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State/Territory Name: IL

State Plan Amendment (SPA) #: 12-024

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



JUN 19 2014

Ms. Julie Hamos, Director Illinois Department of Healthcare and Family Services Prescott E Bloom Building 201 South Grand Avenue East Springfield IL 62763-0002

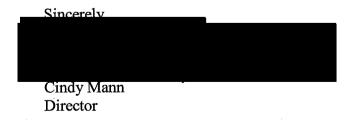
RE: Illinois State Plan Amendment (SPA) 12-024

Dear Ms. Hamos:

We have reviewed the proposed amendment to Attachment 4.19-A of your Medicaid State plan submitted under transmittal number (TN) 12-024. Effective for inpatient hospital services on or after July 1, 2012, this amendment implements a payment adjustment for provider preventable conditions. This adjustment would reduce payment for inpatient hospital services by \$900 per claim and for the inpatient service if the client acquires any of the health care-acquired conditions identified by Medicare, or for any wrong surgical or other invasive procedure performed on the patient.

We conducted our review of your submittal according to the statutory requirements at sections 1902(a)(2), 1902(a)(13), 1902(a)(30), 1903(a), and 1923 of the Social Security Act and the regulations at 42 CFR 447 Subpart C. We hereby inform you that Medicaid State plan amendment 12-024 is approved effective July 1, 2012. We are enclosing the CMS-179 and the amended plan pages.

If you have any questions, please contact Michelle Beasley at (312) 353-3746 or via email at Michelle.Beasley@cms.hhs.gov.



Enclosure

		1. TRANSMITTAL NUMBER	2. STATE:		
TRANSMITTAL AND NOTICE OF APPROVAL		12-024	ILLINOIS		
OF STA	OF STATE PLAN MATERIAL FOR: CENTER FOR MEDICARE AND MEDICAID SERVICES		3. PROGRAM IDENTIFICATION:		
FOR: CENTER FOR	MEDICARE AND MEDICAID SERVICES	Title XIX of the Soc	Title XIX of the Social Security Act (Medicaid)		
TO: REGIONAL ADMI		4. PROPOSED EFFECTIVE DA	4. PROPOSED EFFECTIVE DATE:		
CENTERS FOR MEDICARE AND MEDICAID SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES		July 1, 2012			
5. TYPE OF PLAN MATE	• • • • • • • • • • • • • • • • • • • •				
[] NEW STATE	PLAN [] AMENDMENT TO BE CONSIDE	RED AS NEW PLAN [X] AMEND	MENT		
	PLETE BLOCKS 6 THRU 10 IF THIS IS AN AI	MENDMENT (Separate Transmittal (for each amendment)		
6. FEDERAL STATUTE/R		7. FEDERAL BUDGET IMPACT	7. FEDERAL BUDGET IMPACT		
Section 1902 of the Social Security Act		• •			
9 DAGE MINADED OF THE PLAN OF STREET		b. FFY 2013 (\$2,900,000)			
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:			9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable):		
Attachment 4.19-A, Page 1897 169		N/A			
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10. SUBJECT OF AMEND	JMEN 1:				
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Effective date: 07/01/2012

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Illinois

METHODS AND STANDARDS FOR ESTABLISHING INPATIENT RATES FOR HOSPTIAL REIMBURSEMENT; MEDICAL ASSISTANCE-GRANT (MAG) and MEDICAL ASSISTANCE-NO GRANT (MANG)

07/12 XXXIX. Payment Adjustment for Provider Preventable Conditions

The Medicaid agency meets the requirements of 42 CFR Part 447, Subpart A, and sections 1902(a)(4), 1902(a)(6), and 1903 with respect to non-payment for provider-preventable conditions.

A. Health Care -Acquired Conditions

That State identifies the following Health Care-Acquired Conditions for <u>a reduced payment</u> non-payment under Section 4.19(A).

X Hospital-Acquired Conditions as identified by Medicare other than Deep Vein Thrombosis (DVT)/Pulmonary Embolism (PE) following total knee replacement or hip replacement surgery in pediatric and obstetric patients.

The Department will deduct \$900 per claim payment and pay no outlier payment for the inpatient service if the client acquires any of the conditions identified by Medicare, regardless of any other payment methodologies as defined in this Attachment.

Effective July 1, 2014, an APR-DRG payment system will be implemented and will have the capabilities to identify Health-Care Acquired Conditions for non-payment.

B. Other Provider-Preventable Conditions

The State	identifies	the following	Other Provi	der-Preventable	Conditions f	for non-payment	under
Sections(s) 4.19 <u>-A.</u>						

X Wrong surgical or other invasive procedure performed on a patient; surgical or other invasive procedure performed on the wrong body part; surgical or other invasive procedure performed on the wrong patient.

Additional Other Provider-Preventable Conditions.

In compliance with 42 CFR 447.26(c), the State provides:

- That no reduction in payment for a provider preventable condition will be imposed on a provider when the
 condition defined as a PPC for a particular patient existed prior to the initiation of treatment for that patient by
 that provider.
- 2) That reductions in provider payment may be limited to the extent that the following apply:
 - (a) The identified provider-preventable conditions would otherwise result in an increase in payment.
 - (b) The State can reasonably isolate for nonpayment the portion of the payment directly related to treatment for, and related to, the provider-preventable conditions.
- Assurance that non-payment for provider-preventable conditions does not prevent access to services for Medicaid beneficiaries.

Approval date: / JUN 19 2014

TN # 12-024

Supersedes TN # New page