeholders to increase transparency and streamline the prior authorization process.
    - Specifically, in developing the rules in collaboration with the various stakeholders, HFS shall consider the following:
        - Guidelines related to the publication of MCO authorization policies;
        - Procedures that, due to medical complexity, must be reimbursed as an inpatient service when provided in the inpatient setting;
        - Standardization of forms used in the member appeal process;
        - Limitations on additional medical necessity reviews of healthcare services already authorized by the MCO;
        - Standardization of a peer-to-peer process;
        - Defined criteria for urgent and standard post-acute care service authorization requests; and
        - Standardized criteria for authorization of admission to a long-term acute care hospital.
        - HFS shall also utilize the services of an independent third party utilization review organization to conduct an annual review of the performance of each Medicaid MCO's service authorization program. The first report is to be published by April 2026.

- **Gold Card**
    - Directs HFS to adopt rules by July 1, 2025 to create a "gold card" program. This program permits physicians and hospitals with historically high service authorization approvals to receive a "gold card" from each MCO that would exempt them for one year from the MCO's service authorization process for healthcare services rendered in the inpatient or outpatient setting, including hospital-based clinics.
    - To receive a "gold card," the provider must have submitted at least 50 service authorization requests to the MCO in the preceding year and at least 90% of those requests must have been approved.
    - Providers are still required to document medically necessary and appropriate care. If a provider falls below the 90% threshold, their service authorization exemption is subject to temporary or permanent suspension.
    - "Gold card" determinations will be made by the MCOs, with the Department conducting a third-party audit of providers who were denied an exemption.
    - The section is repealed Dec. 31, 2030.

This legislation was originally filed by former Sen. Ann Gillespie (SB 3372, SB 3373, SB 3374) and Rep. Robyn Gabel (HB 4977, HB 4978, HB 4979, HB 4980).

Safety Net Hospital Tiered Add-On Payment: An initiative of the Governor's Office, creates a tiered per diem add-on payment for SNHs, with the add-on payment amount based on the hospital's Medicaid inpatient utilization rate (MIUR), effective July 1, 2024. This payment is combined with the current $210 add-on payment to create new add-on payment amounts. The tiers and payments are as follows:

- MIUR equal to or greater than 70%: $425
- MIUR equal to or greater than 50% and less than 70%: $300
- MIUR equal to or greater than 40% and less than 50%: $225
- MIUR less than 40%: $210

This add-on payment is based on FY 2022 data, and will be adjusted with updated data on Jan. 1, 2026, to retain a total spend of approximately $50 million. The additional add-on payment above the current $210 add-on is set to sunset Dec. 31, 2026.

Safety Net Hospital Low Volume Adjustor: Creates a $200 per diem low-volume add-on payment for SNHs with less than 11,000 Medicaid inpatient days, excluding Medicare-Medicaid dual eligible crossover days, effective July 1, 2024. The base period for this add-on is FY 2022, and will be adjusted with updated data on Jan. 1, 2026. This add-on payment is set to sunset Dec. 31, 2026.

Child Hospital Stay Beyond Medical Necessity: Changes the amount of days a lockout child must be beyond medical necessity at a free-standing psych hospital or a hospital with an inpatient psych unit, before the Dept. of Children and Family Services (DCFS) begins reimbursement, from the eleventh day to the third day. It also requires DCFS to pay for all inpatient hospital stays beginning on the third day of beyond medical necessity for a lockout child. Previously, a hospital could only be reimbursed if the child was beyond medical necessity at a free-standing psych hospital or at a hospital with an inpatient psych unit. Originally filed by Rep. Norine Hammond (HB 4117).

Psychiatric and Mental Health Nursing Rate Increase: Requires HFS to increase the add-on rates for services delivered by physicians who are board-certified in psychiatry and advanced practice nurses who hold a current certification in psychiatric and mental health nursing so that the sum of the base rate plus add-on rate is no less than $264.42 per hour, adjusted for time and intensity, effective Jan. 1, 2025. Originally filed by Rep. Lindsey LaPointe and Sen. Karina Villa (HB 4664/SB 3522).

Remote Ultrasound and Fetal Nonstress Test Reimbursement: Requires reimbursement for remote ultrasound procedures and remote fetal nonstress tests, effective Jan. 1, 2025. Originally filed by Sen. Laura Murphy (SB 2684).

Self-Measure Blood Pressure Monitoring Reimbursement: Requires reimbursement for self-measure blood pressure monitoring services, effective Jan. 1, 2025. Originally filed by Rep. Tracy Katz Muhl (HB 4759).

Mental Health Disorder Prescriptions: Prohibits prior authorization and utilization management controls for prescription drugs to treat mental health disorders if 1) the patient was previously prescribed the drug and received prior authorization and changed providers, including a change from an inpatient to outpatient provider; 2) the patient changed insurance coverage and is stable on that prescription and previously received prior authorization; or 3) the patient was previously prescribed the prescription and received prior authorization and there is a modification to the dosage, dosage frequency or both. Originally filed by Rep. Lindsey LaPointe and Sen. Sara Feigenholtz (HB 2456/SB 1636).

Pharmacist Scope of Practice Expansion: Allows pharmacists to test, screen and treat SARS-CoV-2, Group A Streptococcus, respiratory syncytial virus, and lice. The pharmacist must notify the patient's physician of these services. These services must be reimbursed under the patient's health benefit plan.

This legislation also changes the following:

- Excludes hospitals with over 9,000 Medicaid acute care inpatient admissions from the Hospital Assessment Program SNH class for calendar years 2025 and 2026.
- Provides emergency rulemaking authority for one year to HFS to implement the SNH tiered add-on payment and low volume add-on payment.
- Increases rates for children's community-based health centers from $950 per diem to $1,300, effective Jan. 1, 2025.
- Requires the facility fee for birthing centers to be at least 80% of the statewide average facility payment to hospitals for an uncomplicated vaginal birth and requires the fee schedule for the birthing center for the birthing person and baby be reimbursed separate from the facility fee and no less than 80% of the fee schedule, effective Jan. 1, 2025.
- Increases the rates for sedation evaluation, deep sedation and intravenous sedation for dental services by 33%, effective Jan. 1, 2025.
- Requires HFS to apply for a waiver to reimburse family caregivers as providers of personal care or home health aide services for children in the medically fragile, technology dependent program if the caregiver is a certified nursing assistant or certified nurse aide.
- Updates the base year for the Medicaid MCO assessment from Jan. 1, 2018 through Dec. 31, 2018 to Jan. 1, 2023 through Dec. 31, 2023; codifies the increased per member monthly tax to match the updated amounts in the Administrative Code; removes the sunset on the assessment; and removes the requirement that the Department go through the rules process to adjust the tax rates.

- Requires an administrative fee for telehealth services for persons with intellectual and developmental disabilities who are receiving community integrated living arrangement residential services, effective Jan. 1, 2025.
- Expands the information a pharmacy benefit manager must provide to HFS, upon request.
- Requires reimbursement for music therapy services provided by a licensed professional music therapist, effective July 1, 2025.
- Removes the June 30, 2026 sunset on the rate increase for ground ambulance providers not participating in the Ground Emergency Medical Transportation (GEMT) program and delays the date for HFS to provide recommendations on ambulance cost data collection from April 1, 2024 to Dec. 31, 2025.
- Increases nursing rates for children in the Medically Fragile and Technology Dependent (MFTD) waiver program by 7%, effective Jan. 1, 2025.
- Increases rates for custom prosthetic and orthotic devices by 7%, effective Jan. 1, 2025.
- Increases the personal needs allowance for a resident of a supportive living facility to $120 per month, effective Jan. 1, 2025.
- Creates a per-claim add-on payment for certified home dialysis providers for home renal dialysis provided to residents at a skilled nursing facility.
- Subject to appropriation, requires HFS to file administrative rules to update the Handicapping Labio-Lingual Deviation orthodontic scoring tool by Jan. 1, 2025.
- Increases the payment to specialized mental health rehabilitation facilities (SMHRF) for single occupancy rooms to $35.50 per day, effective Jan. 1, 2025.
- Expands the counties for a requirement that a new supportive living facility (SLF) must not be within 12 miles of an existing SLF site to be approved.
- Requires a separate per diem rate for SMHRF licensed for only single occupancy rooms, effective Jan. 1, 2025.
- Makes several changes to certain other state funds under HFS.
- Provides 100% of the per diem reimbursement to community-integrated living arrangement (CILA) for up to 20 days while the resident is absent for medical treatment or other specified reasons, effective Jan. 1, 2025.
- Requires HFS to maintain the rate add-on at no less than $6.15 per day for providing two meals per day at a SLF.
- Updates the real estate tax component of the payment rate for nursing home facilities and specialized mental health rehabilitation facilities, beginning Jan. 1, 2025, and makes changes to the nursing home staffing payment calculation.
- Increases rates by 35% for optometric and optical services for determining refractive state, fitting of spectacles and fitting of bifocal spectacles, effective Jan. 1, 2024.

HB 2499 (Rep. Bob Morgan/Sen. Laura Fine)
Bans Sale of Short-Term, Limited Duration (STLD) Health Plans
Public Act 103-0649
Effective Date: Jan. 1, 2025
This legislation prohibits STLD insurance to Illinois residents, effective Jan. 1, 2025. This applies to insurance that has an expiration date specified in the contract that is less than 365 days after the original effective date. Originally filed by Sen. Laura Fine (SB 2836). This language was also included in some amendments of HB 5395 but was ultimately removed.

HB 4959 (Rep. Robyn Gabel/Sen. Elgie Sims)
Budget Implementation – Key Healthcare-Related Provisions
Public Act 103-0588
Effective Dates: Some portions effective June 5, 2024, other sections July 1, 2024 or July 1, 2025
The budget implementation bill, also referred to as the BIMP, includes spending authority for items funded in the appropriations bill. There are many other initiatives in the BIMP that are not healthcare-specific issues. These are not included in this summary, but could impact the hospital community on an individual organizational level.

- Requires DHS to issue a request for proposal to establish a supplemental SUD treatment locator to compare and assess addiction treatment facilities to identify high-quality providers and provide a publicly available search function for patients, healthcare providers and first responders.
- Creates the Professions Licensure Fund for the Dept. of Financial and Professional Regulation (IDFPR) to use for costs associated with the procurement and ongoing costs of electronic data processing software for granting, renewal or administration of licenses.
- Clarifies a reimbursement rate increase for SUD treatment and intervention services, which are subject to an annual increase based on the Consumer Price Index-U from the previous year, not to exceed 2%.
- Prohibits Supplemental Nutrition Assistant Program (SNAP) benefits for foreign-born victims of trafficking, torture, or other serious crimes if that individual is residing in an institution or other setting that provides the majority of that individual's meals. It also removes the eligibility requirement for cash assistance or SNAP if the individual is preparing to file an application for certain immigrant statuses; the individual now must have filed the application in order to qualify.
- At the discretion of the Dept. of Insurance (DOI), allows a transfer of up to $15.5 million from the Insurance Producer Administration Fund to the Illinois Health Benefits Exchange Fund for implementation of the state-based exchange.
- Requires the Dept. on Aging (DOA), in consultation with HFS, IDPH, and the Dept. of Veterans Affairs (IDVA), to create an Illinois Caregiver Assistance and Resource Portal through which seniors and caregivers can access a range of information regarding available benefits and resources at the state, federal, and local level. The portal shall be fully available by July 1, 2027.
- Requires IDPH to designate one or more healthcare telementoring entities, subject to appropriation.

Allows HFS to establish and participate in the federal summer EBT Program for children.

HB 5395 (Rep. Anna Moeller/Sen. Robert Peters)
Health Care Protection Act
Public Act 103-0650
Effective Date: Jan. 1, 2025
This legislation was one of the Governor's top initiatives for this legislative session, which he announced during the FY 2025 budget address. IHA negotiated several issues in this legislation with the Governor's Office to ensure a positive outcome for the hospital community.

Network Adequacy

- Expands continuity of care eligibility for an ongoing course of treatment when a provider leaves an insurer's network. Individuals are now eligible for continuity of care if they are:
    - Undergoing a course of institutional or inpatient care;
    - Scheduled to undergo nonelective surgery, including preoperative and postoperative care;
    - Determined to be terminally ill and receiving treatment for that illness; and
    - Receiving any other treatment of a condition or disease that requires repeated healthcare services pursuant to a plan of treatment.
- Requires insurers meet at least the federal minimum ratios, maximum time, distance and appointment wait time standards pertaining to network adequacy established for plans on the federally-facilitated exchange. Provides the DOI greater oversight to ensure insurers follow network adequacy requirements.
- Requires insurers to cover out-of-network claims at the in-network rate if a network is deemed inadequate for a specific provider type and the insurer does not have an exemption from the DOI.
- Requires providers to give notice to an insurer within 20 business days if the provider decides to stop accepting new patients for a period of 40 business days or longer.
- Addresses insurers' use of "ghost networks" by requiring insurers to audit their provider directories for accuracy at least every 90 days, and make necessary corrections.
- Requires DOI to develop and publish a uniform electronic provider directory information form by Jan. 1, 2026, in consultation with a task force, and requires providers to begin using this form by July 1, 2026.
- These provisions only apply to commercial insurers.

Prior Authorization for Inpatient Mental Health Admissions

- Prohibits prior authorization for inpatient mental health admission to any participating hospital.
- Prohibits concurrent review for 72 hours **as long as the hospital notifies the insurer of the admission and treatment plan within 48 hours of admission**.
- Prohibits retrospective review for the first 72 hours of an inpatient mental health admission unless:
    - Reasonable determination that inpatient mental health treatment was not provided;
    - Upon determination the patient was not insured under the policy;
    - Upon material misrepresentation by the patient or healthcare provider; or
    - Upon determination that the service was excluded under the terms of policy.
- If coverage is retrospectively denied, the patient cannot be held liable for payment through the date the adverse determination is made.
- This provision is effective Jan. 1, 2026 and applies to both commercial and Medicaid plans.

Utilization Review Organization Standards

- For an insurer's utilization review program, requires the insurer to use either:
    - Treatment criteria developed by an unaffiliated nonprofit professional association; or
    - Nationally recognized, evidence-based treatment criteria reflecting generally accepted standards of care, when certain requirements are met.
    - For Medicaid, treatment criteria developed by HFS if the criteria is consistent with generally accepted standards of care.
- Requires utilization review programs to authorize level of care placement decisions at the level of care at or above the level ordered by the provider using relevant treatment criteria specified

above, and if there is a disagreement, provide a complete assessment to the provider and patient.
- Requires insurers to run interrater reliability reports and based on that rate, take action to remediate and report remediation actions to either DOI or HFS.
- This provision is effective Jan. 1, 2026 and applies to both commercial and Medicaid plans.

Step Therapy Requirements Prohibition

- Defines step therapy requirement as a utilization review or formulary requirement that, as a condition of coverage, the order in which certain services must be used to treat or manage a health condition.
- Prohibits fail first step therapy requirements, effective Jan. 1, 2026 for both commercial insurance and Medicaid.
- Regarding the prohibition under Medicaid, it does not include step therapy requirements for drugs that do not appear on the HFS Preferred Drug List.
- This prohibition does not include a pharmacist substituting prescription drugs with an interchangeable biologic from a prescribed biologic product.
- This prohibition also does not include:
    - The use of utilization review to identify when a treatment is contraindicated or to limit quantity or dosage;
    - The removal of a drug from a formulary;
    - The fact that an individual must use the medical exceptions process to obtain coverage for a drug that is not concurrently listed on the formulary;
    - A requirement to obtain prior authorization for the requested treatment;
    - The HFS requirement that Medicaid MCOs comply with the Preferred Drug List utilization control process; and
    - The use of utilization review criteria for any healthcare service other than prescription drugs.

Key Substantive Bills Passed Both Chambers, Signed Into Law or Awaiting Governor's Action

SB 647 (Sen. Adriane Johnson/Rep. Camille Lilly)
Maternal Mental Health Clean-up
Public Act 103-0881
Effective Date: Some provisions Aug. 9, 2024; some provisions Jan. 1, 2025
This comprehensive legislation makes numerous changes related to the treatment of mental health patients. With regards to hospitals, the legislation seeks to enhance the role of hospitals and other healthcare providers as it relates to maternal mental health. As part of this process, the Dept. of Human Services (DHS), in collaboration with other agencies and healthcare professionals, will develop training, educational materials, policies, nd procedures to help healthcare providers better identify and help treat mothers with mental health conditions. Through IHA's advocacy efforts, confusing language from the introduced legislation was removed. Further, educational materials that will need to be provided to new mothers upon discharge must first be developed by DHS prior to hospitals complying with this requirement.

SB 1996 (Sen. Bill Cunningham/Rep. Jay Hoffman)
Workers' Compensation
Public Act 103-0590
Effective Date: June 5, 2024
This legislation amends the Illinois Insurance Code and the Workers' Compensation Act to increase gradually (over three years) annual fees charged to self-insured companies and other companies authorized by DOI. Specifically, the legislation changes how the following fees are calculated and collected: the Illinois Workers' Compensation Commission (IWCC) Operations Fund Surcharge, the IWCC Operations Funds Fee, and the employer-paid fee to the Rate Adjustment Fund. Also provides that the Chairman of the Self-Insurers Advisory Board may direct the state Comptroller and the state Treasurer to transfer up to $2 million in any fiscal year from the Self-Insurers Fund to the IWCC Operations Fund, to the extent that there are insufficient funds in the IWCC Operations Fund to pay IWCC operating costs. Finally, the legislation sets new penalty amounts for certain violations of the IWCC Act and provides that a decision of the IWCC automatically becomes a debt due and owing to the state once the time period of seeking judicial review expires (removing the requirement that the IWCC bring a civil action to recover the amount of the penalty).

SB 2442 (Sen. Mike Simmons/Rep. Bob Morgan)
Fair Patient Billing – Income
Public Act 103-0901
Effective Date: Jan. 1, 2025
This legislation amends the Fair Patient Billing Act, and states that hospitals may not bill uninsured patients that require healthcare services as defined in Section 5 of the Hospital Uninsured Patient Discount Act (HUPDA) if the patient qualifies for free care under HUPDA. Such eligibility is determined through the hospital's financial screening process. If the patient is deemed eligible for public health insurance or any other insurance product certified by DOI, the hospital shall provide the patient with information on how to apply for that insurance program pursuant to subsection (f) of Section 16 of the Fair Patient Billing Act. IHA negotiated this bill with Sen. Simmons, ensuring that the patient screening requirements established in the Fair Patient Billing Act and passed last year under Public Act 103-0323 are met before disallowing hospitals from billing uninsured individuals.

SB 2641 (Sen. Linda Holmes/Rep. Natalie Manley)
Network Adequacy – Specialists
Public Act 103-0906
Effective Date: Jan. 1, 2025
This legislation amends the Network Adequacy and Transparency Act, requiring insurers to demonstrate that each in-network hospital has at least one radiologist, pathologist, anesthesiologist, and emergency physician as a preferred provider in a network plan. DOI may require payors to ensure additional types of hospital-based medical specialists are preferred providers in a network plan as well. IHA worked with DOI and met with stakeholders to negotiate the requirements of this bill, educating lawmakers on the consumer protections in the federal No Surprises Act and ensuring the requirements of this bill are the responsibility of payors and not providers. Once signed by the Governor, the effective date for this law is Jan. 1, 2026.

SB 2644 (Sen. Julie Morrison/Rep. Eva-Dina Delgado)
Secretary of State (SOS) – Advance Directive Registry
Public Act 103-0908
Effective Date: Jan. 1, 2025

This bill requires the Illinois SOS to establish an electronic healthcare registry for individuals to deposit IDPH Uniform Practitioner Order for Life-Sustaining Treatment (POLST) forms (the "Advance Directive Registry") by Jan. 1, 2027.

- Emergency Medical Services (EMS) personnel as defined in the Emergency Medical Services Systems Act will have access to the information in the Advance Directive Registry.
- Hospital healthcare providers and healthcare professionals practicing within hospitals licensed under the Hospital Licensing Act and the University of Illinois Hospital Act will have access to the information in the Advance Directive Registry as determined by the respective hospital administrators.
- The bill does not limit the right to amend or revoke an IDPH Uniform POLST form previously filed with the Advance Directive Registry.
- EMS personnel, healthcare providers, and healthcare professionals, as well as hospitals, are not required to check the Advance Directive Registry and are not subject to civil or criminal liability or professional discipline for failure to access or search the Advance Directive Registry.
- EMS personnel, healthcare providers, and healthcare professionals who, in good faith, rely upon a POLST form within the Advance Directive Registry are immune from criminal and civil liability as described in subsection (d) of Section 65 of the Health Care Surrogate Act and Section 3.150 of the Emergency Medical Services Systems Act, as applicable.

SB 2658 (Sen. Julie Morrison/Rep. Anna Moeller)
Newborn Screening – Duchenne Muscular Dystrophy
Public Act 103-0909
Effective Date: Aug. 9, 2024
This legislation requires IDPH to screen all newborns for Duchenne muscular dystrophy once specified milestones are met. The language also allows IDPH to require an additional fee to administer this test, up to six months prior to IDPH beginning to administer the screening test. IHA negotiated an amendment to the legislation that requires Medicaid to reimburse a hospital for the cost of a newborn test for Duchenne muscular dystrophy for newborns covered by Medicaid. This reimbursement is subject to appropriation and not contained in the FY 2025 budget. However, it will likely take over one year for IDPH to implement the new testing.

SB 2737 (Sen. Paul Faraci/Rep. Angelica Guerrero-Cuellar)
Freedom to Work Act
Public Act 103-0915
Effective Date: Jan. 1, 2025
This bill excludes professionals licensed in Illinois who provide mental health services to veterans and first responders from any non-compete covenant.

SB 2933 (Sen. Steve Stadelman/Rep. Maurice West, II)
Medical Debt Reporting – Fraud
Public Act 103-0648
Effective Date: Jan. 1, 2025
The legislation amends the Consumer Fraud and Deceptive Business Practices Act, making it unlawful for a consumer reporting agency to make, create, or furnish any consumer report or credit report containing, incorporating, or reflecting any adverse information that the consumer reporting agency knows or should know relates to medical debt incurred by the consumer. It also prohibits a collection

action against the consumer to collect medical debt and prohibits consumer reporting agencies from maintaining any information related to incurred medical debt in a consumer's file.

SB 2979 (Sen. Bill Cunningham/Rep. Ann Williams)
BIPA – Procedure/Damages
Public Act 103-0769
Effective Date: Aug. 2, 2024
Amends the Biometric Information Privacy Act. Defines "electronic signature" as an electronic sound, symbol, or process attached to or logically associated with a record and executed or adopted by a person with the intent to sign the record. Provides that "written release" includes an electronic signature. Provides that a private entity that more than once collects or discloses a person's biometric identifier or biometric information from the same person in violation of the Act has committed a single violation for which the aggrieved person is entitled to, at most, one recovery.

SB 3136 (Sen. Cristina Castro/Rep. Mary Beth Canty)
Family Recovery Plans
Public Act 103-0941
Effective Date: Aug. 9, 2024; some provisions Jan. 1, 2025
This comprehensive piece of legislation seeks to set Illinois down the path of decriminalizing and destigmatizing pregnant and postpartum women with SUDs, and looks to develop paths for mothers to stay with their children while they are receiving treatment. The legislation would create a Family Recovery Plan Implementation Task Force to develop recommendations to the General Assembly and Governor on how to create a Family Recovery Plan in Illinois. Further, the legislation would remove the section of the Abused and Neglected Child Reporting Act that required DCFS to report to the state's attorney any time a newborn is reported to have a controlled substance in their system. It further makes changes to the Adoption Act to remove additional penalties toward mothers whose newborn was found to have controlled substances in their system. IHA supported this legislation as a practical approach to the important issue of decriminalizing and destigmatizing mothers who have SUDs. Through IHA's advocacy efforts, the hospital community will be represented on the Family Recovery Plan Implementation Task Force to ensure that the hospital perspective is heard, as it plays a key role in this process.

SB 3137 (Sen. Laura Fine/Rep. Jennifer Gong-Gershowitz)
Mental Health – Death Notice
Public Act 103-0942
Effective Date: Aug. 9, 2024
Referred to as Jordan's Law, this legislation requires facilities licensed under the Substance Abuse Disorder Act, and mental health or developmental disabilities facilities operating in the state, to provide to the patient's "personal representative" both verbal and written notice of a patient death. The bill originally required that facilities give actual verbal notice to the "personal representative" with 24 hours of death, and that written notice be given within five days. IHA negotiated an amendment which now requires facilities to "attempt" verbal notification within five days (noting that phone calls are frequently not answered and voice messages not returned), and clarified other limitations to the notice rule, such as not requiring any notice at all if the facility is not aware that the patient has a "personal representative."

SB 3414 (Sen. Julie Morrison/Rep. Jenn Ladisch Douglass)
Insurance – Continuous Glucose Monitor
Public Act 103-0639
Effective Date: July 1, 2024
This legislation requires coverage of continuous glucose monitors (CGM) to individuals, related supplies and training for individuals with any form of diabetes mellitus covered under commercial insurance, effective Jan. 1, 2026. If certain requirements are met, prior authorization is not required and the bill prohibits imposing any cost-sharing for a one-month supply. Coverage is not dependent on the individual having a diagnosis of uncontrolled diabetes. The legislation also requires HFS to adopt rules on CGM coverage, including that a physician, certified nurse practitioner or physician assistant may prescribe a CGM, the device is not required to have an alarm, and the individual is not required to have a recent history of emergency room visits related to hypoglycemia, hyperglycemia, or ketoacidosis.

SB 3421 (Sen. Don Harmon/Rep. Jay Hoffman)
Power of Attorney Honoring Forms
Public Act 103-0994
Effective Date: Jan. 1, 2025
The bill makes it unlawful for a third party to unreasonably refuse to honor a statutory short form power of attorney for property properly executed in accordance with the laws in effect at the time of its execution. The bill also includes scenarios that would be deemed unreasonable if it were the only reason for denying the validity of the short form power of attorney for property. As initially introduced, the bill would have applied to both statutory short form power of attorney for property and healthcare. IHA was able to work with the sponsor to include specification that the provisions would apply to only statutory short form power of attorney for property.

SB 3548 (Sen. Laura Ellman/Rep. Barbara Hernandez)
EMS – Trauma Center Designations
Public Act 103-1013
Effective Date: Aug. 9, 2024
This legislation provides for the re-designation of three levels of trauma centers by IDPH, in accordance with trauma national standards set forth by the American College of Surgeons, which allows for the designation of Acute Injury Stabilization Centers and Level III Trauma Centers. Prior to this legislation, only Level I and Level II trauma center designations were recognized by IDPH. This bill defines an Acute Injury Stabilization Center as having either a basic or comprehensive ED, pursuant to the Hospital Licensing Act, capable of initial management and transfer of an acutely injured patient. Minimum standards for Acute Injury Stabilization Centers and Level III trauma centers will be established by IDPH, through rules adopted under the EMS Act. Additional provisions pertaining to the re-designation of trauma centers will be provided through rulemaking, in which IHA will participate.

SB 3648 (Sen. Robert Peters/Rep. Kelly Cassidy)
Community Emergency Services and Supports Act (CESSA)
Public Act 103-0645
Effective Date: July 1, 2024
Supported by IHA, this bill extends the effective date of the Community Emergency Services and Supports Act to July 1, 2025, providing additional time for Statewide and Regional Advisory Committees to implement behavioral health crisis response protocols and delaying the prohibition of mobile mental health relief provider involvement in involuntary commitment. This bill also allows for the appointment

of Regional Advisory Committee Chairs, by the Division of Mental Health and the region's EMS Medical Directors Committee. Sets forth minimum qualifications for appointment as chair.

SB 3649 (Sen. Robert Peters/Rep. Marcus Evans, Jr.)
Employee Free Speech Act
Public Act 103-0722
Effective Date: Jan. 1, 2025
This bill prohibits an employer or the employer's agent, representative, or designee to discharge, discipline, or otherwise penalize, threaten to discharge, discipline, or otherwise penalize, or take any adverse employment action against an employee 1) because the employee declines to attend or participate in an employer-sponsored meeting or declines to receive or listen to communications from the employer or the agent, representative, or designee of the employer if the meeting or communication is to communicate the opinion of the employer about religious or political matters; 2) as a means of inducing an employee to attend or participate in meetings or receive or listen to communications; or 3) because the employee, or a person acting on behalf of the employee, makes a good faith report, orally or in writing, of a violation or a suspected violation of the Act. Provides for a private right of action to enforce the provisions of the Act. The bill was amended to include a number of exemptions to the Act, including certain non-for profits, political organizations, higher education, and religious organizations.

SB 3751 (Sen. Mike Simmons/Rep. Marcus Evans, Jr.)
Equitable Health Outcomes Act
Public Act 103-1041
Effective Date: Jan. 1, 2025
This legislation creates the Equitable Health Outcomes Act, which establishes data collection standards and creates a Health Outcomes Review Board tasked with annually reviewing and reporting data on health outcomes, including illnesses, treatments and causes of death in Illinois and recommending solutions that will improve health outcomes in the state. IHA worked with the primary sponsor to address concerns around data reporting and patient privacy, resulting in removing the data reporting provision of the bill and, instead, permits the newly established Equitable Outcomes Review Board to provide recommendations on data collection regarding race, ethnicity, sexual orientation, gender identity and language with consideration to all healthcare facilities. The recommendations shall consider federal guidance regarding data collection and reporting standards and requirements, maintaining data and patient confidentiality, and healthcare provider resources necessary to implement new data collection and reporting requirements. Finally, given IHA's work in the health equity space, we also requested to have a representative serve on the new Board.

HB 778 (Rep. Theresa Mah/Sen. Omar Aquino)
Support International Medical Graduates
Public Act 103-0725
Effective Date: Jan. 1, 2025
This legislation will make changes to the Medical Practice Act as it relates to the licensure of international graduate physicians. As part of this legislation, IDFPR is required to establish qualifications and application fees for limited licensure of international graduates, provide a pathway to full licensure for international graduates, and (after Jan. 1, 2026) establish a clinical readiness program to provide direct services to international medical graduate physicians to reestablish their medical careers and obtain residency. This work is to be done with IDPH and the Governor's Office. IHA supported this

legislation as a way to address the continued workforce challenges hospitals encounter, as well as streamline the licensure process for international medical graduates.

HB 3886 (Rep. Camille Lilly/Sen. Don Harmon)
Public Health Emergencies
Public Act 103-0658
Effective Date: July 19, 2024
As filed, the bill directed IDPH to establish inflexible criteria and standards for hospitals to adhere to while delivering care during an established public health emergency. After many conversations with the bill's sponsor and working with IDPH, an amendment was drafted that would direct IDPH to develop an Emergency Medical Disaster Plan taking lessons learned from the COVID-19 pandemic for deployment during any future emergent medical disaster or emergency.

HB 4874 (Rep. Dagmara Avelar/Sen. Suzy Glowiak Hilton)
E-Prescribing Clean-up
Public Act 103-0732
Effective Date: Aug. 2, 2024
This legislation makes an important change to the Illinois Controlled Substances Act as it relates to recently enacted e-prescribing requirements. Under this proposed change, pharmacists cannot refuse to fill a valid prescription solely because it is not prescribed electronically. Further, the proposal would limit compliance action against a provider or pharmacist that is not in compliance with the new e-prescribing requirements to a non-disciplinary warning letter or citation unless the prescriber or dispenser fails to abide by the initial non-disciplinary action or has acted in bad faith. IHA supported this important initiative as a response to member feedback that patients throughout the state were not able to fill paper prescriptions given by their provider. This legislation will serve to put the onus of enforcement on IDFPR rather than the pharmacist.

HB 5047 (Rep. Terra Costa Howard/Sen. Suzy Glowiak Hilton)
Nurse Automatic Licensure
Public Act 103-0686
Effective Date: Jan. 1, 2025
This piece of workforce legislation would extend the time in which a graduated licensed practical nurse, registered nurse, or advanced practice registered nurse can practice license-pending from three months to six months. Further, the legislation would permit an advanced practice registered nurse that certifies completion of other milestones to be granted full practice authority—pending under the supervision of a full practice advanced practice registered nurse or physician for a period of six months. Through IHA's advocacy efforts, language from the original proposal was removed that would have created confusion and operational concerns for hospitals, and maintained a longer period of time for licenses to be fully processed.

HB 5142 (Rep. Robyn Gabel/Sen. Lakesia Collins)
Pregnancy/Post-Partum Care
Public Act 103-0720
Effective Date: Jan. 1, 2024; some provisions Jan. 1, 2026
This bill requires commercial insurers to cover all services for pregnancy, postpartum and newborn care rendered by perinatal doulas or licensed certified professional midwives, including home births, home visits and support during labor, abortion or miscarriage, effective Jan. 1, 2026. It limits home visits by a

perinatal doula to 16 visits before and 16 visits after a birth, miscarriage or abortion, with an $8,000 ceiling. It also requires coverage of home visits by lactation consultants and the purchase of breast pumps and related supplies. It also requires Medicaid to cover certified professional midwife services, effective Jan. 1, 2025. Previously, Medicaid only covered licensed certified professional midwife services. It also removes the 2.7% Medicaid rate reduction implemented in the SMART Act, June 30, 2012, for post-parturition care services. This language does not require any provider to perform abortion services.

HB 5290 (Rep. Kelly Cassidy/Sen. Mike Simmons)
Medical Debt
Public Act 103-0647
Effective Date: July 2, 2024
HB 5290 creates the Medical Debt Relief Act, requiring HFS to establish a Medical Debt Relief pilot program to discharge the medical debt of eligible residents. An eligible resident is an Illinois resident with a household income at or below 400% of the federal poverty level or who has medical debt equal to 5% or more of their household income. Under the program, HFS must provide grant funding to a nonprofit medical debt relief coordinator to negotiate and settle, to the extent possible, the medical debt of eligible residents owed to hospitals and other healthcare providers and entities, including providers located outside of Illinois. The Act also creates the Medical Debt Relief Pilot Program Fund, which is a special fund in the state treasury used to provide grant funding to the nonprofit medical debt relief coordinator to discharge medical debt and pay for any administrative services provided by the coordinator. HFS must establish the pilot program by Jan. 1, 2025.

Bills Held This Session

SB 2605 (Sen. Natalie Toro)
Protective Orders – Notice
Held in the Senate
This bill would have amended the Code of Criminal Procedure requiring the clerk of the circuit court to send a certified copy of a protective order to the petitioner's workplace and directed a manager of the workplace that received notice to notify law enforcement immediately if the respondent was present and looking for the petitioner and, if the petitioner was present, to contact law enforcement at the petitioner's request.

SB 2653 (Sen. Ram Villivalam)
Operating Room Patient Safety Act – Surgical Techs
Held in the Senate
This legislation would have created the Operating Room Patient Safety Act and would have narrowed the pathway in which an individual could become a surgical technologist in Illinois. Further, it would require hospitals and ambulatory surgical centers to show good faith in attempting to hire only surgical technologists meeting these criteria before hiring other qualified individuals. IHA strongly opposed this legislation as both contradictory to the current title protection statute for surgical technologists, but also as it reduced pathways for hospitals to fill an extremely needed position in the operating room, which ultimately impacts access to care. Through IHA's advocacy efforts, this legislation was not acted upon in the Senate; however, we do anticipate further efforts to advance this legislation.

SB 2795 (Sen. Michael Halpin)
Safe Patient Limits (Nurse Staffing Ratios) plus Nurse Licensure Compact

Held in the Senate
This bill reintroduced the Safe Patient Limits Act, which sought to enact nurse staffing ratios and added approval for the Nurse Licensure Compact. The mandated staffing ratio language was repeated from the proposed HB 3338. The Nurse Licensure Compact is an agreement between states that allows nurses to have one compact state nursing license that gives them the ability to practice in other states that are part of the agreement and would be expected to reduce the shortage of nurses in Illinois. The best way to advance quality care and patient safety in Illinois hospitals is to allow decisions to be made at the local level by nurses and hospitals working together to establish an appropriate nurse staffing plan on that particular day, in that particular unit. The limited benefit brought by the implementation of the Nurse Licensure Compact would not nearly be adequate to offset the damage incurred by mandated nurse staffing ratios.

SB 2955 (Sen. Don Harmon)
Property Tax – Hospitals
Held in the Senate
Similar to SB 1819 a bill filed last year, SB 2955 would have modified nonprofit hospital property tax exemption requirements by limiting the value of residency programs, research, government-sponsored healthcare shortfall, and certain educational and marketing services in calculating the hospital's property tax exemption. It also redefined "charity" care as specific to healthcare services delivered for free or at a reduced cost to poor and low-income individuals who could not otherwise afford the healthcare they are receiving, and added housing and food assistance to the definition of subsidized health services. It would have required the chief county assessment officer to assess the value of each nonprofit hospital and publish that value on their website and in the newspaper, as well as the estimated property tax liability for that property. Finally, it would have required the Office of the Illinois Attorney General to post nonprofit hospital community benefit reports on their website. IHA met with the initial sponsor, former Sen. Ann Gillespie, and learned she was interested in increasing the amount of money hospitals spend on social determinants of health. IHA educated the sponsor on the work hospitals are doing to address social determinants of health, including the IHA Progress Report. The sponsor has gone on to become the Director of the Illinois Dept. of Insurance, thus resigning her Senate seat.

SB 3217 (Sen. Rachel Ventura)
Hospital Licensing – Fines
Held in the Senate
Building on the proposed staffing ratio legislation, this bill would have increased fines for hospitals that deviated from their written staffing plan for nursing services. Fines would have escalated from up to $500 to $5,000 per violation; increased from $500 to up to $10,000 per occurrence after failure to implement a plan of correction; and allowed IDPH to revoke or suspend a hospital's license for the second or subsequent infractions. Although the additional funding from fines was to have been used for scholarships under the Nursing Education Scholarship Law, IHA opposed this bill, which comes during a time when hospitals are experiencing significant workforce and financial challenges.

SB 3499 (Sen. Linda Holmes)
Aid In Dying/End of Life Options
Held in the Senate
While it did not advance this session, this bill seeks to create the End-of-Life Options for Terminally Ill Patients Act to authorize a qualified patient with a terminal disease to request that a physician prescribe aid-in-dying medication that will allow the patient to end the patient's life in a peaceful manner.

SB 3709 (Sen. Lakesia Collins)
Hospital Staffing Plans Act
Held in the Senate
This bill attempted to direct hospital operations by requiring the creation of staffing committees for nurses, professional and technical staff and service staff; the development of hospital-wide staffing plans for these personnel; and included specific nurse-patient ratios. Additionally, the bill required the submission of staffing plans to either IDPH or the Illinois Dept. of Labor (DOL), as well as fines for violations and public posting of staffing plan audits, investigations, violations, and penalties. Similar to HB 5320/SB 3424, IHA strongly opposed SB 3709.

SB 3727 (Sen. David Koehler)
Patient Access 340B Pharmacy
Held in the Senate
SB 3727 would have prohibited pharmaceutical manufacturers from prohibiting, restricting, or interfering with a local pharmacy that contracts with a 340B covered entity, such as a hospital or federally qualified health center, to dispense medications acquired through the 340B program. IHA wrote this bill in partnership with the Illinois Primary Health Care Association in response to actions taken by pharmaceutical manufacturers to limit or place conditions on the ability of 340B covered entities to distribute 340B-acquired drugs through contract pharmacies. While SB 3727 had 26 co-sponsors, it did not move forward. IHA will continue working to educate legislators on the 340B program and the importance of robust distribution networks through contract pharmacies in ensuring patient access to lifesaving medications and preserving the level of savings 340B covered entities rely on to maintain service lines and bolster their communities.

HB 582 (Rep. Kelly Cassidy)
Sexual Assault Survivors Emergency Treatment Act (SASETA)
Held in the House
In an attempt to ensure sexual assault survivors have access to forensic exam services, HB 582 would have amended SASETA, creating specific factors that IDPH must consider before approving a hospital's sexual assault transfer plan. The bill also established a corrective action plan for hospitals with transfer or treatment plans deemed unacceptable by IDPH, and increased fines for hospital noncompliance with plan submission and approval requirements. The bill also outlined fines for hospitals that: allow non-qualified medical providers to perform and complete medical forensic exams; refuse to offer a survivor a medical forensic exam; fail to provide medical management for sexually transmitted infections, HIV, and emergency contraception; or fail to offer photographic evidence, secure photographic evidence, or release photographic evidence without a court order. IHA met with Rep. Cassidy and testified before the Health Care Availability & Accessibility Committee, explaining that this bill does not address the main issues affecting survivors' ability to easily access forensic services, particularly in rural areas. The legislation was held with discussions to occur this summer between the sponsor, the Governor's Office, and the Office of the Illinois Attorney General and other stakeholders.

HB 3338/SB 2314 (Rep. Theresa Mah/Sen. Celina Villanueva)
Safe Patient Limits (Nurse Staffing Ratios)
Held in the House/Held in the Senate
Introduced the spring of 2023, these bills sought to create the Safe Patient Limits Act, outlining mandatory staffing ratios, the maximum number of patients that may be assigned to a registered nurse; required hospitals to adopt written policies for training and orientation; and the established recordkeeping requirements prone to IDPH audits that could include up to a $25,000 penalty per

violation. IHA strongly opposes staffing ratios as they do not account for a patient's care needs or the experience of a registered professional nurse. A subject-matter hearing was held in the fall of 2023 regarding hospital and nursing home staffing ratios. Numerous organized stakeholders testified in support of nurse staffing ratios. Led by President and CEO, A.J. Wilhelmi, IHA fielded a panel of CEOs representing CAHs, SNHs and community hospitals. The panel not only testified against staffing ratios, but spoke to the importance of the nurse directed staffing by patient acuity committees. IHA continues to support hospitals with the implementation of the Nurse Staffing Improvement Act to demonstrate hospital commitment to implement staffing by acuity. HB 3338 was not called for a vote during last fall's veto session nor during the 2024 spring session.

HB 4472/SB 3108 (Rep. Nabeela Syed/Sen. David Koehler)
Health Care Availability
Held in the House/Held in the Senate
HB 4472 and SB 3108 would have created the Health Care Availability and Access Board Act, designed as an independent unit of government with the intention to review the cost of certain prescription drugs. The aim of the legislation is to impact pharmaceutical affordability. Colorado enacted a similar bill and in Michigan their legislature is currently debating similar legislation. IHA staff met with both state hospital associations to understand the impact of the legislation and any concerns. In addition, IHA met with the Illinois House sponsor to explain the potential negative financial impact this bill could have on providers, particularly 340B providers, as well as the patients they serve. Both bills were ultimately held in their respective chambers.

HB 5320/SB 3424 (Rep. Kam Buckner/Sen. Christopher Belt)
Hospital Staffing Levels
Held in the House/Held in the Senate
These identical bills sought to expand on the proposed nurse staffing ratio mandates to extend staffing requirements to all hospital workers who receive an hourly wage, including subcontractors, regardless of whether or not they provide patient care. These bills would have required a heavy-handed annual unit staffing and reporting process; a process for hospital staff to file an "assignment despite objection" form if the employee believed they were working in an unsafe environment; imposed a 0.1% per day penalty of the hospital's annual revenue during the most recent fiscal year; and required IDPH to create and maintain a publicly available registry comprised of all "competent employees" that includes their name, address, contact information, and current employer. Additionally, it provided that IDPH make recommendations for minimum staffing standards for hospital workers in each hospital unit. IHA strongly opposed HB 5320 and SB 3424. These companion bills relegate essential, complex, and nuanced protocols required to safely and efficiently staff a hospital 24/7/365 to a series of forms and paperwork submitted to a state government agency that is neither designed nor equipped to make recommendations regarding hospital staffing.

HB 5456 (Rep. Mary Gill)
Mandatory Fentanyl Testing
Held in the House
This legislation would have required any urine drug screening conducted by a hospital to assist in diagnosing the individual's condition to also include testing for fentanyl. If the screening came back positive for fentanyl the hospital would then be required to report de-identified information to IDPH. IHA opposed this legislation as few hospitals have the ability to test for fentanyl on-site. Lastly, present reporting systems between hospitals and the Department are not equipped for this type of reporting. Through IHA's advocacy efforts this legislation was held.