

# 2026 Legislative Report

## Update on ISMS Legislative Activity in the Illinois General Assembly

**www.isms.org**
**800-782-4707**
**@ISMSLegislative**

Illinois State Medical Society

Illinois State Medical Society | 20 N. Michigan Ave. | Suite 700 | Chicago, IL 60602

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Dear Colleague:

The 2026 Illinois Spring legislative session was an extremely successful one for Illinois physicians. The ISMS Governmental Affairs team was successful in delivering meaningful reforms such as prohibiting automated downcoding of medical claims, and instituting changes within the state's workers' compensation system to help physicians treat injured workers in a timely manner.

Illinois lawmakers continue to struggle with harsh budget restraints, forcing them to make tough decisions as it relates to cuts to many human service and education programs. Their work is not done, and we should expect unresolved issues to be debated during the fall Veto Session if not sooner.

On behalf of the Board of Trustees, I would like to thank every physician member who makes ISMS' advocacy efforts possible.

Sincerely,

Tripti Kataria, M.D.
President, Illinois State Medical Society

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**FY2027 BUDGET & MEDICAID**

State leaders faced significant challenges in developing this year's budget, balancing economic uncertainty, volatility in federal funding, and a substantial gap between projected revenues and anticipated expenditures. At the same time, legislators—particularly progressive Democrats—pressed for new revenue sources to support additional state spending, especially for social service programs.

By May 31, Democratic leaders in the General Assembly, together with Governor Pritzker, enacted the FY27 State Budget through HB 111 (Welch/Sims). The budget totals $55.9 billion, the largest in Illinois history—and represents an increase of approximately $700 million over FY26 spending levels.

The budget is based on an estimated $55.945 billion in revenues. Total expenditure includes $55.675 billion for FY27 operations and $830 million in supplemental appropriations.

This year's budget implementation bill (BIMP), HB 2949 (Guzzardi/Sims), included the following major investments:

- Full $350 million increase for K-12 Evidence-Based Model
- 1% increases for public higher education institutions
- $500 million in new funding for IDOT's multi-year transportation improvement program focused on downstate road and bridge construction
- $250 million to address housing affordability challenges through programs administered by Department of Commerce and Economic Opportunity (DCEO) and the Illinois Housing Development Authority
- $365 million for DCEO's Prime Sites Program to enhance Illinois' competitiveness in business attraction and expansion

**Additional Revenue Measures Enacted to Balance the Budget**

Additional revenues were required and enacted to close the budget gap in SB 3019 (Villanueva/Tarver). The revenue and transfer package is projected to generate approximately $1.586 billion to support the balanced budget:

Major provisions include:

- Digital advertising tax ($140 million)
- New fee on larger social media companies ($200 million)
- Changes to Net Operating Loss (NOL) deductions ($300 million)
- Redirection of sales tax revenues from candy and soft drinks from capital projects to the General Revenue Fund ($79 million)
- Taxes on cryptocurrency transactions and fantasy sports wagering ($65 million)
- Tobacco tax changes ($5 million)
- Transfer of motor fuel sales tax revenues to the General Revenue Fund ($150 million)

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- Tax on predictive markets (budgeted at $0 pending anticipated litigation)
- Decoupling from federal tax treatment for certain business owners selling stock ($50 million)
- Increased fees for Pollution Control Board petitions, guardianship and advocacy proceedings, and oversize-load police escort permits
- Extension of temporary casino authorizations in Chicago and Waukegan
- A six-month pause on the automatic 1.3-cent increase in the state motor fuel tax, which remains at 48.3 cents per gallon. Consumers continue to pay the state's 6.25% sales tax on gasoline, in addition to applicable local taxes

Republicans opposed many of the revenue measures, arguing that Illinois residents and businesses should not face additional taxes during a period of economic uncertainty and affordability concerns. GOP legislators instead advocated for a six-month suspension of the state sales tax on motor fuel and property tax reforms, including requiring local property tax referendums to appear only on November ballots when voter participation is highest and ending certain "back-door" referendum processes that can proceed without direct voter approval.

**Federal Medicaid Changes Create Ongoing Uncertainty**

Throughout the 2026 legislative session, Illinois policymakers closely monitored congressional efforts to reduce federal Medicaid spending through budget reconciliation legislation advanced by President Trump and Congressional Republicans. State leaders, healthcare providers, hospitals, and patient advocates expressed significant concern regarding the potential impact on Medicaid coverage, provider reimbursement, and the overall stability of Illinois' healthcare safety net.

State officials estimate that hundreds of thousands of Illinois residents could ultimately be affected by federal Medicaid changes that have been enacted and are scheduled to take effect beginning in calendar year 2027. The federal changes include limits on Medicaid expansion financing, restrictions on provider tax mechanisms used by states to help fund Medicaid programs, and work requirements for certain adult beneficiaries.

Illinois healthcare leaders have warned that these changes could result in substantial reductions in federal Medicaid funding, increased pressure on the state budget, and coverage losses among vulnerable populations. Restrictions on provider taxes alone could cost Illinois hundreds of millions of dollars annually, while work requirements may create significant administrative burdens and lead to coverage disruptions for otherwise eligible beneficiaries.

Despite the uncertainty, the Illinois Department of Healthcare and Family Services (HFS), has continued advancing several major healthcare initiatives. These efforts include implementation of the state's behavioral health transformation waiver, initiatives to improve access to sickle cell disease treatments and other high-cost therapies, and broader efforts to strengthen healthcare delivery systems for Medicaid beneficiaries. State officials have indicated that Illinois will continue pursuing these priorities while evaluating the impact of future federal policy changes.

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The uncertainty surrounding federal Medicaid funding also influenced legislative activity in Springfield. In prior years, the General Assembly enacted comprehensive Medicaid omnibus legislation containing numerous programmatic expansions and reimbursement changes. During the 2026 session, however, lawmakers adopted a more restrained approach through SB 3365 (Aquino/Moeller), focusing primarily on targeted provider and operational issues affecting hospitals, nursing homes, and other healthcare providers while avoiding proposals with significant fiscal implications until the federal funding outlook becomes clearer.

SB 3365 passed both chambers unanimously and was signed into law as Public Act 104-0470.

## HEALTH INSURANCE REFORM

### Automated Downcoding

Senate Bill 3114 (Public Act 104-0568) (Sen. Koehler/Rep. Chung), a measure to prohibit automated downcoding of medical claims, was one of ISMS' top priorities this session.

The bill applies to Medicaid managed care plans, state group health plans, and state regulated private plans. It does not apply to ERISA plans.

Failure to pay physicians appropriately for the time and effort they spend treating complex patients undermines the viability of their practices and may ultimately result in decisions that negatively impact patient access to care, such as reducing time spent with patients, reluctance to treat patients with complex needs, and even practice closures. This is happening because health insurers unfairly reduce physician reimbursement for billed services through a practice called automated downcoding.

Senate Bill 3114 places much needed guardrails on the practice of downcoding by health insurers to ensure that a payer's decision to downcode a claim is transparent, based on an actual review of clinical documentation, and includes opportunities for physician appeal. To do this, the bill:

- Prohibits the use of automatic downcoding through the use of automated tools and requires that natural persons review claims prior to being downcoded.
- Requires that medical claims be adjudicated according to the most recent AMA coding guidelines.
- Requires insurers to clearly notify physicians on their remittance advice when a claim has been downcoded and paid at a lower level. Notification must include the clinical reason for downcoding.
- Requires insurers to establish a clear and accessible process for appealing downcoded claims and ensure that appeals are reviewed by a natural person using only the most recent AMA coding guidelines.
- Ensures the insurers cannot use downcoding to discriminate against physicians who commonly treat patients with complex or chronic conditions.

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Senate Bill 3114 provides the Illinois Department of Insurance (DOI) with the authority to issue penalties to insurers who demonstrate patterns of discrimination.

ISMS pushed back on strong opposition from the Medicaid MCOs and state group health plans; entities that estimated that the costs to the state could be upwards of $15 million. In response, ISMS pushed back the effective date until January 1, 2028, informing legislators that those estimated costs are costs to physicians, not the state. SB 3114 passed both chambers unanimously and was signed into law by Governor Pritzker in July as Public Act 104-0568.

**Cleft Lip and Palate Care**

Senate Bill 2943 (Sen. Johnson), an initiative of the Illinois State Medical Society, would mandate state regulated payers provide coverage for the medically necessary care and treatment of cleft lip and cleft palate for not only children but adults as well. Due to opposition from the insurance industry, the bill was held in the Senate and did not advance.

## MEDICAL LIABILITY

### Paternity Testing

House Bill 4498 (Rep. Hoffman) would create the Negligent Testing for Paternity Act. This legislation would create a civil cause of action if an entity negligently performs genetic testing for paternity. It would authorize the aggrieved person to recover actual damages, including, but not limited to, emotional distress. It would also amend the Code of Civil Procedure and create a statute of limitation of two years from the date when the person knew or should have reasonably known of the negligence. The bill would apply to all conduct occurring on or after January 1, 1980.

ISMS opposed this bill, as it would apply beyond just labs running tests and would include health care professionals who merely report a result they received from a lab. It would also create an enormously long statute of limitations.

The sponsor agreed not to move the bill after listening to our concerns.

### Tortious Interference with Parent-Child Relationship Act

House Bill 4499 (Rep. Hoffman) would create the Tortious Interference with Parent-Child Relationship Act (Act). It would create a civil cause of action for a parent or child if a third party's tortious conduct injures either the child or the parent or otherwise unreasonably harms, prevents, or terminates a parent-child relationship. The Act would further authorize recovery of damages including loss of society, companionship, consortium, parent-child relationship, emotional distress, mental anguish, or economic loss. Lastly, it would provide that the Act applies to all conduct occurring on or after January 1, 1980.

ISMS opposed the bill as it would expand the cause of actions available and could apply to medical malpractice circumstances. It would also create an extremely long statute of limitations.

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The sponsor agreed not to move the bill after listening to our concerns.

## LICENSURE BILLS/SCOPE OF PRACTICE

### Acupuncturists

House Bill 3344 (Rep. Mah) would redefine the practice of acupuncture to also include ordering laboratory tests to check, track, evaluate, and monitor the status and effectiveness of pain management, herbal medicinal plans, dietary and exercise plans. ISMS opposed this bill, which did not advance.

### Certified Registered Nurse Anesthetists (CRNAs)

Senate Bill 2932 (Sen. Collins) would dramatically expand scope of practice of CRNAs by removing the legal mandate that anesthesia services delivered in ASTCs, hospitals, and dental offices be directed by a physician. The bill eliminates the requirement for an anesthesiologist and CRNA to agree to a written anesthesia plan, and have a physician be physically present on the premises during when an CRNA is delivering care. ISMS joined the Illinois Society of Anesthesiologists (ISA) in their opposition to the bill, which was held in the Senate and did not advance.

Senate Bill 3021 (Sen. Adriene Johnson) and House Bill 5214 (Rep. West) would remove the "physical presence" mandate of anesthesiologists, physicians, dentists, and podiatrists during the delivery of anesthesia by CRNAs working in hospitals and ambulatory surgical centers. ISMS joined ISA in their opposition of these bills, neither of which advanced.

House Bill 4779 (Rep. Morris) and Senate Bill 3238 (Sen. Aquino) would amend the Nurse Practice Act and allow APRNs to administer radiation to a human being and supervise the administration of radiation by a person accredited to administer radiation to a human being by the Illinois Emergency Management Agency and Office of Homeland Security (IEMA). The bills also would amend the Radiation Protection Act of 1990. In provisions concerning the limitations on the application of radiation to human beings, the bill would add APRNs to the professionals who may intentionally administer radiation to a human being and to the professionals who may supervise a physician assistant, a technologist, a nurse, or other assistant administering radiation. ISMS joined ISA in their opposition to the bills, neither of which advanced.

### Physician Assistant Independent Practice

Senate Bill 3421 (Sen. Cervantes) would grant physician assistants independent practice with full prescriptive authority. ISMS strongly opposed this bill, which passed out of committee, but only with an agreement to hold. The bill did not advance.

### Psychologist Prescriptive Authority

Senate Bill 1743 (Public Act 104-0622) (Rep. Collins) was introduced in 2025 and would remove a provision prohibiting a prescribing psychologist from prescribing medications to patients who are less than 17 years of age or over 65 years of age. Additionally, it would allow clinical psychologists to prescribe

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nonopioid Schedule II through V controlled substances (rather than any nonnarcotic Schedule III through V controlled substances).

ISMS opposed this bill. The sponsor agreed with our concerns. An amendment was adopted that instead made only one change: it would allow prescribing psychologists to prescribe limited prescriptions to people 65 and older; they would still be prohibited from prescribing to patients who are less than 17 years of age. The amendment maintains other restrictions on the medications that can be prescribed and prohibition on treating medically complex patients.

ISMS did not take a position on the amendment. The bill, as amended, passed both chambers and was signed into law as Public Act 104-0622.

## MANDATES

### Autism Information

House Bill 4642 (Rep. Scherer/Sen. Loughran Cappel) would require pediatric neurologists and any other physicians who diagnose a child with autism to provide the family with a resource pamphlet listing local support services during a follow-up appointment. ISMS joined the Illinois Chapter of the American Academy of Pediatrics in opposing the bill, which was held in the in the Senate.

### BMI Restriction

House Bill 4429 (Rep. Stava) would prohibit physicians from basing diagnoses or treatments exclusively on a patient's body mass index (BMI), and would mandate that healthcare professionals use widely recognized, peer-reviewed clinical guidelines for patient assessments. While designed to combat medical weight bias, the legislation restricts diagnostic tools and dictates clinical practice rules, which infringes upon their professional autonomy. ISMS opposed the bill, which was held in the House.

### Child Abuse Pediatricians

House Bill 3169 (Public Act 104-0586) (Rep. Canty/Sen. Lightford) would limit the effectiveness of child abuse pediatricians in Illinois. The legislation would require physicians to follow a specific limited script as they do medical evaluations on children who are suspected of being abused or neglected. ISMS joined the Illinois Chapter of the American Academy of Pediatrics (ICAPP) in opposing the bill.

Due to the strong opposition of ICAPP, the bill was amended to require the Department of Children and Family Services (DCFS) to notify parents of their rights as well as the process if they are going to seek a medical exam.

ICAPP and ISMS were neutral on the bill as amended, which passed both chambers and was signed by the Governor as Public Act 104-0586.

### Expanded Check of Illinois' Prescription Monitoring Program

House Bill 5148 (PA 104-0512) (Rep. Yang Rohr/Sen. Morrison) as amended represents negotiated language between ISMS and the Department of Human Services (DHS). DHS has sought for two years to 2026 Illinois State Medical Society. All rights reserved. The use of any portion of this document without the express written permission of ISMS is prohibited and subject to legal

expand the mandated check of the state's prescription monitoring program (PMP) to require checking the PMP prior to issuing a prescription for any controlled substance.

ISMS agreed to limit the mandated check prior to issuing only an initial prescription for any Schedule II stimulants and for all Schedule II opioids and Schedule IV benzodiazepines prescriptions. ISMS also secured language protecting prescribers from criminal liability and professional discipline if technical glitches, power outages, or operational system failures prevent them from registering with or checking the PMP.

ISMS is neutral on the bill as amended. HB 5148 passed both chambers and was signed into law as PA 104-0512.

**Harm Reduction Mandated CME**

House Bill 4039 (Rep. LaPointe) would create the Holistic Overdose Prevention and Equity Act. The bill would create a number of services and protections for those suffering from substance use disorders. The bill would have also required healthcare professionals, including physicians, to take training on harm reduction as part of their continuing education.

ISMS opposed the mandate on training and was successful in amending physicians out of that section of the bill.

ISMS was neutral on the bill, which did not advance this spring, but may advance during the fall veto session.

**Menopause Mandated CME**

House Bill 5284 (Public Act 104-0793) (Sen. Lightford/Rep. Morris) would have, among other things, required that physicians take five hours of training in treating effects of menopause for every 50 hours they take of CME. ISMS opposed this language and was successful in removing it from the bill. The bill, as amended, requires insurance companies to cover care related to treating menopause symptoms. ISMS was neutral on the bill as amended, which passed both chambers and was signed into law as Public Act 104-0793.

Senate Bill 3688 (Public Act 104-0825) (Sen. Loughran Cappel/Rep. Manley) would have required physicians to take training on perimenopause and menopause as part of their CME. ISMS opposed this bill and offered language, which was accepted by the Senate sponsor, to require medical education programs and nursing programs to incorporate training on treating the effects of menopause. ISMS was neutral on the amendment, which passed both chambers and was signed into as Public Act 104-0825.

Senate Bill 3325 (Public Act 104-0755) (Sen. Johnson/Rep. Lilly) is an initiative of the Lt. Governor and allows continuing education courses covering the critical topics of perimenopause and menopause to satisfy the mandatory one-hour implicit bias training required for healthcare professionals during

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each license renewal period. ISMS supported this legislation, which passed both chambers and was signed as Public Act 104-0755.

**Notification to Patients of Medical Charges**
House Bill 4698 (Public Act 104-0673) (Rep. Rohr/Sen. Ellman) as originally introduced would have added criteria to the prohibition of medical fee splitting to include any charges for multiple in-network services during the same appointment, including, but not limited to, an office visit that was added to a physical exam, unless the treating physician disclosed those additional charge to the patient.

ISMS opposed the legislation. ISMS offered an amendment to require that medical facilities and practices notify patients that addressing separate health issues during a routine appointment may incur extra costs. The legislation states that facilities and/or practices must provide a physical or electronic notice explicitly warning patients that discussing acute complaints or chronic problems during a preventive or wellness visit can result in multiple charges, including a separate office visit fee, diagnostic testing, or follow-up billing.

ISMS was neutral on the amended bill, which passed both chambers and was signed by the Governor as Public Act 104-0673.

**Reporting of Medical Abuse**
House Bill 3711 (Public Act 104-0764) (Rep. Cassidy/Sen. Villanueva) is an initiative of the Governor's Office. As introduced, the bill would have required healthcare professionals, including physicians, to report "reportable misconduct." This defined term includes "performing an intimate exam or service without explaining to the need for the examination or service" (which can occur when a patient is in an emergent circumstance and incapacitated); "causing death, great bodily harm, permanent disability, or disfigurement of an individual, regardless of whether the conduct is in the course of a professional service"; and "confining, detaining, or attempting to confine or detain an individual against his or her will, regardless of whether the conduct is in the course of a professional service."

Healthcare professionals would have to report to IDFPR within 24 hours of 1) witnessing reportable misconduct themselves; 2) receiving a report from an individual alleging they witnessed reportable conduct; and 3) receiving a report directly or through a coworker not subject to reporting requirements, from a patient, or patient representative alleging reportable misconduct. A healthcare professional would have to report to the IDFPR within 24 hours when they acquire knowledge that they have been made the subject of an investigation by their employer for alleged reportable misconduct or by law enforcement for an alleged crime related to reportable misconduct.

The self-report must include a copy of the allegations, a brief description of the facts giving rise to the investigation, and any further pertinent information.

"Health institutions" are also considered "reporting organizations" required to report, such as those

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registered with the IDFPR as a professional service corporation, medical corporation, or professional limited liability corporation and those licensed by the IDPH. Reporting organizations must report within 24 hours of initiating an investigation, terminating its relationship with, suspending, placing on leave, or materially changing the privileges of a health professional following an allegation of reportable misconduct, or a health professional resigning, ceasing services, or accepting a material change in professional responsibilities following an allegation of reportable misconduct.

The Hospital Licensing Act would also be amended to require healthcare professionals to report when they are made aware of allegations that any patient has been subjected to abuse in the hospital.

ISMS considers this original draft a massive overreach. While at its outset, it appears focused on sexual misconduct, inclusion of certain language ignores the realities of medicine and appropriate professional behavior in certain circumstances. The requirement to report causing death or great bodily harm is overly broad and vague: causes of death are determined by a coroner or practitioner completing a death certificate; proximate cause, or cause in fact, is determined by a court.

ISMS participated in lengthy negotiations with representatives from the Governor's Office, representatives from IDFPR and IDPH, as well as the legislative sponsors of the bill.

The negotiations successfully concluded with several of the provisions, including the mandate to self-report, being either deleted from the bill or language was added, acknowledging that in certain circumstances some of the listed violations, such as the use of restraints, are professionally necessary. ISMS was also able to insert that deaths and injuries that are not intentional or that happen due to no fault of the physician cannot be considered misconduct. ISMS was successful in removing language that would have required healthcare professionals and medical facilities to report incidents not related to sexual assault.

ISMS agreed to an amendment to the Medical Practice Act, which is also made in the Nurse Practice Act and the Physician Assistant Practice Act, that will require that notice be provided to patients that, should they want, a third person can be made available during an examination of breasts or genitalia. Exemptions are made for emergency care, surgical care, and care that requires participation by more than one healthcare professional.

ISMS was neutral on the bill as amended. HB 3711 passed out of the House in 2025 and passed the Senate in the remaining days of the 2026 session. It was signed by the Governor this summer as Public Act 104-0764.

## MEDICAL PRACTICE, RECORDS & WORKFORCE ISSUES

### 340B

House Bill 2371 (Public Act 104-0758) (Rep. Moeller/Koehler) will prohibit pharmaceutical manufacturers from restricting or interfering with a local pharmacy that contracts with a 340B-covered entity, such as a hospital or federally qualified health center (FQHC), to dispense medications acquired through the 340B program. The pharmaceutical companies were strongly opposed to this language, arguing

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that large hospitals systems misuse the program, only using it to increase their bottom lines instead of passing the savings onto patients. The bill was signed by the Governor as Public Act 104-0758.

House Bill 4327 (Public Act 104-0769) (Rep. Lilly) was introduced to allay some of the concerns from pharmaceutical companies. The language creates the 340B Transparency, Reporting, and Accountability Act and requires DOI to conduct a comprehensive study of how 340B-covered entities and pharmaceutical manufacturers within Illinois participate in the 340B Drug Discount Program. The bill grants DOI rulemaking authority to implement the study.

The bill requires all 340B-covered entities and pharmaceutical manufacturers doing business in Illinois to comply with requests for information relevant to the study.

ISMS did not take a position on either bill, both of which passed each chamber and was signed by the Governor as Public Act 104-0769.

**Ban on Covenants Not to Compete**

House Bill 4221 (Rep. Briel) would amend the Illinois Freedom to Work Act by prohibiting restrictive covenants in all healthcare settings. ISMS opposed this legislation as it would have applied to medical facilities that are not affiliated with hospitals.

House Bill 3213 (Rep. Moeller) would universally prohibit restrictive covenants. ISMS offered an amendment to the sponsor reflecting ISMS' policy that would prohibit hospital systems from enforcing non-competes. The sponsor accepted our amendment. The bill did not advance due to strong opposition from business groups.

House Bill 4565 (Rep. Faver Dias) would ban the use of restrictive covenants for healthcare professionals employed by hospital systems. ISMS supported this bill, but, due to strong opposition from the Illinois Health and Hospital Association (IHA), the bill did not advance.

Senate Bill 3607 (Sen. Stadelman) would ban a restrictive covenant if the length of the covenant is more than one year, provided that the employer did not dismiss the healthcare professional from employment. This bill did not advance due to opposition from ISMS and IHA.

**End of Life Changes**

House Bill 5764 (Rep. Hauter), an ISMS initiative, would amend the End-of-Life Options for Terminally Ill Patients Act by deleting provisions requiring a healthcare professional or healthcare entity unable or unwilling to carry out the provisions in the Act to refer the individual to another healthcare professional or healthcare entity. The bill also repeals provisions concerning the signing of a death certificate and the contents of a death certificate for a death under the Act.

The bill was not considered this Spring. It could be considered during the fall veto session or the January lame duck session.

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**Electronic Prescribing**
SB 3213 (Sen. McClure/ Rep. Cassidy), an ISMS initiative, amends the Pharmacy Practice Act and the Illinois Controlled Substances Act to bring state law in line with federal regulations while introducing critical exemptions to the electronic prescribing mandate.

The legislation permits Schedule II controlled substance prescriptions to be transferred among pharmacies one time, as allowed by federal law, ensuring patients can secure necessary medications when facing pharmacy inventory or distribution constraints.

Furthermore, the bill protects patient care and physician flexibility by removing the electronic prescribing requirement in urgent scenarios where prescriptions must be filled outside of standard retail pharmacy operating hours, or when severe drug shortages and local stock limitations make an electronic script impractical to fulfill. This section of the bill sunsets on January 1, 2028.

The bill passed both chambers and will be sent to the governor for his signature.

**Extension of Medical Practice Act**
House Bill 5387 (Public Act 104-0796) (Rep. Morgan/ Sen. Glowiak Hilton) makes administrative changes to the Illinois Medical Practice Act (Act) and extends sunset for five years, until January 1, 2032.

A record-keeping provision was added to the Act, requiring a physician to retain all medical records of adult patients that have not already been transferred to another physician or practice for at least six years after the last date of service for each patient.

The change requires a physician to retain all medical records of minor patients that have not already been transferred to another physician or entity for at least six years after the last date of service for each patient or until the patient reaches the age of 21, whichever date is longer.

ISMS supported the bill, which passed both chambers and was signed into law as Public Act 104-0796.

**Incapacitated Patients**
House Bill 4845 (Rep. Hoffman) is an initiative of the Illinois Trial Lawyers Association (ITLA) and as introduced would amend the Code of Civil Procedure to create authorization for the release of an incapacitated person's healthcare records. As introduced, ISMS opposed this bill as it conflicted with the Health Care Surrogate Act (HCSA) and is more limited than the HCSA, which would cause confusion for healthcare professionals. The bill did not advance.

ISMS successfully negotiated the Senate version of the bill (Senate Bill 3398) and secured language in the HCSA that requires healthcare facilities to provide written information to surrogates regarding the determination of incapacity of a patient and the rights and responsibilities of the surrogate, including the right to obtain the patient’s medical records. ISMS was neutral on

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the bill as amended. SB 3398 passed both chambers and was signed into law as Public Act 104-0820.

**Reducing Violence in the Workplace**
Senate Bill 2713 (Sen. Morrison/Rep. Chung), an initiative of the Illinois College of Emergency Physicians (ICEP), requires the Department of Public Health (IDPH) to develop and publish a template or form, in a publicly accessible format, for healthcare professionals to log type-2 violent incidents occurring in the emergency department. Hospitals must begin noting type-2 violent incidents using this template or form no later than three months after publication by IDPH.

SB 2713 also amends the Health Care Violence Prevention Act by prohibiting administrators of healthcare professionals from discouraging those professionals from exercising their right to contact law enforcement or file a report with law enforcement or IDPH because of workplace violence.

ISMS supported the bill, which passed both chambers and was signed into law by the Governor as Public Act 104-0526.

**Workers Compensation Utilization Review**
House Bill 5228 (Public Act 104-0792) (Rep. Hoffman/Sen. Cunningham), an ISMS initiative, includes language to reform utilization requirements instituted by workers compensation insurers.

According to the Illinois Association of Orthopedic Surgeons, authorization requirements, and delays in securing reports from independent medical exams are causing critical patient care delays.

To address these issues, ISMS included language in HB 5228 to eliminate or reduce inefficiencies to get injured workers the care they need in a timely manner.

Changes include:

1. Requiring that adverse determinations of medical necessity be made by a board-certified physician specialist with experience treating and managing patients with the medical condition for which the service is being requested.
2. Specifying that utilization review certifications must be valid for three months or the length of treatment. For surgical procedures, an additional three-month certification is provided for post-surgical care.
3. Requiring that certification determinations must be inclusive of services typically included with the requested healthcare service.
4. Requiring an individual reviewing appeals of non-certified services be a board-certified physician specialist, and where applicable, a subspecialist, with experience treating and managing patients with the medical condition of the service that is being appealed.

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5. Requiring an independent medical exam (IME), when used to determine reasonableness and medical necessity, be provided by a board-certified physician specialist. Provides that the IME report be provided to the employee, or his or her representative, and the treating physician within 90 days.
    a. The 90-day clock begins when the employer receives the medical records from the physician requesting the medical service. The employer must demonstrate due diligence in requesting and collecting the employee's medical records.
    b. Creates a rebuttable presumption that if the timeline is not followed then payment of benefits and approval of medical services will be paid for by the employer. The language also provides penalties should the employer fail to meet the provisions of this section.

HB 5228 passed both chambers and was signed into law as Public Act 104-0792.

**State Funded Medical Residency Programs**
Senate Bill 2817 (Sen. Villivalam), an ISMS initiative, would develop a healthcare workforce planning commission to determine and recommend pathways to meet increased workforce demands and address the physician shortage, including ways to fund state-based residency positions. Due to financial constraints of the state, the bill did not advance.

## PUBLIC HEALTH

**Cannabis & Unregulated Hemp Products**
Senate Bill 3222 (Public Act 104-0463) (Rep. Guzzardi/Sen. Guzman) is an omnibus cannabis bill. Major changes to Illinois' current regulatory framework include:

1. Removing regulatory barriers to help social equity operators, including hardship waivers for businesses that are not yet operational and increasing loan and investment opportunities.
2. Making criminal justice reforms, including raising the possession limit and making corresponding changes to allow those who had previously been arrested for simple possession under the new limit eligible for automatic expungement.
3. Creating a new Illinois Hemp Act to regulate industrial hemp and non-intoxicating hemp products (such as CBD), enacting interim regulations for hemp-derived products until November 12, 2026, and opening additional cannabis infuser licenses for social equity hemp businesses to be regulated under the Cannabis Regulation and Tax Act.
4. Prohibiting false or misleading advertising aimed at children.
5. Allowing all adult-use cannabis dispensaries to apply for and be issued a medical license to sell Schedule III medical cannabis.
6. Establishing storage sites for social equity transporters to allow temporary storage and consolidation of cannabis and cannabis products for last mile delivery.

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7. Making other regulatory and technical changes, such as making agent ID cards specific to the agent (not the business) and making the Community College Cannabis Vocational Training Pilot Program permanent.

ISMS did not take a position on the bill, which was introduced and passed during the last days of session and was signed into law as Public Act 104-0463.

**Extreme Workplace Temperatures**
House Bill 3762 (Rep. Gonzalez) would create the Workplace Extreme Temperature Safety Act. The bill would require the Director of Labor to adopt rules to establish excessive heat and excessive cold standards. The bill would have established temporary excessive heat and excessive cold standards during the creation of the regulatory framework.

ISMS supported this bill pursuant to ISMS resolution 12.2025-16 (A-26). Due to strong opposition from the employer community, the bill did not advance.

**Kratom**
Senate Bill 3160 (Sen. Castro) would ban the purchase, possession, sale, or distribution of any product containing kratom, its extracts, or its synthesized and semi-synthesized alkaloids across the state. This bill was held in the Senate and did not advance.

House Bill 4930 (Rep. Hauter) would create the Protect Communities from Unregulated Substances Act to implement a strict statewide ban on kratom and tianeptine products. The legislation would prohibit the dispensing, distribution, manufacture, or sale of these substances for human use unless FDA has explicitly approved them. The bill was held in the House and did not advance.

ISMS supported these bills pursuant to ISMS resolution 10.2025.11.

**Psilocybin**
Senate Bill 2772 (Sen. Ventura/Rep Mah) would have created the Illinois Psilocybin Advisory Board within IDFPR for the purpose of advising and making recommendations to the governor and the General Assembly as to the medical efficacy of listed psychedelic substances based on medical, psychological, and scientific studies, research, clinical trials in the United States. The bill did not advance in the House due to opposition from IDFPR.

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