

Table of Contents

State/Territory Name: IL

State Plan Amendment (SPA) #: 14-0040

This file contains the following documents in the order listed:

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



cc: Pat Curtis, HFS



April 4, 2016

Felicia Norwood, Director
Illinois Department of Healthcare and Family Services
Prescott E. Bloom Building
201 South Grand Avenue East
Springfield, Illinois 62763-0001

Attn: Teresa Hursey

Dear Ms. Norwood:

This letter is being sent as a companion to our approval of state plan amendment (SPA) 14-0040 submitted on September 30, 2014. This SPA increases the personal needs allowance for certain persons in an Intermediate Care Facility for the Developmentally Disabled (ICF/DD) or Community Integrated Living Arrangement (CILA) effective September 1, 2014. During our review of this SPA, we determined that there are companion issues as a result of the state converting to updated preprint pages when it responded to CMS' formal request for additional information. We are requesting a SPA submission to resolve the issues indicated below.

First, CMS requests that the state adjust the income maintenance allowance for the community spouse which had been approved on page 5a of Attachment 2.6-A for SPA 12-015. That language is now located on page 4b of the Attachment. Currently, Illinois does not use the maximum allowed amount and does not allow an amount for excess shelter costs. Making this change will bring the state into compliance with Section 1924 of the Act for persons in an ICF/DD or CILA. This provision specifies how the Community Spouse monthly income allowance is to be calculated at 1924 (d)(3)(A), and that it include an amount based on a percentage of the federal poverty level plus an excess shelter amount, the sum of which cannot exceed a certain amount. CMS is aware that this may require a change in state law.

Second, we also ask that the state submit information missing from the state plan which assures that the state has implemented mandatory OBRA 93 trust provisions on Attachment 2.6-A, pages 26, Items 13 and 14.

The state has 90 days from the date of this letter to address the issues described above. Within that period, the state may submit SPAs to address the inconsistencies or submit a corrective action plan describing in detail how the state will resolve the issues identified above in a timely manner. Failure to respond may result in the initiation of a formal compliance process. During the 90 days, CMS will provide any required technical assistance as needed.

Ms. Norwood
Page 2

If you have any questions concerning this companion letter, please contact Courtenay Savage at 312-353-3721 or via email at Courtenay.Savage@cms.hhs.gov.

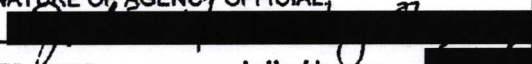
Sincerely,

/s/

Ruth A. Hughes
Associate Regional Administrator
Division of Medicaid and Children's Health Operations

cc: Pat Curtis, HFS

REVISED

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES		1. TRANSMITTAL NUMBER 14.0040	2. STATE: ILLINOIS
		3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
TO: REGIONAL ADMINISTRATOR CENTERS FOR MEDICARE & MEDICAID SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES		4. PROPOSED EFFECTIVE DATE September 1, 2014	
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 42 CFR 435.733; 42 CFR 435.832		7. FEDERAL BUDGET IMPACT a. FFY <u>2014</u> \$ <u>0.14</u> million b. FFY <u>2015</u> \$ <u>1.6</u> million	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Attachment 2.6-A, p. 4, 4a, 4b, 4c, 5, 5a, 26a Supplement 12 to ATTACHMENT 2.6-A page 5		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (if Applicable): Attachment 2.6-A, p. 4, 5, 5a, 5b	
10. SUBJECT OF AMENDMENT Increase in Personal Needs Allowance for Institutionalized Individuals with Intellectual Disabilities And update to the most current pre-print pages for Post-eligibility Treatment of Institutionalized Individuals' Incomes			
11. GOVERNOR'S REVIEW (Check One)		<input checked="" type="checkbox"/> OTHER, AS SPECIFIED	
<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		Not submitted for review by prior approval.	
12. SIGNATURE OF AGENCY OFFICIAL:		16. RETURN TO	
		ILLINOIS DEPARTMENT OF HEALTHCARE AND FAMILY SERVICES 201 SOUTH GRAND AVENUE, 3 rd Floor SPRINGFIELD, IL. 62763-0002 ATTENTION: Pat Curtis, Chief Bureau of Medical Eligibility and Special Programs	
13. TYPED NAME Julie Hamos			
14. TITLE DIRECTOR			
15. DATE SUBMITTED 09/30/14			
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED: 9/30/14		18. DATE APPROVED: 4/4/16	
PLAN APPROVED - ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL: 9/1/14		20. SIGNATURE OF REGIONAL OFFICIAL: /s/	
21. TYPED NAME Ruth A. Hughes		22. TITLE: Associate Regional Administrator	
23. REMARKS:			

Citation	Condition or Requirement
B. <u>Post-eligibility Treatment of Institutionalized Individuals' Incomes</u>	
1. The following items are not considered in the post-eligibility process:	
1902(o) of the Act	a. SSI and SSP benefits paid under §1611(e)(1)(E) and (G) of the Act to individuals who receive care in a hospital, nursing home, SNF or ICF.
Bondi v. Sullivan (SSI)	b. Austrian Reparation Payments (pension (reparation) payments made under §500-506 of the Austrian General Social Insurance Act). Applies only if State follows SSI program rules with respect to the payments.
1902(r)(1) of the Act	c. German Reparations Payments (reparation payments made by the Federal Republic of Germany).
105/206 of P.L. 100-383	d. Japanese and Aleutian Restitution Payments.
1.(a) of P.L. 103-286	e. Netherlands Reparation Payments based on Nazi, but not Japanese, persecution (during World War II).
10405 of P.L. 101-239	f. Payments for the Agent Orange Settlement Fund or any other fund established pursuant to the settlement in the In re Agent Orange product liability litigation, M.D.L. No. 381 (E.D.N.Y).
6(h)(2) of P.L. 101-426	g. Radiation Exposure Compensation.
12005 of P.L. 103-66	h. VA pensions limited to \$90 per month under P.L. 38 U.S.C. 5503.

Citation	Condition or Requirement
----------	--------------------------

1924 of the Act
435.725
435.733
435.832

2. The following monthly amounts for personal needs are deducted from total monthly income in the application of an institutionalized individual's or couple's income to the cost of institutionalized care:

Personal Needs Allowance (PNA) of not less than \$30 For Individuals and \$60 for Couples for All Institutionalized Persons.

- a. Aged, blind, disabled:
- | | |
|-------------|----------|
| Individuals | \$ 30.00 |
| Couples | \$ 60.00 |

For the following persons with greater need:

Individuals who have a diagnosis of MR-not otherwise specified, and who receive habilitation services through an ICF-DD or Community Integrated Living Arrangement (CILA) - \$60.00 per individual (whether single or married). The variance for persons with greater need ends June 30, 2015.

Supplement 12 to Attachment 2.6-A, page 5 describes the greater need describes the basis or formula for determining the deductible amount when a specific amount is not listed above; lists the criteria to be met; and, where appropriate, identifies the organizational unit which determines that a criterion is met.

- b. AFDC related:
- | | |
|----------|----------|
| Children | \$ 30.00 |
| Adult | \$ 30.00 |

For the following persons with greater need:

Individuals who have a diagnosis of MR-not otherwise specified, and who receive habilitation services through an ICF-DD or Community Integrated Living Arrangement (CILA) - \$60.00 per individual (whether single or married). The variance for persons with greater need ends June 30, 2015.

Supplement 12 to Attachment 2.6-A page 5 describes the greater need describes the basis or formula for determining the deductible amount when a specific amount is not listed above; lists the criteria to be met; and, where appropriate, identifies the organizational unit which determines that a criterion is met.

- c. Individual under age 21 covered in the plan as specified in Item B.7. of Attachment 2.2-A.
\$ N/A

Citation	Condition or Requirement
----------	--------------------------

For the following persons with greater need:

Supplement 12 to Attachment 2.6-A describes the greater need describes the basis or formula for determining the deductible amount when a specific amount is not listed above; lists the criteria to be met; and, where appropriate, identifies the organizational unit which determines that a criterion is met.

- 1924 of the Act 3. In addition to the amounts under item 2., the following monthly amounts are deducted from the remaining income of an institutionalized individual with a community spouse:
- a. The monthly income allowance for the community spouse, calculated using the formula in §1924(d)(2), is the amount by which the maintenance needs standard exceeds the community spouse's income. The maintenance needs standard cannot exceed the maximum prescribed in §1924(d)(3)(C). The maintenance needs standard consists of a poverty level component plus an excess shelter allowance.
- _____ The poverty level component is calculated using the applicable percentage (set out §1924(d)(3)(B) of the Act) of the official poverty level.
- _____ The poverty level component is calculated using a percentage greater than the applicable percentage, equal to _____%, of the official poverty level (still subject to maximum maintenance needs standard).
- _____ The maintenance needs standard for all community spouses is set at the maximum permitted by (set out §1924(d)(3)(C).
- X The higher of the 2010 maximum income standard in Section 1924 (\$2,739) or the minimum income amount from Section 1924(d)(3) as adjusted annually under Section 1924(g).

Except that, when applicable, the State will set the community spouse's monthly income allowance at the amount by which exceptional maintenance needs, established at a fair hearing, exceed the community spouse's income, or at the amount of any court-ordered support.

Citation	Condition or Requirement
	<p>In determining any excess shelter allowance, utility expenses are calculated using:</p> <p>_____ The standard utility allowance under §5(e) of the Food Stamp Act of 1977 or</p> <p>_____ The actual unreimbursable amount of the community spouse's utility expenses less any portion of such amount included in condominium or cooperative charges.</p> <p>b. The monthly income allowance for other dependent family members living with the community spouse is:</p> <p><u> X </u> One third of the amount by which the poverty level component (calculated under §1924(d)(3)(A)(i) of the Act, using the applicable percentage specified in §1924(d)(3)(B)) exceeds the dependent family member's monthly income.</p> <p>_____ A greater amount calculated as follows:</p> <p>The following definition is used in lieu of the definition provided by the Secretary to determine the dependency of family members under §1924(d)(1):</p> <p><u>A dependent is an individual claimed by either the patient or community spouse as a dependent for income tax purposes.</u></p> <p>c. Amounts for health care expenses described below that are incurred by and for the institutionalized individual and are not subject to payments by a third party:</p> <p>(i) Medicaid, Medicare, and other health insurance premiums, deductibles or coinsurance charges, or copayments.</p> <p>(ii) Necessary medical or remedial care recognized under State law but not covered under the State plan. (Reasonable limits on amounts are described in Supplement 3 to ATTACHMENT 2.6-A).</p>

Citation	Condition or Requirement
435.725 435.733 435.832	<p>4. In addition to any amounts deductible under the items above, the following monthly amounts are deducted from the remaining monthly income of an institutionalized individual or an institutionalized couple:</p> <p>a. An amount for the maintenance needs of each member of a family living in the institutionalized individual's home with no community spouse living in the home. The amount must be based on a reasonable assessment of need but must not exceed the higher of the:</p> <ul style="list-style-type: none">○ AFDC level or○ Medically needy level: <p>(Check one)</p> <ul style="list-style-type: none">-X-AFDC levels in Supplement 1--Medically needy level in Supplement 1--Other: \$ <p>b. Amounts for health care expenses described below that have not been deducted under 3.c. above (i.e., for an institutionalized individual or institutionalized couple, and are not subject to the payment by a third party:</p> <ul style="list-style-type: none">(i) Medicaid, Medicare, and other health insurance premiums, deductibles, or coinsurance charges, or copayments.(ii) Necessary medical or remedial care recognized under State law but not covered under the State plan. (Reasonable limits on amount are described in Supplement 3 to ATTACHMENT 2.6-A).
435.725 435.733 435.832	<p>5. At the option of the State, as specified below, the following is deducted from any remaining monthly income of an institutionalized individual or an institutionalized couple:</p> <p>A monthly amount for the maintenance of the home of the individual or couple for not longer than 6 months if a physician has certified that the individual, or one member of the institutionalized couple, is likely to return to the home within that period:</p> <p><u> X </u> No. <u> </u> Yes (the applicable amount is shown on page 5a.)</p>

Citation	Condition or Requirement
_____	Amount for maintenance of home is \$ _____.
_____	Amount for maintenance of home is the actual maintenance costs not to exceed \$_____.
_____	Amount for maintenance of home is deductible when countable income is determined under §1924(d)(1) of the Act only if the individual's home and community spouse's home are different.
_____	Amount for maintenance of home is not deductible when countable income is determined under §1924(d)(1) of the Act.

Citation	Condition or Requirement
	13. Reserved
	14. Reserved
1924 of the Act	<p>15. The agency complies with the provisions of §1924 with respect to income and resource eligibility and post eligibility determinations for individuals who are expected to be institutionalized for at least 30 consecutive days and who has a spouse living in the community.</p> <p>When applying the formula used to determine the amount of resources in initial eligibility determinations, the State standard for community spouses is:</p> <p><input type="checkbox"/> the maximum standard permitted by law;</p> <p><input type="checkbox"/> the minimum standard permitted by law; or</p> <p><input checked="" type="checkbox"/> a standard that is an amount between the minimum and maximum.</p> <p>Resources shall be allowed at the higher of the 2010 maximum resource standard (\$109,560) in Section 1924 or the minimum resource amount from Section 1924(f)(2)(A)(i) as adjusted annually under Section 1924(g).</p>

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

ILLINOIS

VARIATIONS FROM THE BASIC PERSONAL NEEDS ALLOWANCE

Illinois law has been amended to increase the personal needs allowance (PNA) for individuals in Intermediate Care Facilities for those with Developmental Disabilities (ICF-DD), and those in smaller group homes referred to as Community Integrated Living Arrangements (CILA).

This population consists of individuals who have a diagnosis of MR-not otherwise specified, and who receive habilitation services through ICF-DDs or through CILA homes under a waiver. These individuals enjoy weekend outings such as movies, bowling, and other entertaining activities that require personal spending money. Public Act 98-0674 increased the PNA from \$30 to \$60 for this group for a period of time ending June 30, 2015. Illinois has reverted to the lower PNA amounts in place prior to September 1, 2014.

Disclosure Statement for Post-Eligibility Preprint

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is #0938-0673. The time required to complete this information collection is estimated at 3 hours per response, including the time to review instructions, searching existing data resources, gathering the data needed and completing and reviewing the information collection. If you have any comments concerning the accuracy of the time estimate(s) or suggestions for improving this form, please write to: CMS, 7500 Security Boulevard, N2-14-26, Baltimore, Maryland, 21244-1850 and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Washington D.C., 20503.