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State/Territory Name: IL

State Plan Amendment (SPA) #: 23-0002

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 S3-14-28
Baltimore, Maryland 21244-1850



Financial Management Group

May 20, 2024

Elizabeth M. Whitehorn, Director
Illinois Department of Healthcare and Family Services
201 South Grand Avenue East, 3rd Floor
Springfield, IL 62763-0001

RE: TN 23-0002

Dear Ms. Whitehorn:

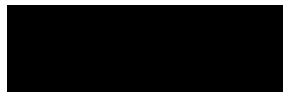
The Centers for Medicare & Medicaid Services (CMS) has reviewed the proposed Illinois state plan amendment (SPA) to Attachment 4.19-D IL-23-0002, which was submitted to CMS on January 30, 2023. This plan amendment proposes to increase the Medicaid access adjustment paid to nursing facilities.

We reviewed your SPA submission for compliance with statutory requirements, including in sections 1902(a)(2), 1902(a)(13), 1902(a)(30), 1903 as it relates to the identification of an adequate source for the non-federal share of expenditures under the plan, as required by 1902(a)(2) of the Social Security Act and the applicable implementing Federal regulations.

Based upon the information provided by the state, we have approved the amendment with an effective date of January 1, 2023. We are enclosing the approved CMS-179 and a copy of the new state plan pages.

If you have any additional questions or need further assistance, please contact Fred Sebree at via email at fredrick.sebree@cms.hhs.gov.

Sincerely,



Rory Howe
Director
Financial Management Group

Enclosures

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL
FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES**

1. TRANSMITTAL NUMBER <u>2 3 — 0 0 0 2</u>	2. STATE <u>IL</u>
3. PROGRAM IDENTIFICATION: TITLE OF THE SOCIAL SECURITY ACT <input checked="" type="radio"/> XIX <input type="radio"/> XXI	
4. PROPOSED EFFECTIVE DATE January 1, 2023	
5. FEDERAL STATUTE/REGULATION CITATION 42 CFR 440.40	6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars) a. FFY <u>2023</u> \$ <u>3,750,000</u> b. FFY <u>2024</u> \$ <u>5,000,000</u>
7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT Attachment 4.19-D, Pages 20 and 21	8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable) Attachment 4.19-D, Pages 20 and 21

TO: CENTER DIRECTOR
CENTERS FOR MEDICAID & CHIP SERVICES
DEPARTMENT OF HEALTH AND HUMAN SERVICES

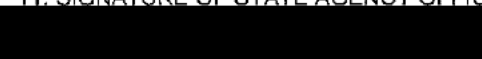
9. SUBJECT OF AMENDMENT

Reimbursement to nursing facilities -- Medicaid access adjustments.


10. 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:

11. SIGNATURE OF STATE AGENCY OFFICIAL 	15. RETURN TO Department of Healthcare and Family Services Bureau of Program and Policy Coordination Attn: Mary Doran 201 South Grand Avenue East Springfield, IL 62763-0001
12. TYPED NAME Theresa Eagleson	
13. TITLE Director of Healthcare and Family Services	
14. DATE SUBMITTED 1/27/2023	

FOR CMS USE ONLY

16. DATE RECEIVED 1/30/2023	17. DATE APPROVED May 20, 2024
PLAN APPROVED - ONE COPY ATTACHED	
18. EFFECTIVE DATE OF APPROVED MATERIAL 1/1/2023	19. SIGNATURE OF APPROVING OFFICIAL 
20. TYPED NAME OF APPROVING OFFICIAL Rory Howe	21. TITLE OF APPROVING OFFICIAL Director, FMG

22. REMARKS

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Illinois

**METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES—
REIMBURSEMENT TO LONG TERM CARE FACILITIES**

- 4) Facilities at 100% of the staffing indicated by the STRIVE study shall be paid a per diem of \$29.75, increasing by equivalent steps for each whole percentage point of improvement until the facilities reach a per diem of \$35.70.
 - 5) Facilities at 110% of the staffing indicated by the STRIVE study shall be paid a per diem of \$35.70, increasing by equivalent steps for each whole percentage point of improvement until the facilities reach a per diem of \$38.68.
 - 6) Facilities at or above 125% of the staffing indicated by the STRIVE study shall be paid a per diem of \$38.68.
 - 7) For the transition period quarters beginning July 1, 2022, and October 1, 2022, no facility's variable per diem staffing add-on shall be calculated at a rate lower than 85% for the staffing indicated by the STRIVE study. For the quarter beginning January 1, 2023, all facilities shall begin at their actual staffing indicated for that period.
 - 8) No facility below 70% of the staffing indicated by the STRIVE study shall receive a variable per diem staffing add-on after December 31, 2022.
 - 9) Beginning April 1, 2023, no nursing facility's variable per diem staffing add-on shall be reduced by more than 5% in 2 consecutive quarters.
- D) Effective July 1, 2022 and until December 31, 2027, a Medicaid Access Adjustment shall be paid to all facilities with annual Medicaid bed days of at least 70% of all occupied bed days.

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1) Effective July 1, 2022 through December 31, 2022, the ~~The~~ adjustment shall be \$4 per day and adjusted for the facility average PDPM case mix index for Medicaid, as identified in subsection 4.a.i.A., calculated on a quarterly basis.

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2) Effective January 1, 2023, the adjustment shall be \$4.75 per day and adjusted for the facility average PDPM case mix index for Medicaid, as identified in subsection 4.a.i.A., calculated on a quarterly basis.

3) The qualifying Medicaid percentage shall be calculated quarterly based upon a rolling 12 month period of historical data ending 9 months prior.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Illinois

**METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES—
REIMBURSEMENT TO LONG TERM CARE FACILITIES**

- 43) If a facility's Medicaid percentage increases by 15 percentage points or more in comparison to the qualifying Medicaid percentage defined in 4.a.iii.D.2 and the facility's most recent Medicaid percentage for a single quarter is at least 70%, that facility may be eligible to receive the Medicaid Access Adjustment. If a facility's Medicaid percentage decreases by 15 percentage points or more in comparison to the qualifying Medicaid percentage defined in 4.a.iii.D.2 and the facility's most recent Medicaid percentage for a single quarter is no longer at least 70%, that facility may no longer be eligible to receive the Medicaid Access Adjustment.
- 07/22 E) A resident for whom resident identification information is missing, or inaccurate, or for whom there is no current MDS record for that quarter, shall be assigned to default group AA1. A resident for whom a MDS assessment does not meet the CMS edit requirements as described in the Long Term Care Resident Assessment Instrument (RAI) Users Manual or for whom a MDS assessment has not been submitted timely shall be assigned to default group AA1.
- F) The assessment used for the purpose of rate calculation shall be identified as an Omnibus Budget Reconciliation Act (OBRA) assessment on the MDS following the guidance in the RAI Manual.
- G) The MDS used for the purpose of rate calculation shall be determined by the Assessment Reference Date (ARD) identified on the MDS assessment.
- 01/20 H) Effective January 1, 2020, the regional wage adjustor referenced in paragraph (A) cannot be lower than 0.95.
- 07/20 I) Effective July 1, 2020, the regional wage adjustor referenced in paragraph (A) cannot be lower than 1.0.
- 07/22 J) Effective July 1, 2022, the regional wage adjustor applied to the PDPM nursing component per diem cannot be lower than 1.06.
- vi. The Department shall provide each nursing facility with information that identifies the group to which each resident has been assigned.