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February 18, 2021

Acting Administrator Liz Richter
Department of Health and Human Services
Centers for Medicare & Medicaid Services
7500 Security Boulevard
Baltimore, MD 21244

Re: Acceptance of Section 1115 Demonstration Waiver Terms and Conditions

Dear Acting Administrator Richter,

Illinois is pleased to accept the Centers for Medicare & Medicaid Services' (CMS) approval of two requests within the Illinois Continuity of Care and Administrative Simplification 1115 demonstration application (Project Number 11-W-00341/5), effective January 19, 2021 through December 31, 2025, in accordance with section 1115 of the Social Security Act. With this letter, Illinois formally accepts the Special Terms and Conditions (STCs), waiver authorities, and expenditure authorities, as described in CMS' January 19, 2021 approval letter.

As noted in the CMS approval letter, the 1115 demonstration approval will allow the state to test an approach to reducing churn between fee-for-service and managed care by automatically re-enrolling a beneficiary into the same managed care organization (MCO) they were enrolled in when they lost eligibility due to a late redetermination, as long as their late redetermination paperwork is submitted within 90 days. The 1115 demonstration approval also will waive the requirement to operate a Hospital Presumptive Eligibility (HPE) program to allow the state to focus its administrative eligibility functions on processing full applications and redeterminations, while still ensuring that up to three months of retroactive coverage for the full benefit package, including hospital services, is available prior to application if the individual is determined to be eligible for Medicaid in the retroactive months in which the services were received.

Not all requests in the State's 1115 demonstration application were approved. Illinois will continue working with CMS on its outstanding request to provide 12 months of coverage for postpartum women with income up to 213 percent of the federal poverty level. This critical policy change is needed to help advance health and racial equity in Illinois.

As discussed in Illinois' 1115 demonstration application, the maternal mortality statistics in Illinois are alarming. The Illinois Department of Public Health (DPH) October 2018 Illinois Maternal Morbidity and Mortality Report found that in Illinois:

- Non-Hispanic black women are six times as likely to die of a pregnancy-related condition as non-Hispanic white women;
- 72% of all pregnancy-related deaths and 93% of all violent pregnancy-associated deaths are preventable;
- Women with Medicaid coverage at delivery are two and a half times as likely to die within one year of pregnancy than women with private insurance at delivery;
- Women with Medicaid coverage at delivery are nearly five times as likely to die from a pregnancy-related cause than women with private insurance at delivery; and
- The maternal mortality and morbidity crisis is statewide, with the Chicago/Bellwood region in northeastern Illinois having the highest rate of severe maternal morbidity and the Marion region in southern Illinois ranking second.¹

Further, DPH found that in Illinois poor continuity of care and a lack of care coordination are factors contributing to death in 93% of preventable pregnancy-related deaths during the late postpartum period (61-364 days postpartum).² Illinois must take systemic action to improve outcomes during the full 12 month postpartum period. Waiving the federal policy that ends categorical eligibility for pregnant women 60 days postpartum will allow Illinois to leverage its Medicaid managed care infrastructure to more strategically address the state's maternal morbidity and mortality crisis through care coordination and performance management. We look forward to continuing this important conversation with CMS, including how coverage can be extended through 12 months postpartum regardless of immigration status.

Thank you to you and your team for your time and support throughout this process. We appreciate your commitment to improving continuity of care for Illinois Medicaid beneficiaries.

Sincerely,



Theresa Eagleson
Director

cc: Jonathan Morancy, CMS/CMCS
Kelly Cunningham, HFS
Mary Doran, HFS
Robert Mendonsa, HFS

Courtenay Savage, CMS/CMCS
Avery Dale, HFS
Jane Longo, HFS
Laura Phelan, HFS

¹ Illinois Department of Public Health. (2018, October). Illinois Maternal Morbidity and Mortality Report. Retrieved from <http://dph.illinois.gov/sites/default/files/publications/publicationsowhmaternalmorbiditymortalityreport112018.pdf>

² Illinois Department of Public Health, Office of Women's Health and Family Services. (2019, December) Data Summary: Later Postpartum Maternal Deaths in Illinois. Updated data pull for the Illinois Department of Healthcare and Family Services. Data points that reference pregnancy-related deaths refer to data from 2015- 2017 and data points that reference pregnancy-associated deaths refer to data from 2015-2016.