



END OF SESSION REPORT 2026

SEPTEMBER 2026

In 2026, IHA worked to advance critical legislation in support of hospitals and health systems statewide, while vigorously opposing numerous harmful and burdensome proposals.

The IHA 2026 End of Session Report provides an overview of the many bills filed this year, including key details on the Fiscal Year (FY) 2027 Illinois state budget and direct links to detailed IHA memos on legislation of significant interest to the hospital community. IHA's 2026 End of Session Report will be available on the [IHA State Resources webpage](#) and updated as forthcoming IHA member memos are linked in the report.

Summary:

- **[IHA 340B Legislation:](#)** Information on the Illinois Patient Access to Pharmacy Protection Act ([HB 2371/P.A. 104-0758](#)).
- **[Major Hospital Finance Bills:](#)** Information on the FY 2027 state budget, hospital assessment, Medicaid omnibus, and budget implementation bills.
- **[Bills Not Advancing:](#)** An overview of largely harmful or ill-advised bills that IHA successfully worked to block and prevent from advancing this session.
- **[Bills Enacted:](#)** Information on legislation that will benefit the hospital community or legislation that was successfully amended to remove language that would be onerous or detrimental to Illinois hospitals and health systems.

340B Legislation

Patient Access to Pharmacy Protection Act ([HB 2371/P.A. 104-0758](#))

Effective Date: Aug. 7, 2026

After two years of political warfare between providers and drug manufacturers, IHA's 340B contract pharmacy legislation was passed by the General Assembly on May 31 at 11:59 p.m. The Patient Access to Pharmacy Protection Act does not modify the federal 340B program; rather, it creates new Illinois requirements around the use of 340B contract pharmacies. The legislation prohibits drug manufacturers and other persons from interfering with 340B-covered-entity acquisition and delivery arrangements, and from imposing certain contracting, data, or reporting-related conditions on 340B providers.

The bill requires annual reporting to the General Assembly by most 340B-covered entities, with exemptions until Jan. 1, 2029, for specified provider categories including smaller hospitals, Critical Access Hospitals, Safety Net Hospitals, and 340B grantees.



Additionally, the bill directs the Illinois Dept. of Healthcare and Family Services (HFS) to report by Jan. 1, 2028, to the General Assembly on total aggregated covered outpatient drug units dispensed and administered for the prior calendar year under Illinois' medical assistance program and a reasonable estimate of net costs or savings associated with 340B covered entity purchases at 340B pricing.

Enforcement provisions authorize the Attorney General to seek injunctive relief, money damages to affected 340B covered entities, and civil penalties.

340B Transparency, Reporting, and Accountability Act ([HB 4327/P.A. 104-0769](#))

Effective Date: Aug. 7, 2026

As IHA continued to lobby legislators on HB 2371 in May, it became increasingly clear we would have to negotiate a second bill to overcome PhRMA's disinformation campaign, which would include a one-time 340B study.

HB 4327 directs the Illinois Dept. of Insurance (DOI) to conduct a one-time study of how 340B covered entities and pharmaceutical manufacturers in Illinois participate in 340B, and to assess impacts on Illinois health programs. The Act states it is intended solely for state-level reporting and evaluation and does not regulate 340B pricing, reimbursement, or participation in the federal 340B program.

DOI must submit a report of the study's findings to the General Assembly and the Governor by July 1, 2028. IHA has engaged its 340B workgroup and participated in two stakeholder meetings with DOI to date. A member memo will be forthcoming.

Major Hospital Finance Bills

The Illinois legislature approved the FY 2027 state budget, hospital assessment, Medicaid Omnibus, and the budget implementation bill (BIMP). Each bill supports critical hospital financing and provisions relevant to hospitals and health systems. An IHA member memo that provides information on these bills can be found [here](#).

FY 2027 State Budget ([HB 111/P.A. 104-0464](#))

Effective Date: Some sections effective June 16, 2026, other sections effective July 1, 2026.

The state FY 2027 budget approved by the General Assembly includes \$55.9 billion in General Revenue Fund (GRF) spending supported by approximately \$56 billion in revenue. The budget does not include any reductions to Medicaid provider reimbursement rates and does not make eligibility changes beyond those required under H.R. 1.

Key hospital and healthcare provisions in the state FY 2027 budget:

- Includes \$118 million in legislative initiative grants to designated Safety Net Hospitals.



- Fully funds the Health Benefits for Immigrant Seniors program at current enrollment levels.
- Reappropriates \$170 million for the Hospital and Healthcare Transformation Capital Investment Grant Program.
- Appropriates \$5 million to support the state's medical debt relief initiative.
- Includes \$9 million for free and charitable clinics.
- Maintains funding for hospital Healthcare Transformation Collaboratives.
- Includes \$70 million for a new program to support those who have lost Supplemental Nutrition Assistance Program benefits.

Budget Implementation Bill ([HB 2949/P.A. 104-0466](#))

Effective Date: Some sections effective June 16 and July 1, 2026, other sections effective Jan. 1, 2027.

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.

- Increases the maximum amount of funds that can be transferred to the University of Illinois Hospital Services Fund to \$65 million.
- Transfers \$110 million from the Hospital Provider Fund to the Healthcare Provider Relief Fund, utilizing \$55 million in excess revenue from federal matching funds and the \$55 million reduction in tax refunds provided to hospitals referenced above relative to the Medicaid omnibus legislation.
- Provides that in the future, excess revenues in the Income Tax Refund Fund will be transferred to GRF up to \$150 million, and any amount above that level will be transferred to the Pension Stabilization Fund.
- Does not include changes to the amount of income tax revenues distributed through the Local Government Distributive Fund, meaning an increase in funds for local governments of \$60 million relative to the budget introduced by the Governor.

Medicaid Omnibus ([SB 3365/P.A. 104-0470](#))

Effective Date: Some sections effective June 16 and July 1, 2026, other sections effective Jan. 1 and July 1, 2027.

The Medicaid omnibus is a package of legislative initiatives traditionally developed through a bipartisan, bicameral Medicaid Working Group. This year, however, the House and Senate took different approaches to reviewing proposals, with the House utilizing the bipartisan Medicaid Working Group process and the Senate conducting subject matter hearings. Many of the provisions included in the omnibus originated as stand-alone legislation and were ultimately negotiated into the broader package.

In total, the legislation contains 44 initiatives affecting the Medicaid program. Given the state's constrained fiscal environment, most of these initiatives are budget neutral and focus on policy, operational, and programmatic changes rather than significant new spending. This legislation makes the following changes:

H.R. 1 Compliance

- Provides statutory changes to ensure the state complies with federal requirements pursuant to H.R. 1, including six-month redeterminations, work requirements, and shortened retroactive eligibility for the Affordable Care Act population.

Hospital Assessment Program Tax Adjustment

- Provides the six-month tax adjustment scheduled to occur on July 1, 2026, for the Hospital Assessment Program (HAP) will be adjusted downward by half the amount as scheduled. Hospitals will receive a \$55 million refund of the tax that was paid for the first half of 2026, compared to the \$110 million that would be refunded based on the existing statutory formula. The \$55 million will be used to fund half of the amount budgeted for Safety Net Hospital grants.

Governor Pritzker's Distressed Hospital Loan Program

- An initiative of the Governor's Office and included in his introduced budget, the Distressed Hospital Loan Program was also included in the Medicaid omnibus. This initiative provides \$85 million in interest-free loans to hospitals in significant financial distress. This program takes effect Jan. 1, 2027, upon adoption of rules by HFS, and is scheduled to sunset June 30, 2033.
 - Application
 - Eligible hospitals must submit a plan to HFS detailing the intended uses of the proposed loan and a plan to regain financial viability and continue operations.
 - The legislation requires HFS, in consultation with the Governor's Office of Management and Budget and the Illinois Dept. of Public Health (IDPH), to develop a methodology to evaluate hospital applications. The legislation includes greater detail on the factors to consider in evaluation.
 - Approved applications will receive funding on a first-come, first-served basis until funding is expended.



- Eligibility

- Preference will be given to not-for-profit and public hospitals. Additional requirements will apply to investor-owned hospitals.
- Hospitals ineligible for the program include:
 - Hospitals with more than three separately licensed facilities.
 - Hospitals with unpaid hospital assessment liability that do not have a negotiated tax repayment agreement or are delinquent under a current repayment agreement.
 - Hospitals not current on a payment advance repayment schedule.
 - Hospitals that have not provided required financial reporting to the state.
 - Hospitals subject to a stop payment order.
 - Hospitals under investigation or that have been issued an immediate jeopardy determination from federal Centers for Medicare & Medicaid Services (CMS) in the prior 12-month period.

- Repayment

- Repayment terms must begin no later than 18 months after receipt of the loan and be completed within 36 months of the loan date.
- The legislation allows HFS to recoup any misused funds and withhold other reimbursements due to the hospital for repayment of the loan. Unpaid loans shall become a lien upon the assets of the hospital.
- Specified interest penalties will apply for failure to repay the loan.

Governor Pritzker's Delinquent Hospital Assessment Repayment Agreement Changes

- The Administration also pushed to include hospital repayment language in the Medicaid omnibus to provide further clarification on state recoupment and withholding of payments to hospitals.

- Hospital Assessment Repayment Changes

- Clarifies that HFS may collect unpaid assessment taxes by offsetting or recouping payments by any state agency to the hospital, including state grants.
- Prohibits HFS from entering into any new assessment deferral plan with a hospital.



- Allows a hospital to amend its assessment repayment plan to provide for equal payments over up to 72 months or to continue under the terms of its current repayment agreement.
- Limits existing agreements to a single amendment unless otherwise agreed to by HFS.
- Advance Payment Agreement Changes
 - Clarifies that HFS may collect unpaid advance balances when a provider fails to comply with the terms of the advance payment agreement.
 - This collection authority may be enforced by withholding payments by HFS to the provider, including fee-for-service (FFS) claims and supplemental payments, Medicaid managed care organization (MCO) payments, and amounts payable by other state agencies, including state grants.

Governor Pritzker's Hospital Emergency and Financial Contingency Plan Requirements

- This provision requires certain financially distressed hospitals to develop and submit a Hospital Emergency and Financial Contingency Plan to HFS within three months of Jan. 1, 2027. The requirement applies to hospitals with outstanding tax liabilities to the state, hospitals maintaining debt through advanced state payments, and hospitals participating in the Distressed Hospital Loan Program.
- The contingency plan must outline procedures to ensure the safe and orderly transfer of patients and continuity of care in the event of a hospital closure or the temporary suspension of one or more service lines. Hospitals must also identify potential events that could lead to a closure or service disruption; assess gaps in healthcare services that could result within the affected service area; and establish procedures for the preservation and transfer of medical records. HFS is authorized to impose penalties of up to \$500 per week on hospitals that fail to comply with the planning and submission requirements.

Governor Pritzker's Hospital Financial and Utilization Data Reporting Requirements

- As part of the annual hospital questionnaire due to the Health Facilities and Services Review Board (HFSRB), the Medicaid omnibus amended statute to require hospitals to report on the following as part of that questionnaire:
 - Most recent audited financial statements;



- Most recent month-end balance sheet detailing the assets, liabilities, and net worth at the end of the month immediately preceding the annual reporting cycle;
 - Most recent income statement for the month immediately preceding the annual reporting cycle summarizing the revenues, expenses, and net income;
 - Total number of inpatient days, outpatient visits, and discharges by payer, including, but not limited to, Medicare, Medicaid FFS, Medicaid managed care, commercial coverage, and other payers;
 - Total inpatient gross revenues by payer, including, but not limited to, Medicare, Medicaid FFS, Medicaid managed care, commercial coverage, and other payers; and
 - Total outpatient gross revenues by payer, including, but not limited to, Medicare, Medicaid FFS, Medicaid managed care, commercial coverage, and other payers.
- This data must be reported to HFSRB within 90 days of Jan. 1, 2027, and will be required on an annual basis. Most of this information is already provided in the annual hospital questionnaire or as part of other reporting to IDPH or the Attorney General. Hospitals that have not filed the required information within 90 days after the close of the reporting period will be subject to a maximum fine of \$5,000 per week. This initiative also includes the following:
 - Provides HFSRB with emergency rulemaking authority.
 - Requires HFSRB to keep the data confidential, as it will not be subject to subpoena, discovery or admissible as evidence in private civil litigation; is not subject to disclosure under the Freedom of Information Act (FOIA); and must not be made public at any time, or used by the State Board or any other person, with the following exceptions:
 - HFSRB may share the data with other state agencies; and
 - HFSRB may share the data with third-party vendors or state contractors, federal agencies, or law enforcement.
 - Allows state agencies to publicize data in an aggregated format or disclose data only with written consent of that hospital. [SB 3916](#)

Healthcare Transformation Program

- Allows HFS to use up to \$150 million in unexpended Healthcare Transformation Program funds in FY 2028. Current statute only allowed expenditure of Healthcare Transformation Program funding through FY 2027. [SB 3528/](#)[HB 4808](#)

Outlier Excessive Growth

- Requires HFS to adopt rules in advance of the calendar year (CY) 2027 hospital rate development to develop a standardized process and timeframe, as well as define “excessive growth” for changes to outlier payments in consultation with IHA.

Safety Net Hospital Eligibility and Add-on Payments

- Extends the Safety Net Hospital eligibility grandfathering clause to Dec. 31, 2028.
- Extends two supplemental Medicaid payment programs for Safety Net Hospitals through Dec. 31, 2028. Specifically, it continues both the Safety Net Hospital Tiered Add-on Payment and the Safety Net Hospital Low-Volume Add-on Payment, providing additional financial stability for hospitals that serve a disproportionate share of Medicaid patients and vulnerable populations. Going forward, the rate for the low-volume add-on payment will be adjusted so that the total value of the add-on will not exceed a projected \$30 million annually. [HB 5055/SB 3473/](#)[HB 5185/](#)[HB 5266/](#)[SB 3754/](#)[SB 3587](#)

Preeclampsia Biomarker Testing Coverage

- Requires the Medicaid program to cover pre-eclampsia biomarker testing for predictive screening in asymptomatic individuals, as well as diagnosis and management when symptoms are present, effective Jan. 1, 2026. [HB 3706](#)

MCO Changes

- Provides technical changes to the MCO standardization and transparency statutory language to align with administrative rules, including clarifying these rules only apply to Medicaid managed care.
- Delays implementation of the requirement that Medicaid MCOs must allow Medicaid patients presenting in the emergency room to be admitted to an inpatient level of care for an up to 72-hour Inpatient Stabilization Period, based on the attending physician’s orders, without authorization from the Medicaid MCO from July 1, 2026, to July 1, 2027.
- Delays implementation of the requirement for Medicaid MCOs to develop a “Gold Card” provider prior authorization (PA) exemption program, which will allow providers who have an initial approval rate of 90% or greater, and who have submitted 50 or more requests in the prior year, to receive a waiver of the PA process.

Psychiatric Residential Treatment Facilities Delay

- Delays implementation timelines related to Medicaid coverage of Psychiatric Residential Treatment Facilities (PRTF). Specifically, it extends the deadline for HFS to submit a State Plan Amendment to federal CMS to establish Medicaid coverage for PRTF services, moving the deadline from Jan. 1, 2026, to Sept. 1, 2027.
- Also delays the requirement for HFS to conduct and publish a statewide capacity analysis of PRTF services. The deadline for completing this analysis is extended from Jan. 1, 2026, to April 1, 2027, providing the state with additional time to evaluate service capacity and develop the framework necessary to support future implementation of PRTF coverage.

Health Care Policy Report

- The administration requested language requiring IDPH to submit a report to the General Assembly by Jan. 31, 2027, with policy recommendations on healthcare access.

Bills Not Advancing

Each year, IHA and the larger hospital community devote considerable time seeking to sideline bad or poorly informed legislation. The spring 2026 legislative session continued to be challenging in terms of the type, scope, and sheer volume of bills brought forward. Quick action, tight messaging, and emphasis on field unity were essential to defeating and favorably amending dozens of bad bills throughout session. The list below includes many harmful or ill-advised bills that IHA successfully worked to block and prevent from advancing this session.

Artificial Intelligence

Several dozen artificial intelligence (AI) related bills were filed by members of the General Assembly this session. A subcommittee of the Senate Executive Committee held special subject-matter hearings on their bills, while the House formed working groups for their review. In the end only a small handful passed both chambers. We anticipate more AI legislation to be introduced next year. IHA will seek your input about how your facilities deploy AI to help us understand this rapidly emerging tool and best advocate on your behalf. Following, we have listed the highlights of AI healthcare legislation introduced in 2026.

- **Registered Nurse Use of AI ([HB 4804/SB 3702](#))**
These bills would have established an unwieldy process and framework for the use of AI in the provision of nursing services. While neither bill advanced this session, we expect AI legislation not only in this space but across the spectrum to be filed in the future.



- **AI Companion Model Safety Act ([SB 316/SB 3384](#))**

These bills would have prevented entities from operating or providing an AI companion to a user unless the AI companion contains a protocol to make reasonable efforts to detect and address suicidal ideation or expressions of self-harm by the user.

- **Consumer AI Notice Act ([SB 317](#))**

This bill would have required any person who uses a conversational AI system to communicate with a consumer in a chat interface in the course of trade or commerce, to provide the consumer with a clear and conspicuous disclosure at the beginning of the interaction that the consumer is communicating with an automated system and not with a human.

- **Consumer Data Privacy Act ([SB 340/SB 2875](#))**

These bills would have created the Illinois Consumer Data Privacy Act, which is an omnibus data privacy framework. The law defines the roles of “controllers” and “processors” and contains a consumer bill of rights, which gives consumers the right to (among other things) access their personal data; obtain a list of third parties to whom their data has been disclosed; and request corrections to inaccurate data.

- **AI — Prescribing Medications ([SB 2993](#))**

As introduced, this bill would have prohibited a person licensed under the Medical Practice Act from allowing AI to prescribe medication if the person licensed under the Act does not maintain full control and responsibility for the prescription.

- **No AI in Health Care Pricing ([SB 3027](#))**

This bill would have prohibited the use of AI from being used in hospital patient billing and prohibited AI from being used to set or influence healthcare pricing or billing.

- **Professional AI Oversight Act ([SB 3601](#))**

This bill would have required any professional licensed by IDFPR to prominently disclose when a person who is paying for a service provided by the licensee is interacting with artificial intelligence.

Billing Practices, Coverage, and Facility Fees

Telehealth Billing Prohibition ([HB 4331](#))

This legislation would have prohibited hospitals from billing patients, state-regulated commercial health plans, or managed care plans for remote patient monitoring services and would have imposed a \$1,000 penalty for each violation.

Financial Records ([HB 4455](#))

This legislation would have required any healthcare facility receiving state or federal funding to publish its financial records on its publicly accessible website at the end of each fiscal year. IHA staff met with the bill sponsor and demonstrated how requiring this information was duplicative. The sponsor held the bill this year.

Limitations on Facility Fees Act ([HB 4701](#))

This legislation created the Limitations on Facility Fees Act, prohibiting healthcare providers from charging, billing, or collecting facility fees outside of a hospital's main campus, emergency department, or at a freestanding emergency center. Hospitals and health systems would have been responsible for reporting on a variety of financial measures specific to facility fees, and violations of the Limitations on Facility Fees Act would have been considered unlawful practice under the Consumer Fraud and Deceptive Business Practices Act.

IHA staff met several times with the bill sponsor and several other House leaders, presenting research and discussing the legitimacy and necessity of facility fees in ensuring access to care. IHA also testified before the House Health Care Availability & Access Committee twice to educate legislators and urge them to hold this bill. While successful for the 2026 legislative session, we anticipate this legislation will return next year, seeking to ban facility fees in hospital clinics and off-campus provider-based departments.

Site Neutral Payments ([HB 4908](#))

This legislation sought to require health insurance companies selling, managing, offering, or marketing health plans in the state, including plans offered through the State Employees Group Insurance Program, to apply site-neutral payment principles for covered services. Site-neutral payments were defined as reimbursement for a covered healthcare service at the same rate regardless of the setting in which the service is provided.

IHA staff met with the bill sponsor and demonstrated how this legislation furthers the reimbursement squeeze hospitals and health systems are feeling from the federal government. The bill sponsor is ultimately interested in the overall cost of America's healthcare system and requested follow-up meetings with IHA staff to brainstorm how we might work together to address the affordability of healthcare in Illinois. While IHA was successful in holding this bill in 2025, we anticipate the bill sponsor and other members of the House to return in 2027 with additional legislation that will cut reimbursement and negatively impact hospital finances.

Hospital Employee Insurance Premiums ([HB 4957/SB 3407](#))

Initiated by Labor, this legislation sought to cap employee health insurance cost sharing at 10% for hospital employees, while imposing no similar requirement on other private employers. Subject matter hearings were held on both bills in both chambers; IHA testified in opposition and raised concerns with sponsors.

Healthcare for All ([SB 2873](#))

This legislation would have created universal health coverage for all residents of the state with no cost-sharing for covered, medically necessary services. Under this bill, hospitals would be paid a monthly lump sum (global budget) to cover all operating expenses.

Guardianship**Restriction of Private Guardian Use ([HB 4308](#))**

This bill would have required a court to appoint the State Guardian or county public guardian as temporary and permanent guardian when a petition for guardianship is filed by a corporation, non-profit or other entity with no legally recognized relationship (including hospitals) with a person subject to guardianship. The restriction would have eliminated existing pathways to using private guardianship, except in cases located in counties in which there is no sitting public guardian.

Substitution of Guardian Ad Litem ([HB 4463](#))

This legislation would have delayed guardian appointments and increased hospital boarding by permitting the dismissal of a guardian ad litem, an advocate for the patient in the guardianship process, without cause.

Health Data Privacy**Health Data Privacy Act ([HB 3494/SB 2273](#))**

This bill would have created the Protect Health Data Privacy Act. Modeled on similar bills enacted in Washington and proposed in New York, this new Act seeks to regulate consumer health data, requiring companies to obtain explicit written consent before collecting, sharing, or selling health data, and providing patients with the right to require the deletion of their data. IHA has been engaged on this issue over the past four years, including participating in a work group assembled by the bills' sponsors. We expect this bill to be revisited during veto session and will continue to stay engaged.

Hospital Operations/Patient Care**Substance Use Treatment Requirements ([HB 4039](#))**

The legislation sought to create substance use treatment and harm reduction mandates for healthcare facilities, correctional facilities, the state, and local governments. IHA language was partially incorporated, but agreement could not be reached on numerous unfunded mandates, including a requirement that hospitals possess and dispense all FDA-approved medications for opioid use disorder and provide this treatment to all emergency department and inpatient behavioral health patients who met eligibility criteria established in the legislation. Resources were not included for hospital training or education like those that have been provided by other states. IHA will continue to be engaged on this issue.

Newborn Hearing ([HB 4215/SB 3741](#))

This legislation would have tied in the newborn hearing assessment into the newborn metabolic screening program, allowing IDPH to increase the fee for newborn screenings by at least \$45. This legislation was an attempt by the Department to guard against the possible loss of federal funding for newborn hearing programs. IHA strongly opposed this legislation as hospitals are already being forced to deal with a more than 200% increase to the newborn metabolic screening fee. Through IHA's advocacy efforts working with the Legislative Medicaid Working Group and providing strong testimony in opposition, this legislation did not move forward. Further, IHA will continue to work with the General Assembly and the Department to find ways to reduce the significant financial mandate put upon hospitals by the metabolic screening fee increase.

Emergency - Healthcare Kiosks ([HB 4233](#))

This bill would have prohibited the use of electronic kiosks in hospital emergency rooms except for certain uses, such as administrative data entry of a patient's billing information. IHA surveyed hospital members to inquire how they were currently using electronic kiosks and engaged with the bill sponsor to advocate for expanding the acceptable uses to include health education and other purposes.

Hospital Transport Disclosure ([HB 4454](#))

This legislation would have required hospitals to inform patients of transportation costs prior to transferring them to another facility and to prominently display transportation cost information on their publicly accessible website. IHA's advocacy efforts successfully prevented the bill from advancing.

Hospitals – Patient Transfer ([HB 4460](#))

The bill would have established a new requirement under the Illinois Hospital Licensing Act creating an “out-of-network patient transfer” rule by requiring that, upon a patient's request, a hospital must transfer the patient to another healthcare facility. The requirement would have applied regardless of whether the requested facility was part of the hospital's healthcare network, provided the type of care the patient required, or if the requested facility even had a bed available. Through IHA's advocacy efforts, the legislation was not called for a vote on the House floor.

Freestanding Emergency Center Expansion ([HB 5239/SB 4049](#))

This legislation would have lifted the statutory cap on the number of freestanding emergency centers in Illinois along with the requirement that they be in a municipality of fewer than 50,000 residents. Due to a lack of consensus from the membership, IHA did not formally weigh in on this issue; however, the legislation did not move forward.

Mental Health – Court Orders ([HB 5329/SB 3750](#))

IHA, working closely with the psychiatrists and Cook County State's Attorney's Office, successfully eliminated proposed requirements for involuntary mental health patients that

would have overturned favorable Illinois Supreme Court decisions and significantly altered procedures. Amended language would have enhanced patient notice requirements; authorized electronic filing; updated involuntary medication provisions to reflect the use of multiple medications; modified testimony requirements; expanded virtual testimony permissions; and strengthened court authority over successively filed involuntary admission petitions. The bill was held when agreement could not be reached on hospital liability protections. Negotiations will continue in the coming months.

Postpartum Appointment ([SB 3405](#))

This legislation would have required that, prior to discharge, clinical staff ensure a mother who has just delivered has been set up with a postpartum appointment within six weeks of delivery. While IHA and hospitals are supportive of ensuring appropriate postpartum care, IHA ultimately opposed this approach as undue regulatory burden upon hospitals and their clinical staff. Ultimately, this legislation did not make it out of committee.

Reporting and Compliance

Property Tax Exemption Changes ([HB 5201](#))

This legislation would have changed the nonprofit property tax exemption by excluding Medicaid MCO reimbursement and discounting the value of government-sponsored healthcare, residency programs, and research. It also required county assessors to publish the assessed value of all property qualifying for hospital exemption under the Property Tax Code. Given the scrutiny of nonprofit hospitals at both the federal and state levels, we anticipate additional legislation examining hospital property tax values and charity care spending, which may ultimately threaten federal and state property tax exemptions. Protecting nonprofit hospital property tax exemption remains a top priority for IHA.

Prescription Labeling ([HB 5327](#)/[SB 3801](#))

The bill would have changed Illinois prescription labeling requirements for mifepristone, misoprostol, and any generic alternative under both the Medical Practice Act of 1987 and the Pharmacy Practice Act to include the name of the prescribing and dispensing healthcare practice, instead of the name of the individual person prescribing or dispensing the drug or medicine.

Hospital License – Federal Complaint ([SB 2739](#))

This bill sought to amend the Hospital Licensing Act, requiring IDPH to conduct an entirely separate state investigation when a federal complaint survey was not authorized, or conducted in such a way as to be incomplete as to violations of state law. IHA worked with the sponsor and IDPH to discuss IDPH's survey authority and to recommend an amendment that would neither overburden IDPH nor be duplicative of existing law.

Medical Debt Reporting ([SB 3259](#))

This legislation sought to make it unlawful to use medical debt listed on a consumer credit report as a negative or adverse factor when making a credit decision or providing medical debt information to a consumer reporting agency. Knowingly violating these requirements would make medical debt void and unenforceable. While this bill did not advance, IHA has worked diligently with HFS on the Governor's Medical Debt Relief Act and educated legislators and stakeholders on the state's progressive charity care and the financial assistance laws that all Illinois hospitals adhere to.

Public Health Notify and Report ([SB 3359](#))

This onerous legislation would have required IDPH to notify the state representative, state senator, and local leaders should a hospital or other healthcare facility fail to pay state taxes or should it fail any federal or state inspection. Further, the legislation would have required the Department to post that information quarterly on a public website. IHA opposed this legislation as a Pandora's box that would have opened hospitals and other healthcare facilities to further litigation and unnecessary scrutiny. Due to IHA's discussions with the sponsor, the legislation did not make it out of committee.

State Budget - Funds Management**Public Hospital Intergovernmental Transfers ([HB 5442](#))**

This legislation would have excluded public hospitals from the HAP and instead required HFS to enter into intergovernmental agreements with those hospitals. HFS chose not to pursue this legislation due to possible federal pushback to these types of payments. However, this may still be an opportunity for these hospitals to receive increased payments in the future.

MCO Assessment Uniformity ([SB 3832](#)/[HB 5111](#))

This legislation would have made several changes to the MCO assessment program to align it with new federal regulations governing Medicaid provider taxes before the federal compliance deadline of July 1, 2028. HFS chose not to pursue these changes during the current legislative session. However, statutory, or administrative modifications will still be required before the federal regulations take effect.

IHA will continue to monitor developments related to the MCO assessment program, as it generates approximately \$3.6 billion in annual state revenue. Any reduction in assessment revenue could have significant implications for the state budget.

Workforce**Restriction or Elimination of Non-compete Agreements ([HB 1642](#), [HB 2561](#), [HB 4221](#), [HB 3213](#), [HB 4565](#), [SB 3607](#))**

Six pieces of legislation across both chambers sought to severely restrict or outright ban non-compete agreements for Illinois healthcare professionals. These sweeping measures risk

destabilizing the foundational infrastructure of Illinois' hospital systems and would significantly limit access to care. Tailored non-compete clauses are a vital, legally recognized tool to protect these substantial community investments and ensure operational continuity. Eliminating this framework threatens care stability, particularly in rural and underserved areas where specialized recruitment is exceptionally difficult. While IHA was successful in stopping any action this year, this issue will undoubtedly surface again next year.

Hospital Worker Staff and Safety ([HB 3512](#))

This bill would have amended the Hospital Licensing Act to include a variety of conditions for hospitals to implement, including an annual submission of staffing information and competency validation to IDPH. The requirements included in this proposed legislation are rigid and add significant administrative burden, requiring hospitals to submit various types of documentation. The information submitted to IDPH would be used to create a public registry inclusive of a hospital worker's name, address, contact information, and current employer of the worker, leading to a variety of concerns around healthcare worker safety and privacy. Additionally, this legislation outlined patient ratios for certified nursing assistants, patient care technicians, and registered nurses.

This bill was assigned to the House Health and Human Services Committee, before being re-assigned to the House Rules Committee. IHA's advocacy efforts, in partnership with statewide nursing organizations and nursing leaders from member hospitals, prevented this bill from advancing.

Emergency Department Staffing ([HB 4314](#))

This legislation would have required hospitals that provide emergency services to always maintain at least one emergency medicine physician in the emergency department. IHA raised concerns with the sponsor about the challenges this requirement could pose for some hospitals, particularly small and rural facilities. The sponsor ultimately did not advance the legislation; however, staffing is expected to be discussed at upcoming Health Care Workforce Task Force meetings.

Nurse Licensure Compact ([HB 4369](#))

If enacted, this legislation would have amended the Nurse Practice Act to ratify and approve the Nurse Licensure Compact, which allows for the issuance of multistate nursing licenses. A multistate license would permit a nurse to practice in Illinois and other compact states, and a compact state nurse to practice in Illinois, without having to apply for additional practice licenses. It is a comprehensive bill with key provisions that align with the legislation enacted in the 43 current compact states.

This bill had been assigned to the House Health Care Licenses Committee where a subject matter hearing was held. In collaboration with the Illinois Organization of Nursing Leaders, the American Nurses Association – Illinois, and a member hospital, testimony in support of the Compact was given. Themes from the testimony emphasized the positive impact the Compact

could have in addressing workforce shortages during a time when maintaining services is critical.

Surgical Technologist Regulation ([HB 4490/SB 2940](#))

This annual attempt by certain surgical technologist groups would have significantly reduced the pathways for surgical technologists in hospitals and ambulatory surgical centers by requiring that all surgical technologists complete a community college program. As workforce challenges continue, and without evidence of better outcomes for patients with this approach, IHA opposes this onerous legislation that reduces access to good paying jobs and reduces access to care. Through IHA's advocacy efforts this legislation was not called for a vote.

Health Care Worker Platform ([HB 5516](#))

This bill would have required IDPH to regulate "health care worker platforms," defined as entities that "operate or offer an electronic platform, system, or application through which health care workers can accept one or more shifts to perform health care related services at a health care facility." IHA worked with the sponsor to ensure that the scope of the bill did not include a hospital's own internal HR system for assigning shifts, but rather, it was only focused on certain third-party companies who provided these staffing services online. IHA also proposed an amendment that protected the ability of member hospitals to contract for these types of services so long as they were only used to staff healthcare facilities operating under the same ownership or common control.

Bills Enacted

The following provides information on legislation that will benefit the hospital community or legislation that was successfully amended to remove language that would be onerous or detrimental to Illinois hospitals and health systems.

Artificial Intelligence

Artificial Intelligence Safety Measures Act ([SB 315/P.A. 104-0538](#))

Effective Dates: Some portions effective Jan. 1, 2027, other sections Jan. 1, 2028

This legislation contains requirements that apply to "large frontier developers," which are entities that train AI models using massive amounts of computing power and have at least \$500 million in annual gross revenue. Hospitals do not typically qualify as "large frontier developers." Rather, the intended targets of this law are companies like OpenAI and Anthropic. The law requires large frontier developers to adopt, comply with, and publicly publish a framework describing how they identify, assess, and mitigate "catastrophic risks" and requires these developers to review or update the framework at least annually. The legislation also requires regular transparency reports and annual third-party audits. It contains no private right of action but allows the OAG to impose civil penalties of up to \$1 million for a first violation and

up to \$3 million for subsequent violations depending on severity, plus \$1,000-per-day fines for failing to file or correct disclosure statements.

Behavioral Health

Clinical Psychologist Prescribing ([SB 1743/P.A. 104-0622](#))

Effective Date: July 24, 2026

This legislation permits qualified clinical psychologists to prescribe medications for the treatment of mental health disease or illness to patients over 65 years old, in addition to existing prescribing permissions that apply to 17- to 65-year-olds.

Mental Health 9-1-1 Calls ([SB 3798/P.A. 104-0828](#))

Effective Date: Jan. 1, 2027

This legislation integrates the statewide behavioral health crisis system into existing emergency response protocols, including 9-1-1 public safety answering points. The bill adds community behavioral health crisis response options to required Illinois police training and permits a coordinated state model policy, training, and education. This legislation may help direct individuals who do not meet hospital admission criteria to appropriate community-based behavioral health crisis services.

Billing Practices

Court of Claims-Procedure ([HB 4340/P.A.104-0550](#))

Effective Date: Aug. 7, 2026

This legislation amends the Court of Claims Act by requiring state agencies to confirm, reject, or identify a defect with a claim that is a lapsed appropriation valued at less than \$2,500 within 60 days and those valued at \$2,500 or more within 90 days after being notified of the claim by the Attorney General. For those valued at less than \$2,500, state agency-confirmed claims or partial claims require the court to enter an award within 30 days of notification. Otherwise, the state agency is required to identify the defect(s), provide written notifications to the vendor and the Attorney General of the defect(s), and allow vendors to cure the defect(s). The legislation also amends the State Prompt Payment Act to require a state agency to confirm the date an invoice was received within 15 business days and transmit any approved amount to the Comptroller within thirty calendar days of receipt.

Prohibition on Liens ([HB 4461/P.A. 104-0490](#))

Effective Date: Jan. 1, 2027

This legislation amended the Fair Patient Billing Act to prohibit hospitals from filing or being granted a lien upon a patient's primary residence for legal action initiated against that patient for unpaid medical debt. IHA surveyed members regarding whether they routinely place liens on residences when hospital bills go unpaid and learned this was not common practice.



Billing Notice ([HB 4698/P.A. 104-0673](#))

Effective Date: Jan. 1, 2027

This legislation was favorably amended to require medical offices, healthcare clinics, group practices, and other healthcare organizations to provide physical or electronic notice that a patient may receive a second and separate bill following a preventive or wellness visit if acute complaints or chronic problems discussed during the visit require additional evaluation or services. Such facilities must also make a good faith effort to obtain written acknowledgement of receipt of this notice so long as it is not an emergency treatment situation.

Transparency in Downcoding Act ([SB 3114/P.A. 104-0568](#))

Effective Date: Jan. 1, 2028

Strongly supported by IHA, this legislation prohibits both state-regulated commercial insurers and Medicaid MCOs from implementing a policy or using a tool that bypasses the evaluation of all info included by the billing physician, physician assistant or advanced practice registered nurse to downcode a claim for Evaluation and Management (E/M) or other codes. Language is intended to apply to E/M codes submitted for professionals and for hospitals by professionals. An automated process may be used to identify claims to justify a downcoding determination, but actual downcoding determinations must be required to be made or reviewed by a person. A detailed IHA memo is forthcoming.

HFSRB/CON/Licensure

HFSRB Omnibus ([HB 4757/P.A. 104-0557](#))

Effective Date: July 1, 2027

An initiative of HFSRB, the underlying bill would have made significant changes to the Health Facilities Planning Act. Such changes would have included votes for Changes of Ownerships as well as for Certificate of Exemptions to close service lines. Understanding the significant challenges such changes would have made, IHA worked closely with the HFSRB staff to remove these key provisions from the final version of the legislation that passed. IHA will continue to work with HFSRB on this issue in the coming months. A detailed IHA memo is forthcoming.

Health Facilities Planning ([HB 5000/P.A. 104-0782](#))

Effective Date: Jan. 1, 2027

This bill amends the Illinois Health Facilities Planning Act to clarify that private equity companies involved in a potential transaction must also be listed in the filing. The bill also clarifies that if an applicant is required to share its Hart-Scott-Rodino pre-merger notification filing with the Illinois Attorney General, then it must provide a complete copy of the filing (i.e., including all the exhibits). Finally, it removes the sunset provisions, thereby making permanent these notification provisions, which were originally enacted by [HB 2222/P.A. 103-0526](#) in 2023. A detailed IHA memo is forthcoming.

Legal/Administrative/Regulatory

Abuse and Neglect Notifications ([HB 3169/P.A.104-0586](#))

Effective Date: Jan. 1, 2027

This legislation was passed as part of a multi-year effort that sought protection for parents or the guardian of a child at the center of an abuse or neglect investigation. In addition to new investigation transparency requirements on the Illinois Dept. of Children and Family Services (DCFS), hospitals and other applicable healthcare facilities must provide a new DCFS notice with parents via text or email when a child arrives for evaluation or treatment. IHA successfully amended language with coalition partners to eliminate hospital staff disclosures of involvement in investigations to the accused that enhanced workplace violence risks. A detailed IHA memo is forthcoming.

Patient Abuse Reporting ([HB 3711/P.A. 104-0764](#))

Effective Date: Jan. 1, 2027

Over a four-year period, IHA successfully negotiated this issue, which seeks to substantially revise the process and requirements for reporting allegations of abuse and sexual abuse of patients. HB 3711 amends the Section 9.6 (Patient Abuse Reporting) of the Hospital Licensing Act to require that immediately upon receiving an allegation of abuse a hospital or hospital affiliate must: (1) promptly take necessary action conduct an internal review to ensure the alleged victim's safety, and (2) immediately initiate an internal review. Such internal review must be conducted by a designated employee or agent who is "qualified to detect abuse" and is not involved in the alleged victim's treatment.

A hospital or hospital affiliate must, within 48 hours after receiving the account, assess the information gathered in the internal review and determine whether (1) reasonable cause to support the account exists, (2) reasonable cause to support the account does not exist, or (3) further investigation is needed. If it is determined that reasonable cause exists or further investigation is needed, the hospital or hospital affiliate must submit a report to IDPH within 24 hours after such determination. If it is determined that reasonable cause does not exist, the hospital or hospital affiliate must document and log the account within 24 hours after such determination. If additional time to make a determination whether there is reasonable cause to support an account or not in accordance is needed due to staff who need to be interviewed as part of the internal review not being available due to time off or not being scheduled to work, then the hospital or hospital affiliate may have an additional 24 hours within which to report or log the account as required. However, it must be documented that the additional time was due to the unavailability of staff.

Hospitals and hospital affiliates must adopt policies implementing these requirements, as well as post additional notices/signage regarding how patients, visitors and staff can report allegations of abuse to IDPH, IDFPR and/or the hospital. A detailed IHA memo is forthcoming.

Charitable Organization Beneficiary – Probate ([HB 4206/P.A. 104-0481](#))**Effective Date: Jan. 1, 2027**

This bill creates the Charitable Organization Beneficiary Act to ensure that charitable organizations can more easily identify and claim any assets which have been donated to them. The bill requires an insurer, within 120 days after being contacted by the charitable beneficiary, to: (1) determine whether the charitable organization has a right to the proceeds of a policy, annuity contract, or a retained asset account; (2) provide a general description of the policy, annuity contract, or a retained asset account that may be held for the benefit of the charitable organization and the exact language of the beneficiary designation; and (3) include information that verifies whether the insurer has already obtained the official death certificate or documentation needed to verify the death of the insured, annuitant, or retained asset account holder.

Additionally, if the holder of property is prohibited from paying, delivering, or transferring the property listed under a beneficiary designation to a charitable organization due to requirements under federal law, the holder of the property must: (1) explain in writing the reason why the property cannot be paid, delivered, or transferred to the charitable organization; and (2) take all actions necessary in order to facilitate payment, delivery, or transfer of the property in compliance with this Act. If a holder of property fails or refuses to comply with the Act, a court may award a charitable organization, among other relief, a penalty in an amount determined by the court up to \$10,000 if the court finds that the holder of the property engaged in bad faith or willful misconduct.

Adult Changing Stations ([HB 4379/P.A.104-0771](#))**Effective Date: June 1, 2027**

This legislation would require hospitals and other public buildings to have at least one adult changing station in a building constructed after Jan. 1, 2029. The legislation sets forth certain minimum standards for these changing stations, which will be outlined in a future IHA memo. Through IHA's advocacy efforts and collaboration with the broader stakeholder community, this legislation was favorably amended to only include future construction. Earlier versions of the legislation had required retrofitting of current buildings for these stations with a shorter time to comply.

EMS Systems – Various ([HB 4477/P.A.104-0610](#))**Effective Date: Jan. 1, 2027**

Amends the Emergency Medical Services (EMS) Systems Act, making several substantive changes to the EMS disciplinary review process. The legislation requires each EMS System to adopt a Just Culture policy and expands the authority of Local EMS System Review Boards to reduce—but not increase—suspension orders issued by EMS Medical Directors. It also significantly revises the appointment process for review board members by requiring EMS providers requesting a hearing to review proposed panel members and raise objections related to conflicts of interest or bias. If consensus on panel composition cannot be reached, IDPH will

intervene. Additionally, the legislation directs IDPH to issue physical or digital licenses to EMS providers, while clarifying that providers are not required to carry these licenses while on duty.

Through IHA's advocacy efforts and direct engagement with IDPH, earlier versions of the legislation that proposed eliminating the requirement that Local EMS System Review Boards include an emergency medicine physician with EMS expertise was removed, preserving this multidisciplinary clinical representation. An IHA memo can be found [here](#).

Epidemiological Pathogens ([HB 4977/P.A. 104-0508](#))

Effective Date: Jan. 1, 2027

This bill amends the Hospital Licensing Act to expand a hospital's infection prevention program to focus more broadly on pathogens of epidemiological concern. Hospitals will be required to develop and implement comprehensive interventions and policies to prevent and control the spread of these pathogens. This includes conducting risk assessments and implementing evidence-based procedures and interventions to prevent the spread of each pathogen. This bill also repeals the MRSA Screening and Reporting Act, which required hospitals to establish an active Methicillin-resistant *Staphylococcus aureus* (MRSA) surveillance program that included the screening and isolation of patients in all intensive care units, or those identified as high-risk. An IHA memo can be found [here](#).

Reproductive Health Privacy ([HB 5295/P.A. 104-0471](#))

Effective Date: July 1, 2027

An initiative of the Governor's Office, this bill was heavily negotiated by IHA. The bill creates a new Reproductive Health Records Privacy Act, which requires electronic health networks (EHN) to prevent the disclosure of electronic medical information related to protected health information (i.e., abortion-related information and gender dysphoria information) to a provider, business entity, electronic health network, or health information exchange located outside this state. This includes developing and enabling technological capabilities to restrict the disclosure of such information and segment certain diagnostic codes, which will be established by rule by IDPH, from disclosure.

Any person aggrieved by a violation of this new Act may bring an action against that EHN, including actual damages, injunctive relief, and reasonable attorney's fees and costs, as well as any other relief which the court deems proper. IHA will be working closely with IDPH as it develops the rules establishing the diagnostic codes that must be suppressed by EHN systems. A detailed IHA memo is forthcoming.

Workers' Compensation ([HB 5228/P.A. 104-0792](#))

Effective Date: Aug. 7, 2026

This legislation amends the Illinois Insurance Code and Workers' Compensation Act to increase annual fees charged to self-insured companies and other companies authorized by DOI. Specifically, this legislation changes both the calculation and collection of the following fees: the Illinois Workers' Compensation Commission Operations Fund Surcharge, the Illinois

Workers' Compensation Commission Operations Fund Fee, and payments to the Rate Adjustment Fund. The legislation also imposes certain civil penalties on companies that have failed to meet certain regulatory requirements. Additionally, the legislation makes certain changes to the utilization review process used to evaluate the medical necessity of treatment for injured workers. IHA worked in collaboration with the Illinois Chamber of Commerce to minimize the changes to the utilization review process that were harmful to employers and members of the Illinois Compensation Trust.

Uniform Financial Assistance Application ([HB 5390/P.A. 104-0521](#))

Effective Date: June 26, 2026

As filed, this bill would have required hospitals to hold outsourced care providers to the financial assistance obligations under the Fair Patient Billing Act and the Hospital Uninsured Patient Discount Act. The original bill also would have increased the income threshold for free and reduced care; eliminated the ability of hospitals to require financial assistance applicants to first apply for Medicaid; and required hospitals to provide every hospital bill and notice in each patient's preferred language.

As a result of strong advocacy by IHA, this legislation was amended to require hospitals to use a uniform financial assistance application to be created by the Illinois Office of the Attorney General (OAG), and to require hospitals to maintain financial assistance eligibility decisions for at least 12 months. IHA will alert members when the OAG posts the application for public comment, which they will collect through Dec. 31, 2026. The form will then go through the rules process via the Joint Committee on Administrative Rules.

Stroke Care Modernization ([HB 5494/P.A. 104-0706](#))

Effective Date: Jan. 1, 2027

This legislation amends the Emergency Medical Services (EMS) Systems Act by streamlining statutory language related to stroke center designations. It establishes "stroke centers" as a general term while directing the specific criteria for each level of stroke care to be defined through administrative rules. This approach allows future updates to be made more efficiently through rulemaking rather than statutory change. Approved stroke designation levels will continue to align with national standards, and hospitals must still maintain certification through an IDPH-approved, nationally recognized accrediting body. Acute Stroke Ready Hospitals remain the only exception and may continue to obtain certification directly through IDPH by application. Through IHA's advocacy efforts, including engagement with the bill sponsor, IDPH and member hospitals, the pathway for certification through application for ASHRs was restored. The IHA-led amendment also requires IDPH to give due consideration to future recommendations from the State Stroke Advisory Subcommittee and to provide written responses to any recommendations not adopted. An IHA member memo can be found [here](#).

Unemployment/WARN Act ([SB 807/P.A. 104-0839](#))

Effective Date: Jan. 1, 2027

This bill amends the Unemployment Insurance Act to provide an increase in the benefit and contribution rates that begin on or after Jan. 1, 2029 (rather than Jan. 1, 2027). When an employer employs 75 or more employees in the state and conducts a layoff or separation that results in 50 or more employees being separated at a single site of employment, such employer must submit specified information concerning the employees to the Illinois Dept. of Employment Security. The bill excludes from this requirement any employer with respect to employees working in the construction industry who are covered by a bona fide collective bargaining agreement with a labor organization. The bill provides for civil penalties.

Suicide Prevention Information ([SB 2771/P.A. 104-0808](#))

Effective Date: Jan. 1, 2027

This bill creates a new requirement that all hospitals post contact information for the 9-8-8 National Suicide Prevention Lifeline. IHA successfully amended language to align the mandate with other hospital notice requirements that permit either physical or electronic notices, based on how patients receive information in these settings. IHA will issue a reminder of the requirement following enactment.

Civil Procedure-Commencement of Action ([SB 2870/P.A. 104-0639](#))

Effective Date: July 24, 2026

This bill amends the Illinois Administrative Procedure Act to provide that parties, their attorneys, or their other agents appointed to receive service of process must receive notice of a contested hearing and final decision or order. The mailing requirement of a final decision or order adverse to a party (other than the agency) does not apply to a party's attorney or a party's other agent, or a self-represented litigant who has elected to use an agency's electronic filing system or has accepted service by email, when the decision or order is made available for electronic retrieval through an electronic filing system or has been served by email as otherwise provided by law.

Genetic Privacy Biomarker ([SB 2886/P.A. 104-0642](#))

Effective Date: Jan. 1, 2027

This bill amends the Genetic Information Privacy Act (GIPA) to provide that the use of genetic testing, biomarker testing, or both (rather than only genetic testing), and the information derived from testing is confidential and privileged and may be released only to the individual tested and persons specifically authorized in writing by the individual tested to receive the information. In provisions concerning the use of testing information by employers, limits an employer's use of genetic information, genetic testing, biomarkers, and biomarker testing, and prohibits an employer from releasing genetic testing or biomarker testing information except under specified circumstances. In provisions concerning testing, provides that no person may disclose or be compelled to disclose the identity of any person upon whom a genetic test or biomarker test is performed or the results of a genetic test or biomarker test in a manner that permits identification of the subject of the test, except to the persons specified in the Act. Defines "biomarker" and "biomarker testing."

Newborn Screening ([SB 3049/P.A. 104-0843](#))**Effective Date: Aug. 21, 2026**

This legislation makes changes to the Advisory Committee that oversees additions to the Newborn Screening program. Now known as the Universal Newborn Screening Advisory Committee, this group will be required to review any conditions added to the federal Recommended Uniform Screening Panel within one year of its addition. The Committee will then make recommendations to IDPH as to whether those conditions should be added to the state's newborn screening panel. IHA appreciates a more formalized and scientific approach to adding conditions to the newborn screening panel; however, we continue to have strong concerns and reservations about the unfunded mandate when those new conditions are added. IHA will continue to work with the General Assembly, IDPH, and the Governor's Office on solutions for the state's birthing hospitals.

Birth Control-Minor Consent ([SB 3341/P.A. 104-0570](#))**Effective Date: Jan. 1, 2027**

This bill seeks to align a minor's access to birth control with Illinois' existing laws regarding access to pregnancy-related care and other sensitive services, by allowing any minor to give effective consent for contraceptive services or supplies. A request for prescription contraception services or supplies shall be made to a physician licensed to practice medicine in all of its branches, an advanced practice nurse or a physician assistant licensed to practice in Illinois, or a pharmacist pursuant to the Pharmacy Practice Act. A detailed IHA memo is forthcoming.

Mobile ID Cards & Licenses ([SB 3449/P.A. 104-0821](#))**Effective Date: Aug. 7, 2026**

This bill requires hospitals to comply with new requirements when patients use mobile devices to check-in or otherwise use their mobile devices to show their identification information. Specifically, the bill amends the Illinois Identification Card Act by providing that no party may take physical possession of a person's mobile device for purposes of verifying such person's identity through a mobile ID card or mobile license. Instead, the person should be able to swipe or otherwise display the mobile ID card or mobile license while still retaining possession of their mobile device.

Additionally, the only mobile driver's license data elements that can be requested are those necessary to complete the transaction for which data is being requested. Privacy and tracking of data must be restricted such that the party using the information for identify verification can only retain those mobile driver's license data elements for which they explicitly obtained consent from the holder; they must inform the holder of the use and retention period of the electronic data elements; and such information may not be maintained or stored for longer than what is strictly necessary for the purpose for which the information was provided.

Medical Records ([SB 3398/P.A. 104-0820](#))**Effective Date: Aug. 7, 2026**



Heavily negotiated by IHA with the Illinois Trial Lawyers Association, this bill amends the Health Care Surrogate Act to require that, in response to a written request for the release of records by an individual who was named as a surrogate or any person, entity, or organization presenting valid authorization, a healthcare provider must release the medical records of the patient. It provides that, upon determination that a patient lacks decisional capacity and a healthcare surrogate is identified, a healthcare facility must provide specified written information, which may be provided electronically, to the surrogate. Adds that a healthcare provider who relies on and carries out a surrogate's directions to release a patient's medical records, and who acts with due care and in accordance with the Act, shall not be subject to any claim based on lack of patient authorization for unprofessional conduct. A detailed IHA memo is forthcoming.

TeleSANE ([SB 3506/P.A. 104-0837](#))

Effective Date: Jan. 1, 2027

This legislation reflects ongoing collaboration with the OAG, hospitals, and other stakeholders to continue refining the Sexual Assault Survivors Emergency Treatment Act (SASETA). This bill amends SASETA to permit the use of teleSANE within a sexual assault treatment plan or areawide sexual assault treatment plan to allow a qualified medical provider at a distant site to precept medical forensic examinations for sexual assault survivors age 13 or older. The bill also clarifies the definitions of survivor consent and assent when the survivor is offered a medical forensic examination, and how consent may be obtained when the survivor lacks decisional capacity. A detailed IHA memo can be found [here](#).

This bill is part of ongoing efforts to improve SASETA. IHA will continue participating in the OAG's workgroup and solicit improvement ideas from members and member groups such as the IHA Chief Nursing Officer Forum for the foreseeable future. We anticipate future amendments to SASETA, and continuously welcome member feedback on treatment or transfer programs.

Human Rights – Disparate Impact ([SB 3777/P.A. 104-0744](#))

Effective Date: June 1, 2027

This legislation amends the Human Rights Act to provide that it is a civil rights violation for any employer, employment agency, or labor organization to use criteria or methods that have the effect of subjecting individuals to discrimination on the basis of unlawful discrimination, citizenship status, family responsibilities, work authorization status, arrest record, or conviction record. Notably, the legislation expands the scope of the definition of “unlawful discrimination” by stating that it occurs “whether by purpose or effect.” Thus, an employer does not need to intend to discriminate.

Maternal Health

Newborn Home Visiting Program ([HB 4606/P.A. 104-0499](#))

Effective Date: July 1, 2027

This new law directs the Illinois Dept. of Human Services (DHS) to identify, develop, and manage the infrastructure needed to support existing and future universal newborn home visiting

services. DHS will coordinate with state agencies and other stakeholders, including hospitals, on how to best design the infrastructure to support these programs. IHA supported this initiative as a positive tool to improve maternal and child health in Illinois.

Patient Decision-Making and Guardianship

IHA and the larger hospital community devoted considerable time to successfully amending or blocking bills that would have delayed or obstructed critical medical decision-making for patients that cannot make or communicate responsible decisions, or who pose a danger to themselves or others. Out of over 20 bills introduced on these issues, all legislation that advanced preserved key hospital priorities. We continue our work negotiating proposals amending the Mental Health and Developmental Disabilities Code.

Dept. of Disability Advocacy ([HB 862/P.A. 104-0465](#))

Effective Dates: Some sections effective June 16, 2026, other sections July 1, 2026, and other sections July 1, 2027

This legislation creates the Illinois Dept. of Disability Advocacy and Guardianship and a new Advisory Council of leaders across Illinois, elevating the Illinois Guardianship and Advocacy Commission (IGAC) to a cabinet-level department. The Department will continue providing legal counsel in involuntary treatment-related court proceedings and investigating disability rights violations.

Private Professional Guardians ([HB 3811/P.A. 104-0547](#))

Effective Date: Jan. 1, 2027

In response to proposals that sought to restrict, delay, or prohibit the use of private professional guardianship under the Probate Act, IHA successfully amended legislation to create rights-focused guardrails, preserve timely medical decision-making, and avoid additional patient boarding pressures for hospitals. Hospital staff pursuing the service of a private professional guardian will be required to file a new affidavit and notice alongside the petition for guardianship and courts have guidelines to follow when considering the appointment of a private professional guardian with other requirements applying directly to private professional guardians. A detailed IHA memo is forthcoming.

Adult Protective Services – Abuse ([HB 4911/P.A. 104-0662](#))

Requirements strengthen financial protections for eligible elderly people or those with a disability that may become the victim of financial exploitation, with financial professionals added as mandated reporters for adult protective services investigations and subject to sanctions for non-reporting of exploitation. Financial transactions of eligible people, including those under guardianship, may be scrutinized more closely and subject to transactional holds for up to 60 days.

Guardianship – Various ([HB 5269/P.A. 104-0698](#))

Effective Date: Jan. 1, 2027

This legislation provides administrative updates related to the Guardianship and Advocacy Commission, including references to federal disability law and more flexible commission quorum requirements. Pertaining to hospital practice, all “neurocognitive disorders” will be excluded from the definition of “mental illness” in the Mental Health and Developmental Disabilities Code, whereas the existing exclusion only applies to dementia and Alzheimer’s. Beginning Jan. 1, 2027, health professionals may not initiate or continue involuntary commitment proceedings for patients whose primary diagnosis has been determined to be a neurocognitive disorder.

Disability – Supported Decision-Making ([HB 5365/P.A. 104-0663](#))

This bill would have added requirements to a supported decision-making agreement, and the legislation clarifies that a supporter cannot act on behalf of the subject of the agreement. The language expands use to apply to individuals not under a plenary guardianship, who do not lack decisional capacity, rather than solely individuals with intellectual or developmental disabilities. The added protections, including increased termination and suspension provisions and mandatory training, do not impact hospitals.

Pharmacy/Controlled Substances

Pharmacy Dispensing Ability ([HB 4793/P.A. 104-0679](#))

Effective Date: Jan. 1, 2027

This legislation amends the Illinois Pharmacy Practice Act by authorizing pharmacists to use professional judgment to add missing ancillary non-pharmaceutical devices or durable medical equipment needed for safe and effective medication use. Any such supplementation must directly support appropriate clinical use or a positive therapeutic outcome. The bill requires all changes made to a prescription must be documented in the patient’s record.

Controlled Substances – Testosterone ([HB 4834/P.A. 104-0535](#))

Effective Date: June 29, 2026

This bill amends the Illinois Controlled Substances Act to provide that the Prescription Monitoring Program (PMP) does not apply to testosterone, mifepristone, misoprostol, GnRH analogues, or estrogen. On or before Jan. 1, 2027, DHS must purge from the PMP records all existing information concerning the prescribing or dispensing of testosterone, including any such information contained in the central repository or database, and shall ensure that no further records concerning the prescribing and dispensing of testosterone are created or maintained by the PMP. Healthcare providers are no longer required to report information related to the prescribing or dispensing of testosterone to the PMP. A detailed IHA memo is forthcoming.

Drug Distribution Restrictions ([HB 4953/P.A. 104-0781](#))

Effective Date: Jan. 1, 2027

This amendment to the Wholesale Drug Distribution Licensing Act expands permissible delivery locations for prescription drugs by allowing licensed manufacturers and distributors to ship

products not only to a licensee's listed premises, but also to authorized healthcare entities. It defines healthcare entities as sites where licensed practitioners provide medical, dental, or veterinary services and oversee drug receipt, storage, and use. The delivery rules for controlled substances remain stricter, limiting shipments to registered business or professional practice locations under the Illinois Controlled Substances Act.

Pharmacies 9-8-8 Information ([HB 4982/P.A.104-0691](#))

Effective Date: Jan. 1, 2027

This bill requires pharmacies that serve patients in person to prominently display a department-provided sign with the 9-8-8 Suicide and Crisis Lifeline and related crisis resources. The sign must meet specific size, color, and placement requirements, and electronic delivery is permitted when patients have consented to digital communications. Pharmacies without a physical patient-serving location must include the sign with dispensed prescriptions and ensure it is available for download on the DHS website.

Pharmacy Posting Requirement ([SB 3223/P.A. 104-0530](#))

Effective Date: Jan. 1, 2027

This legislation requires all Illinois-licensed pharmacies, beginning Jan. 1, 2027, to post a sign with a QR code near the pharmacy counter and drive-up window. The QR code must direct patients to the Food and Drug Administration website where they can sign up for medication recall notices. The Act also authorizes the Department to adopt rules to implement and enforce this new posting requirement.

Workforce

Health Care Violence Prevention ([SB 2713/P.A. 104-0526](#))

Effective Date: Jan. 1, 2027

The final version of the bill was heavily negotiated by IHA and requires that by no later than Nov. 30, 2027, IDPH must develop and publish a form for healthcare providers to use to log type 2 violent incidents beginning no later than three months after the form is published. By no later than May 31, 2028, and on or before May 31 of each year thereafter, each healthcare provider must prepare and annually submit to the Department an aggregate de-identified summary of the type 2 violent incidents logged for the preceding calendar year.

The bill further adds that management of a healthcare provider may not discourage a healthcare worker from exercising their right to contact law enforcement, or file a report with law enforcement or IDPH, about workplace violence. The bill prohibits a healthcare provider from maintaining a policy that limits the type of workplace violence about which a healthcare worker may contact law enforcement or file a report with law enforcement or IDPH. A detailed IHA memo is forthcoming.