



HFS

**Illinois Department of
Healthcare and Family Services**

JB Pritzker, Governor
Elizabeth M. Whitehorn, Director

401 S. Clinton St., Chicago, Illinois 60607
Telephone: +1 312-793-4792, TTY: +1 800-526-5812

October 14, 2026

Michael Triager
Centers for Medicare & Medicaid Services
Centers for Medicaid and CHIP Services
Mail Stop: S2-25-26
7500 Security Boulevard, Baltimore, MD 21244-1850

Dear Mr. Triager,

Illinois is pleased to accept the Centers for Medicare & Medicaid Services' (CMS) approval to renew our Section 1115 demonstration, "Continuity of Care and Administrative Simplification" (Project Number 11-W-00341/5), in accordance with Section 1115(a) of the Social Security Act. With this approval, the demonstration renewal will be effective October 1, 2026, through September 30, 2031. Through this letter, Illinois formally accepts the terms outlined in the CMS approval letter and Special Terms and Conditions.

As noted in the CMS approval letter, this extension allows the state to automatically reenroll a beneficiary into the same managed care organization (MCO) in which they were enrolled prior to losing eligibility, when the loss of coverage is due to a failure to complete the renewal process, provided the beneficiary submits their redetermination paperwork within 90 days of termination. Renewal of this authority ensures that enrollees can remain in the same Medicaid MCO, reducing churn between MCOs and fee-for-service (FFS).

This extension also includes time-limited authority for the continuation of the waiver of Hospital Presumptive Eligibility (HPE) through December 31, 2028. The state will continue work on the project management plan for HPE implementation; establish HPE policies and hospital performance standards; and ensure statewide implementation of HPE by January 1, 2029.

The provision granting 12 months of Medicaid benefits for postpartum individuals was part of the original demonstration but was removed effective July 1, 2022, as Illinois ultimately implemented this coverage under State Plan Authority instead of demonstration authority. We also acknowledge that the state has withdrawn its request for demonstration authority to accept out-of-state address changes as reliable when sourced from the United States Postal Service's National Change of Address database and Medicaid MCOs.

Thank you, and we appreciate CMS for its continued partnership.

Sincerely,

Laura Phelan
Medicaid Administrator