



2025 End of Session Legislative Report

June 2025

Throughout the 2025 Illinois legislative session, the Illinois Occupational Therapy Association (ILOTA) actively tracked and engaged with numerous initiatives relevant to occupational therapy. This report summarizes key pieces of legislation, organized by subject matter, with highlights on those that either passed both chambers of the General Assembly or were near passage. For more details on ILOTA's legislative advocacy and other outreach opportunities, please see hyperlinked bill tracking list at the end and reach out with any questions.

Budget Highlights

Page 2

Early Childhood and School-Based Care

Page 3

Home Health and Community-Based Care

Page 7

Mental and Behavioral Health

Page 9

Scope of Practice and Healthcare Workforce

Page 11

Budget Highlights

The Illinois Occupational Therapy Association (ILOTA), representing providers across behavioral health, early childhood intervention, and community-based home care, closely monitored and advocated for critical funding areas in the Fiscal Year 2026 state budget. The following summary highlights significant investments and funding commitments pertinent to occupational therapists and the individuals they serve throughout Illinois.

Behavioral and Mental Health, and Disability Services:

- Total of \$2.2 billion in General Revenue Funds (GRF) dedicated to Developmental Disabilities and long-term care.
- Comprehensive behavioral health services receive an additional \$191.8 million to enhance integration with physical healthcare.
- \$132.8 million allocated to the Pathways to Success Program for children's care coordination, mentoring, and support services.
- Investment of \$27.7 million to establish an in-state network of Psychiatric Residential Treatment Facilities (PRTFs).
- Merger of mental health and substance use divisions into the Division of Behavioral Health and Recovery to improve access and streamline services.
- Additional \$12.5 million to support Williams and Colbert consent decrees (nursing home disability transitions to community settings).
- Dedicated funding stream proposed for the 9-8-8 crisis hotline.
- \$34 million to sustain substance abuse treatment and prevention services amid declining federal funds.
- Ban on insurance prior authorization requirements specifically for behavioral healthcare (see Health Protection Act in Behavioral/Mental Health Section below).

Early Childhood and Early Intervention Services:

- \$212 million dedicated to the state's Smart Start initiative.
- Illinois Department of Early Childhood receives \$21.7 million in operational funding.
- Investment of \$748 million for ISBE Early Childhood Block Grant funding.
- Nearly \$200 million allocated for Early Childhood Workforce Compensation Contracts.
- Additional \$85 million invested to accommodate growing participation in the Child Care Assistance Program.
- \$10 million to enhance Early Intervention service provider rates, resulting in at least a 5% rate increase for OTPs, with an additional 3% request pending.

Budget Highlights Continued

Caregiver, Home Healthcare, and Community Care Aging Programs:

- Community Care Program (CCP) for older adults receives a \$144.4 million increase to cover caseload growth and rate increases for in-home providers.
- Home-Delivered Meals Program funding increases by \$8 million to provide over 11 million meals to homebound older adults.
- \$800,000 allocated specifically to support senior services in rural areas.
- Adult Protective Services (APS) program receives a \$2.2 million funding boost.
- \$17.5 million for Home-Based Adults with Developmental Disabilities waiver program.
- \$105 million for the Home Services Program to accommodate liability and caseload growth.
- \$9.7 million adjustment reflecting a 2.5% SSI increase for individuals in Home and Community-Based Waivers.

Early Childhood and School-Based Care

Occupational therapists play a critical role in early childhood development and school-based interventions, ensuring optimal educational outcomes and functional development for children.

HB1366 – Parental Rights for IEP Participation (Passed Both Chambers)

- Amends the School Code to require all school districts to include written notice in special education communications (e.g., meeting notices, enrollment packets) informing parents/guardians of students with disabilities that they have the right to:
 - Invite an IEP advocate or other supportive individuals with expertise regarding the student's needs to attend any IEP meeting.
 - Request an IEP facilitator, a neutral party provided by the district, to ensure constructive dialogue during IEP meetings.
- State Board Materials: Directs the Illinois State Board of Education to produce and disseminate explanatory materials on the facilitation process, which districts must distribute via standard channels (email, mail, or school portals).
- Supportive Individuals: Clarifies that "supportive individuals" may include advocates, experts, or others knowledgeable about the child and specifies that parents inform the district in advance of any additional attendees.

HB 3327–Early Intervention Outreach and Infant Eligibility (Passed Both Chambers)

- Amends the Department of Early Childhood Act to expand the definition of eligible infants and toddlers to include those born with a birth weight under 1,000 grams, granting them automatic eligibility for early intervention (EI) services through age three.
- It also amends the Hospital Licensing Act to require neonatal intensive care units to provide written (or electronic) information about EI programs to parents or legal guardians before discharge, with a healthcare professional (e.g., nurse or therapist) reviewing the materials and initiating a written referral.
- Additionally, it mandates inclusion of focused outreach campaigns within the statewide EI system for early identification and referral of high-risk infants, ensuring timely service delivery

HB 3446 – Early Childhood Teacher Qualification and Course Transparency (Passed both Chambers)

- Amends the Child Care Act of 1969 by adding two new sections: (1) specifies that coursework in psychology shall count toward the semester-hour requirements for early childhood teacher qualifications under administrative rule 407.140; and (2) mandates that, before July 1, 2026, the Department of Children and Family Services must publish and maintain on its website a complete list of courses qualifying for early childhood teacher credentials, with responsibility transferring to the Department of Early Childhood thereafter.
- These provisions standardize and increase transparency around educator qualifications, ensuring early childhood programs employ teachers with relevant training to improve collaborating in classroom-based developmental interventions.

HB 3500 – Integration of Illinois ABLE Program Information into Early Intervention (Passed both Chambers)

- Amends the School Code and the State Treasurer Act to require that, beginning in the 2026–2027 school year, all school districts distribute informational materials about the Illinois Achieving a Better Life Experience (ABLE) account program to parents and guardians of children receiving early intervention services.
- Materials must include an overview of the ABLE program, eligibility criteria, necessary enrollment information, and guidance on account setup.
- The Office of the State Treasurer is tasked with preparing and delivering these materials to regional early intervention intake offices, which then disseminate them alongside other EI documentation.

SB 0406–Early Childhood Integrated Data System (ECIDS) (Passed both Chambers)

Amends the Early Childhood Act to establish a statewide Early Childhood Integrated Data System.

Key provisions require:

- **Data Integration:** Coordination between the Departments of Human Services, Healthcare and Family Services, Education, and the Early Intervention Clearinghouse to integrate data on child care, home visiting, early intervention, health, and social services, enabling a longitudinal view of child development and service utilization.
- **Governance Structure:** Creation of an ECIDS Advisory Board composed of state agencies, providers (including OT professionals), researchers, and family representatives to guide data collection standards, privacy protocols, and analytic priorities.
- **Privacy and Security:** Strict safeguards under HIPAA and ISL Ch. 110/7 to protect child- and family-level data, with de-identified datasets for research and policy analysis.
- **Public Dashboards and Reports:** Development of aggregated, equity-focused dashboards for policymakers and practitioners to monitor early childhood outcomes, program participation, and resource allocation.
- **Stakeholder Access:** Tiered access for families, service providers, and community organizations, facilitating data-driven decision-making at the provider level.

SB 1231 – Independent Educational Evaluation (IEE) Timeline Adjustments (Passed both Chambers)

Amends the Children with Disabilities Article of the School Code to refine timelines for IEEs at public expense.

Key provisions:

- **Hearing Initiation:** Allows districts to file an impartial due process hearing within 14 school days (up from 5) of a parent’s written IEE request to demonstrate the appropriateness of its evaluation.
- **Evaluation Deadline:** Requires completion of an IEE at public expense within 60 school days (rather than 30) of the parent’s request, unless a hearing is initiated or either party shows reasonable grounds for extension.
- **Post-Hearing Completion:** If a hearing decision entitles the parent to an IEE, that IEE must also be completed within 60 school days of the decision (rather than 30), unless an extension is justified.
- These changes promote timely assessment and IEP goal-setting, ensuring to initiate services and interventions without undue delay.

SB 1555 – Advisory Council Committee on Early Childhood Services (Passed both Chambers)

- Amends the Children with Disabilities Article of the School Code by adding the Secretary of Early Childhood (or designee) to the Advisory Council on the Education of Children with Disabilities.
- Requires the Council to establish a dedicated committee charged with ensuring that all children aged 3 to 5 with disabilities have access to high-quality, inclusive early childhood services, provided in the least restrictive environment across all early learning settings.

SB 1560 – School-Based Behavioral Health Training Programs (Passed both Chambers)

Amends the School Code to require all public school districts and charter schools to implement annual behavioral health training for educators, support staff, and early childhood providers.

Key provisions include:

- Curriculum Standards: Development of an evidence-based curriculum that covers recognition of mental health warning signs, trauma-informed practices, and referral protocols.
- Provider Qualifications: Training must be delivered or overseen by licensed mental health professionals, including school psychologists, social workers, or occupational therapists specialized in pediatric mental health.
- Family Engagement: Schools must host biannual workshops for parents/guardians on supporting student behavioral health at home and navigating available community resources.
- Data Reporting: Districts must submit an annual report to the State Board of Education summarizing training completion rates, community referrals made, and outcomes metrics.

Early Childhood and School-Based Care Continued

SB 2427 – School Cell Phone Policy Framework (Amended and Stalled in House)

Amends the School Code to require each school district and charter school to adopt and publish a formal cell phone usage policy for students.

Key provisions include:

- **Policy Components:** District policies must specify permissible times and locations for student cell phone use, outline prohibited activities (e.g., during instructional time), and define disciplinary measures for violations.
- **Educational and Therapeutic Exemptions:** Policies must allow exceptions when devices are used for educational purposes, including assistive technology apps, communication devices, or sensory regulation tools as recommended by educators or occupational therapists.
- **Stakeholder Engagement:** Schools must solicit input from students, families, and staff, including school-based therapists, before finalizing their policies, ensuring accommodations for functional needs.
- **Annual Review and Reporting:** Districts are required to review policies yearly and submit a summary report to the State Board of Education, detailing policy changes, compliance data, and any documented impacts on student engagement or behavior.

Home Health and Community-Based Care

Home health and community-based services directly involve occupational therapists providing care in home settings, vital for promoting independence and quality of life for various populations.

HB 1081 – Medicaid Home and Community-Based Services Waiver Expansion (Stalled in Senate)

Amends the Illinois Public Aid Code to direct the Department of Healthcare and Family Services to seek a new 1915(c) Medicaid waiver for home and community-based services (HCBS).

See next page for key provisions

Home Health and Community-Based Care Continued

HB 1081 Key provisions:

- **Service Definitions:** Establishes clear definitions for therapeutic services delivered in home settings, including individualized OT plans, habilitation, and rehabilitation services.
- **Individual Service Planning:** Requires comprehensive person-centered planning involving OTs to assess functional needs, set goals, and coordinate multidisciplinary supports.
- **Provider Qualifications and Rates:** Sets state guidelines for provider credentials (licensed OTs and OT assistants under supervision) and implements reimbursement rate structures tied to service complexity.
- **Eligibility and Enrollment:** Expands eligibility beyond long-term care populations to include individuals with developmental or cognitive disabilities who can benefit from home-based therapy, with annual assessments for continued coverage.
- **Advisory Stakeholder Committee:** Mandates creation of an HCBS advisory committee including therapists, advocates, and family representatives to guide waiver implementation, monitor service quality, and recommend policy adjustments

HB 1108 – Exemption of Live-In Caregivers from EVV Requirements (Stalled in Senate)

- Amends the Medical Assistance Article of the Illinois Public Aid Code by adding Section 5-54 to establish an electronic visit verification (EVV) exemption for live-in caregivers.
- In accordance with federal CMS guidance (CMCS Bulletin, August 8, 2019), the Department of Healthcare and Family Services must exempt from EVV requirements any live-in caregiver providing personal care under the Adults with Developmental Disabilities waiver or the Support Waiver for Children and Young Adults with Developmental Disabilities authorized under Section 1915(c) of the Social Security Act.
- Live-in caregivers are defined per the Department of Human Services rules, and both state agencies are granted rulemaking authority to define verification processes.

Home Health and Community-Based Care Continued

HB 1432–State Matching Contributions to Illinois ABLE Accounts (Stalled in Senate)

- Amends the State Treasurer Act to authorize, subject to appropriation, a \$50 state match for each new Illinois ABLE (Achieving a Better Life Experience) account opened on or after January 1, 2026, for Illinois residents who are beneficiaries under the federal ABLE Act.
- The State Treasurer is empowered to develop rules for account verification, matching fund disbursement timelines, and coordination with existing EI service providers to ensure families are informed of this benefit during early intervention intake.

Mental and Behavioral Health

Occupational therapy practitioners actively contribute to the mental and behavioral health sectors, providing services crucial for improving daily functioning and community participation.

HB 1085 – Mental Health & Substance Use Parity Reforms (Stalled in Senate)

HB 1085 introduces significant enhancements to insurance parity requirements for mental health and substance use disorder (MH/SUD) treatment.

Key provisions:

- The legislation proposes the establishment of a reimbursement rate floor for in-network MH/SUD services, with enforcement and oversight responsibilities split between the Illinois Department of Insurance and the Department of Human Services.
- The proposed framework is intended to reduce out-of-network utilization, increase access to affordable behavioral health care, and ensure compliance with federal mental health parity law.
- Rate-setting will be informed by Illinois-specific data and evaluated over multiple years, with rulemaking due by May 1, 2026.

While the bill did not reach final passage during the spring session, it advanced significantly and is expected to be revisited in future legislative activity. ILOTA will continue to support efforts that ensure network adequacy and equitable reimbursement for behavioral health providers.

HB 2387 – Community Mental Health Provider Service Mandates (Passed Both Chambers)

Amends the Community Mental Health Act to standardize required services for designated community mental health providers.

Key provisions include:

- **Comprehensive Assessment:** Providers must conduct standardized, trauma-informed mental health assessments upon intake, including screening for substance use and social determinants of health.
- **Crisis Intervention Services:** Establishes on-demand crisis response and short-term stabilization capabilities, either on-site or via mobile teams, with guaranteed follow-up within 48 hours.
- **Care Coordination and Case Management:** Mandates assignment of a case manager to each client for ongoing service planning, referral to specialized therapy (including occupational therapy), and coordination with primary care and social services.
- **Family and Peer Support:** Requires inclusion of family education sessions and access to peer support specialists to bolster community integration and recovery.
- **Telehealth Accessibility:** Ensures availability of tele-mental health appointments for initial assessments and follow-up services, expanding rural and underserved area access.
- **Data Reporting and Quality Metrics:** Providers must submit annual outcome data to the Department of Human Services, covering service utilization, client satisfaction, and functional improvement metrics

HB 3019 – Health Protection Act (Passed Both Chambers)

House Bill 3019, and particularly Senate Amendment 2, reflects the Governor's proposed modifications to the Health Protection Act. The legislation includes broad insurance reform measures targeting health equity, including prior authorization restrictions for behavioral health treatment, enhanced transparency requirements for insurer network adequacy, and new reimbursement rules to cover travel, lodging, and food expenses for patients accessing out-of-network but medically necessary care.

Mental and Behavioral Health Continued

HB 3487 – Behavioral Health Workforce Data Collection Act (Passed Both Chambers)

Amends the Department of Professional Regulation Law under the Illinois Public Aid Code to expand voluntary demographic data collection during both licensure applications and renewals for behavioral health professionals.

Key provisions include:

- **Data Elements:** Professionals may provide demographic details including sex, ethnicity, race, disability status, primary language, anticipated retirement date, practice setting, employment type, and zip code of practice (expanding beyond the previous requirements of sex, ethnicity, race, and disability only)
- **Inclusion of OTPs:** Explicitly encompasses occupational therapists and OT assistants within the definition of behavioral health professionals required to report data.
- **Data Use and Reporting:** Directs the Division of Professional Regulation to compile, analyze, and publish an annual workforce report, highlighting geographic distribution, diversity metrics, and practice settings to inform state workforce planning.
- **Voluntary Participation:** Maintains voluntary opt-in for demographic fields beyond the core mandated elements, ensuring privacy considerations.
- **Implementation Timeline:** Applies to all new and renewal licensure cycles beginning January 1, 2026.

Scope of Practice and Healthcare Workforce

Legislation in this category shapes the regulatory framework for occupational therapy practice, impacting how OTs deliver care and collaborate within the broader healthcare team.

See next page for Scope of Practice and Healthcare Workforce bill summaries

HB 1270 – Volunteer Health Care Professional License (Passed Both Chambers)

Amends the Health Care Worker Background Check Act and relevant licensing acts to establish a volunteer license category for health care professionals, including occupational therapists and OT assistants.

Key features:

- **Eligibility:** Applicants must hold an active, unrestricted license in Illinois and apply through a sponsoring nonprofit or public health organization serving underserved communities.
- **Fee Waivers:** All application and renewal fees are waived, reducing financial barriers for practitioners offering pro bono services.
- **Scope and Duration:** Volunteer licenses allow holders to provide services only within the scope of their active license, limited to volunteer engagements, and are valid for two-year cycles.

HB 1365 – Temporary Health Care Professional Licensure Expansion (Passed Both Chambers)

Amends the Medical Practice Act and corresponding professional licensing statutes to explicitly include occupational therapists (OTs) and occupational therapy assistants (OTAs) within the scope of temporary licensure during declared public health emergencies or workforce shortages.

Key provisions:

- **Eligibility Criteria:** Out-of-state licensed OTs/OTAs holding an active, unrestricted license in another U.S. jurisdiction may apply for a temporary Illinois license during an emergency declaration without meeting additional training requirements.
- **Application Process:** Applicants submit proof of active licensure, pay a reduced application fee, and attest to good standing. The Department of Financial and Professional Regulation (IDFPR) must process applications within 30 days.
- **Supervision and Scope:** Temporary licensees may practice under the supervision of an Illinois-licensed OT but are limited to practice settings addressing emergency response or shortage needs (e.g., hospitals, nursing homes, schools).
- **Duration and Renewal:** Temporary licenses are valid for 90 days with one renewal permitted during the same emergency period. They automatically expire 30 days after the emergency declaration ends.

HB 3435 – Out-of-State Emergency Practice for Mental Health Professionals (Passed Both Chambers)

Amends the Mental Health and Developmental Disabilities Code to authorize licensed out-of-state mental health professionals to practice in Illinois under a temporary emergency permit during declared emergency periods.

Key provisions:

- **Eligibility and Application:** Out-of-state licensees in good standing may apply online for a temporary Illinois permit without additional examination, submitting proof of active licensure and malpractice coverage.
- **Scope and Supervision:** Permit holders may provide direct behavioral health and rehabilitative services, telehealth or in-person, under the supervision or collaborative agreement of a Illinois-licensed mental health professional.
- **Duration and Termination:** The emergency permit is valid for the duration of the state-declared emergency plus 60 days, expiring automatically unless the emergency is extended.

HB 3711 – Health Professional Sexual Misconduct Reporting Mandate (Stalled in Senate)

Amends multiple professional licensing laws, including the Occupational Therapy Practice Act, to require mandatory reporting of suspected sexual misconduct by health care professionals.

Key features:

- **Reporting Duty:** Any health care facility or professional, including occupational therapists, must report suspicions of sexual misconduct by licensed health professionals to the Department of Financial and Professional Regulation (IDFPR) within 30 days of knowledge.
- **Immunity:** Provides immunity from civil liability for individuals or entities making reports in good faith.
- **Investigation Timeline:** Directs IDFPR to acknowledge receipt within 15 days and to complete a preliminary investigation within 120 days, with status updates every 30 days.
- **Disciplinary Action:** Allows IDFPR to impose interim restrictions on a professional's authorization to practice pending final adjudication.

SB 0040 – Mandated Insurance Coverage for Stuttering Treatment (Stalled in House)

Amends the Illinois Insurance Code to require that all individual and group health benefit plans, health maintenance organizations, and state public employee insurance plans include coverage for the diagnosis and treatment of stuttering.

Key provisions include:

- **Definition:** Defines stuttering as a fluency disorder characterized by involuntary repetitions, prolongations, or blocks affecting speech production.
- **Scope of Services:** Mandates coverage for evidence-based speech-language pathology services, including evaluation, therapy sessions, and use of adjunctive OT techniques when necessary for clients with co-occurring sensory or fine motor challenges.
- **Cost-Sharing Parity:** Allows carriers to apply cost-sharing (deductibles, copayments) consistent with other rehabilitative therapies, without higher out-of-pocket limits.
- **Implementation Timeline:** Coverage requirements take effect for policies issued or renewed on or after January 1, 2026, with the Illinois Department of Insurance authorized to adopt rules within 180 days of enactment.
- **Consumer Protections:** Prohibits any premium surcharge or waiting period specific to stuttering treatment, ensuring equitable access.

SB 0069 – Equine-Assisted Therapy Coverage Mandate (Passed Both Chambers)

Amends the Illinois Insurance Code to require coverage for equine-assisted activities and therapies (EAAT) when prescribed by a licensed health professional for individuals with physical, cognitive, or emotional disabilities.

Key provisions include:

- **Provider Qualifications:** Requires that EAAT services be delivered by a licensed occupational therapist, physical therapist, or mental health professional with certification in equine-assisted therapy.
- **Scope and Frequency:** Mandates coverage for evaluation, treatment sessions (up to 20 sessions annually), necessary equipment fees, and facility charges when part of a prescribed treatment plan.

SB 1273 – Expansion of Community Behavioral Health Loan Repayment Program

SB 1273 seeks to amend the Community Behavioral Health Care Professional Loan Repayment Act to add licensed occupational therapists and occupational therapy assistants to the list of health care professionals eligible for grants up to \$15,000 per year (subject to appropriation) for up to four years, encouraging service in underserved communities and assisting with educational debt. The legislation was prepared for inclusion into the state budget package but was not ultimately included; ILOTA plans to advocate for its inclusion in next session with work this summer and fall to establish state revenue estimates that supports its passage.

HB 3769 – Occupational Therapy Referrals

HB 3769 was an initiative of ILOTA to amend the Illinois Occupational Therapy Practice Act to clarify referral requirements for occupational therapists and OT assistants.

Key provisions:

- **Scope of Unreferred Services:** Allows OTs/OTAs to provide consultations, habilitation services, screenings, education, wellness and prevention services, environmental assessments, and work-related ergonomic services without a referral if services remain within their licensed scope of practice.
- **Mandatory Referral Triggers:** Requires referral to the patient's treating health care professional (or a professional of the patient's choice) if the patient meets clinical criteria outside the therapist's scope or does not demonstrate measurable functional improvement after 10 visits (revising the prior 10 visits or 15 business days requirement).

While the legislation did not ultimately advance, the state regulator confirmed it has no objection to the proposal and the House Health Care Licenses Committee chair has confirmed his support for advancing the legislation next session.

[Click Here for Full ILOTA Bill Tracking List](#)