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State/Territory Name: Illinois

State Plan Amendment (SPA) #: 10-05

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form/Summary Form (with 179-like data)
- 3) Approved SPA Pages

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
7500 Security Boulevard, Mail Stop S2-26-12
Baltimore, Maryland 21244-1850



MAY 04 2015

Felicia F. Norwood, Director
Illinois Department of Healthcare and Family Services
Prescott E Bloom Building
201 South Grand Avenue East
Springfield IL 627630002

RE: TN 10-05

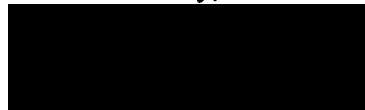
Dear Ms. Norwood:

We have reviewed the proposed amendment to Attachment 4.19-D of your Medicaid State plan submitted under transmittal number (TN) 10-05. Effective for services on or after November 1, 2010, this amendment revises methodology for making payments to intermediate care facilities for the developmentally disabled (ICF/DD). Specifically, this amendment proposes to add an adjustment to their reimbursement rate to cover vital services.

We conducted our review of your submittal according to the statutory requirements at sections 1902(a)(2), 1902(a)(13), 1902(a)(30), and 1903(a) of the Social Security Act and the regulations at 42 CFR 447 Subpart C. We hereby inform you that Medicaid State plan amendment 10-05 is approved effective November 1, 2010. We are enclosing the HCFA-179 and the amended plan pages.

If you have any questions, please call Fredrick Sebree at (217) 492-4122.



Sincerely,



Timothy Hill
Director

A handwritten signature in black ink, appearing to be 'TH', located to the right of the printed name and title.

Enclosures

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTER FOR MEDICARE AND MEDICAID SERVICES	1. TRANSMITTAL NUMBER 10-05	2. STATE: ILLINOIS
	3. PROGRAM IDENTIFICATION: Title XIX of the Social Security Act (Medicaid)	
	4. PROPOSED EFFECTIVE DATE: November 1, 2010	
TO: REGIONAL ADMINISTRATOR CENTERS FOR MEDICARE AND MEDICAID SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES		
5. TYPE OF PLAN MATERIAL (Check One) <input type="checkbox"/> NEW STATE PLAN <input type="checkbox"/> AMENDMENT TO BE CONSIDERED AS NEW PLAN <input checked="" type="checkbox"/> AMENDMENT		
COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)		
6. FEDERAL STATUTE/REGULATION CITATION: Section 1902(a) Social Security Act	7. FEDERAL BUDGET IMPACT a. FFY 2011 \$1.1 Million b. FFY 2012 \$1.0 Million	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Attachment 4.18-D Pages 54, 54A, 55 and 56 54, 54A, 55, 56	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable): Attachment 4.18-D Pages 54, 55 and 56 54	
10. SUBJECT OF AMENDMENT: ICF/IAR Adjustment - High Medical/High Personal Care Needs - Developmental Disabilities		
11. GOVERNOR'S REVIEW (Check One) <input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL <input checked="" type="checkbox"/> OTHER, AS SPECIFIED: Not submitted for review by prior approval.		
12. SIGNATURE OF AGENCY OFFICIAL: 	16. RETURN TO: Illinois Department of Healthcare and Family Services Bureau of Program and Reimbursement Analysis Attn: Greg Wilson, Chief 201 South Grand Avenue East Springfield, IL 62763-0601	
13. TYPED NAME: Julie Hemes		
14. TITLE: Director of Healthcare and Family Services		
15. DATE SUBMITTED		
FOR REGIONAL OFFICE USE ONLY		
17. DATE RECEIVED:	18. DATE APPROVED: MAY 04 2015	
PLAN APPROVED—ONE COPY ATTACHED		
19. EFFECTIVE DATE OF APPROVED MATERIAL: November 01, 2010	20. SIGNATURE OF REGIONAL OFFICIAL: 	
21. TYPED NAME	22. TITLE: Deputy Director, FMC	
23. REMARKS:		

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Illinois

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES—
REIMBURSEMENT TO LONG TERM CARE FACILITIES

01/00	16	individuals each having
x	3	medication episodes per day of
x	5	minutes per episode
	240	minutes per day
x	365	days per year
	87,600	minutes per year
÷	60	minutes per hour
	1,460	annual hours of non-nurse medication administration
÷	12	the RN supervision to non-nurse ratio
	121.67	total annual hours of RN supervision
x	\$19.44	hourly RN wage factor
	\$2,365.26	total annual reimbursement for all residents
÷	16	residents
÷	365	days
	\$0.41	per person, per day medication administration RN supervision add-on rate

01/00 Total Program Per Diem—Total program per diem for ICF/MRs will be the sum of the amounts from Minimum staffing, Active Treatment, Specialized Care and the Related Costs and for ICFs/MR-16 (including small scale residential facilities (4 and 6 bed) ICFs/MR-16), the total program per diem shall also include Base Nursing and Supervision of Medication Administration.

11/10 5. ICF/MR Adjustment for High Medical/High Personal Care Needs of Individuals with Developmental Disabilities

- a. Qualifying Criteria - The following criteria must be met in order for ICFs/MR to receive reimbursement for residents with high medical and personal care needs.
 - i. Be a licensed ICF/MR, with more than 16 licensed beds and is not:
 - A) An SNF/PED; or
 - B) A dually-licensed facility with one or more portions of the facility licensed under different Parts of DPH's Administrative Code; or
 - C) A campus facility.
 - ii. For the immediately preceding month, as documented in the remittance advice report, have:
 - A) An occupancy level of at least 93 percent of licensed bed capacity; and
 - B) At least 93 percent of the facility residents eligible for and enrolled in the Medical Assistance Program.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Illinois

**METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES—
REIMBURSEMENT TO LONG TERM CARE FACILITIES**

iii. Based on the most recently conducted annual inspection of care survey, at least 60 percent of the residents of the facility must qualify as Medical Level III.

b. Adjustment Methodology - The program and support components of the per diem rate for qualifying facilities shall be replaced with the adjusted program and support components, determined as follows:

i. Adjustment Factor - The adjustment factor for a facility shall be the product of the difference between the Medical Level III percentage and 60 percent and:

A) For facilities with a Medical Level III percentage less than 80 percent - 0.600; or

B) For all other facilities -1.700.

ii Adjusted Program Component - The adjusted program component shall equal the product of the following:

A) The program component of the per diem rate, and

B) The sum of 1.000 plus the adjustment factor for the facility, as determined above.

iii. Adjusted Support Component - The adjusted support component shall equal the SNF/PED ceiling for the geographic area in which the facility is located.

iv. Subsequent Adjustments - Adjusted program and support components shall be redetermined when:

A) Changes to the program or support rate components are required; and

B) The percentage of the residents who are classified as Medical Level III changes as a result of the facility's annual inspection of care survey. The adjusted program component shall be recalculated and effective the first day of the month following the Medical Level III determinations

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56. Campus Facilities

- a. A “campus facility” is defined as an entity, which consists of a long-term care facility (or group of facilities if the facilities are on the same contiguous parcel of real estate), which meets all of the following criteria as of May 1, 1987:
 - i. The entity provides care for both children and adults.
 - ii. Residents of the entity reside in three or more separate buildings with congregate and small group living arrangements on a single campus.
 - iii. The entity provides three or more separate licensed levels of care on the same campus. One of these licensed levels of care must be ICF/MR. The facility must also be licensed as a childcare institution by the Department of Children and Family Services.
- b. The payment methodology shall take into account the actual allowable costs to the facility of providing services to the residents, and shall be adequate to reimburse the allowable costs of a campus facility, which is economically and efficiently operated. Allowable costs will be determined under the same guidelines as used for other types of facilities providing services for ICF/MR residents.
- c. The campus facility reimbursement rate will be determined using the following steps:

01/00

- i. Determine the total allowable cost of all residential campus services. Costs for any training, education, and day care services shall not be included in the calculation of the campus facility rate.
- ii. Obtain the per diem cost by dividing the total allowable cost by the adjusted patient days. The adjusted patient days will be determined in accordance with subsection III.B.3.
- iii. The operating costs are adjusted for inflation. The inflation factors will be determined in accordance with the provisions of subsection III.C.1. The inflated per diem operating costs are added to the per diem capital costs to obtain the updated total per diem cost.
- iv. The updated total per diem cost is compared to the ceiling. Beginning July 1, 1991 and ending August 31, 1993, the prior year rate will be multiplied by 0.15 and added to the lower of the above two amounts to result in the prospective payment rate. For the period September 1 1993, through October 12, 1993, the prior year rate will be multiplied by 0.06 and added to the lower of the above two amounts to result in the prospective payment rate. Beginning October 13, 1993, the prior year rate will revert back to the previously referenced calculation.

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- v. The ceiling will be determined by 115% of the average rate being paid to the Specialized Living Centers for ICF/MR residents.

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67. Reimbursement of Nurse's Aide Training Costs

- a. Nursing homes will be reimbursed for the reasonable costs of nurses' aide training, provided that the costs are actually incurred, including:
 - i. Tuition, up to the prevailing community college rate in the geographic area for a six credit hour course;
 - ii. Instructional materials, up to \$25.00; and
 - iii. Salary and fringe benefits, up to the prevailing entry level or the geographic area.
- b. Hours of training to be reimbursed are as follows:
 - i. Through June 30, 1981, courses approved prior to July 1, 1980, will be reimbursed for the total number of hours approved.
 - ii. Through June 30, 1981, courses approved on or after July 1, 1980, will be reimbursed for actual approved hours up to a maximum of 130 hours.

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78. Capital Rate Component Determination

04/98

- a. Capital rates for all long-term care facilities—except State institutions, ICF/MR facilities with four and six beds and Specialized Living Centers, shall be reimbursed in the manner described in this Section. Capital rates for Specialized Living Centers are set forth in subsection III.C.7.k. Capital rates for ICF/MR facilities with four or six beds are set forth in subsection III.C.7.m.
- b. The terms used in this Section are defined as follows:
 - i. "Arm's length transaction" means a transaction between a buyer and a seller both free to act, each seeking his own best economic interest. A transaction between related parties as defined in subsection II.C. is not considered to be an arm's length transaction.
 - ii. "Base Year" refers to the weighted average year of investment in the actual construction of the building. The Base Year is determined using the components of the building cost, which are included in the Original Building Base Cost, and the corresponding year of acquisition or construction. The year of each component of the total investment is multiplied by the cost of each year's investment.