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State/Territory Name: Illinois

State Plan Amendment (SPA) #: 21-0003

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

Financial Management Group

July 16, 2021

Theresa Eagleson, Director
Illinois Department of Healthcare and Family Services
201 South Grand Avenue East, 3rd Floor
Springfield, IL 62763-0001

RE: Illinois State Plan Amendment (SPA) 21-0003

Dear Ms. Eagleson:

We have reviewed the proposed amendment to Attachments 4.19-A of your Medicaid State plan submitted under transmittal number 21-0003 titled " Inpatient per diem rate increase for Illinois Children's Specialty Hospitals"

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 implementing Federal regulations at 42 CFR 447 Subpart C. We have found that the proposed reimbursement methodology complies with applicable requirements and therefore have approved them with an effective date of February, 1, 2021. We are enclosing the CMS-179 and the amended approved plan pages.

If you have any questions, please contact Fredrick Sebree at Fredrick.sebree@cms.hhs.gov.

Sincerely,



For
Rory Howe
Acting Director

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTER FOR MEDICARE AND MEDICAID SERVICES	1. TRANSMITTAL NUMBER 21-0003	2. STATE: ILLINOIS
	3. PROGRAM IDENTIFICATION: Title XIX of the Social Security Act (Medicaid)	
TO: REGIONAL ADMINISTRATOR CENTERS FOR MEDICARE AND MEDICAID SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES	4. PROPOSED EFFECTIVE DATE: February 1, 2021	

5. TYPE OF PLAN MATERIAL (Check One)

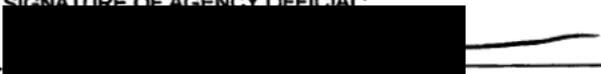
NEW STATE PLAN AMENDMENT TO BE CONSIDERED AS NEW PLAN AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)

6. FEDERAL STATUTE/REGULATION CITATION: Section 1902 of the Social Security Act	7. FEDERAL BUDGET IMPACT a. FFY 2021 - \$400,000 b. FFY 2022 - \$600,000
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Attachment 4.19-A, Page 74C	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable): Attachment 4.19-A, Page 74C

10. SUBJECT OF AMENDMENT
Inpatient per diem rate increase for Illinois Children's Specialty Hospitals.

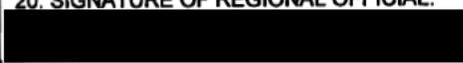
11. GOVERNOR'S REVIEW (Check One)
 GOVERNOR'S OFFICE REPORTED NO COMMENT
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL
 OTHER, AS SPECIFIED: Not submitted for review by prior approval.

12. SIGNATURE OF AGENCY OFFICIAL: 	16. RETURN TO: Department of Healthcare and Family Services Bureau of Program and Reimbursement Analysis Attn: Mary Doran 201 South Grand Avenue East Springfield, IL 62763-0001
13. TYPED NAME: Theresa Eagleson	
14. TITLE: Director of Healthcare and Family Services	
15. DATE SUBMITTED February 3, 2021	

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED: **02/03/2021** 18. DATE APPROVED: **7/16/21**

PLAN APPROVED—ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL: 02/01/2021	20. SIGNATURE OF REGIONAL OFFICIAL:  For
21. TYPED NAME Rory Howe	22. TITLE: Acting Director

23. REMARKS:

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Illinois

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

4. Reimbursement Methodologies for Children's Specialty Hospitals

01/21

- a. Inpatient general acute care services provided by a Children's Specialty Hospital located in Illinois as defined in Chapter ~~VII.D.H.C.3.~~ and with fewer than 50 total inpatient beds and excluded from the DRG PPS shall per day of covered inpatient care be reimbursed as follows:
- i. For a hospital that would not have met the definition of a children's specialty hospital as of July 1, 2013, \$1,400.00 per day.
 - ii. For a hospital that would have met the definition of a children's specialty hospital as of July 1, 2013, a rate equal to the per diem base rate in place on July 1, 2013, multiplied by a factor of 1.37.
 - iii. The total payment for inpatient stay will equal the sum of:
 - A) The payment determined in this Section; and
 - B) Any applicable adjustments to payment specified in Chapters VI, VIII, XV and XL.

07/20

- b. Effective July 1, 2018, rates in subsection 4.a. above are increased by 10.5 percent.

01/2107/20

- c. ~~Reserved.~~ Effective February 1, 2021, rates in subsection 4.a. above shall be increased by an additional 8 percent.
- d. For cost reporting hospitals located outside of Illinois that meet the definition of a Children's specialty hospitals as defined in Chapter VII as of June 30, 2014, for inpatient general acute care and rehabilitation services, the hospital shall have a per diem amount equal to the rate in place with the Department as of June 30, 2014. The total payment for inpatient stay will equal the sum of the payment determined in this Subsection and any applicable adjustments to payments specified in Chapters VI, VIII, XV and XL.