

## **Table of Contents**

**State/Territory Name: IL**

**State Plan Amendment (SPA) #: 24-0021**

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



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**Financial Management Group**

July 2, 2025

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

RE: TN 24-0021

Dear Ms. Cunningham:

The Centers for Medicare & Medicaid Services (CMS) has reviewed the proposed Illinois state plan amendment (SPA) to Attachment 4.19-D IL-24-0021, which proposes to update the STRIVE per diem staffing add-on portion of the nursing facility rate and the real estate tax component of the nursing facility payment rate.

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 October 1, 2024. 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](mailto: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

2 4 — 0 0 2 1

2. STATE

IL

3. PROGRAM IDENTIFICATION: TITLE OF THE SOCIAL

SECURITY ACT

☒ XIX☐ XXI

4. PROPOSED EFFECTIVE DATE

October 1, 2024

TO: CENTER DIRECTOR

CENTERS FOR MEDICAID &amp; CHIP SERVICES

DEPARTMENT OF HEALTH AND HUMAN SERVICES

5. FEDERAL STATUTE/REGULATION CITATION

42 CFR 440.40

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)

a. FFY 2025 \$ 15,950,000b. FFY 2026 \$ 18,000,000

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

Attachment 4.19-D, Pages 19, 20, 20A (new page), 120C

8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION  
OR ATTACHMENT (If Applicable)

Attachment 4.19-D, Pages 19, 20, 120C

9. SUBJECT OF AMENDMENT

STRIVE per diem staffing add-on and real estate tax component of the nursing facility payment rate.

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

12. TYPED NAME  
Kelly Cunningham13. TITLE  
Administrator Division of Medical Programs14. DATE SUBMITTED  
7.12.2024

15. RETURN TO

Department of Healthcare and Family Services  
Bureau of Program and Policy Coordination  
Attn: Kati Hinshaw  
201 South Grand Avenue East  
Springfield, IL 62763-0001

## FOR CMS USE ONLY

16. DATE RECEIVED  
7/12/202417. DATE APPROVED  
July 2, 2025

## PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL  
10/1/2024

19. SIGNATURE OF APPROVING OFFICIAL

20. TYPED NAME OF APPROVING OFFICIAL  
Rory Howe21. TITLE OF APPROVING OFFICIAL  
Director, FMG

22. REMARKS

5-15-2025 State updated Budget impact in Block 6 from \$21,250,000 in 2025 and \$26,000,000 in 2026

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**

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- B) Effective for dates of service on or after July 1, 2014, a per diem add-on to the RUGS methodology will be included as follows:
- 1) \$0.63 for each resident that scores I4200 Alzheimer’s Disease or I4800 non-Alzheimer’s Dementia.
  - 2) \$2.67 for each resident that scores “1” or “2” in any items S1200A through S1200I and also scores in the RUG groups PA1, PA2, BA1, and BA2.
- C) Effective July 1, 2022, a variable per diem staffing add-on shall be paid to facilities with at least 70% of the staffing indicated by the STRIVE study. The add-on will be based on information from the most recent available federal staffing report, currently the Payroll Based Journal, adjusted for acuity using the same quarter’s MDS. Specifically, that percentage will reflect column headings utilized on April 1, 2022 titled “Reported total nurse staffing hours per resident per day” divided by “Case-mix total nurse staffing hours per resident per day” from the Provider Information tables available through the Federal COMPARE website.

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| 10/24 | 1) Effective October 1, 2024, facilities at 70% of the staffing indicated by the STRIVE study shall be paid a per diem of \$9, increasing by equivalent steps for each whole percentage point of improvement until the facilities reach a per diem of \$16.52.     |
| 10/24 | 2) Effective October 1, 2024, facilities at 80% of the staffing indicated by the STRIVE study shall be paid a per diem of \$16.52, increasing by equivalent steps for each whole percentage point of improvement until the facilities reach a per diem of \$25.77. |
| 10/24 | 3) Effective October 1, 2024, facilities at 92% of the staffing indicated by the STRIVE study shall be paid a per diem of \$25.77, increasing by equivalent steps for each whole percentage point of improvement until the facilities reach a per diem of \$30.98. |

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**METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES—  
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| 10/24 | 4) Effective October 1, 2024, facilities at 100% of the staffing indicated by the STRIVE study shall be paid a per diem of \$30.98, increasing by equivalent steps for each whole percentage point of improvement until the facilities reach a per diem of \$36.44.  |
| 10/24 | 5) Effective October 1, 2024, facilities at 110% of the staffing indicated by the STRIVE study shall be paid a per diem of \$36.44, 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.  |
| 10/24 | 10) Beginning October 1, 2024, the staffing percentage used in the calculation of the per diem staffing add-on shall be its PDPM STRIVE Staffing Ratio which equals: its Reported Total Nurse Staffing Hours Per Resident Per Day as published in the most recent federal staffing report (the Provider Information File), divided by the facility's PDPM STRIVE Staffing Target. Each facility's PDPM STRIVE Staffing Target is equal to .82 times the facility's Illinois Adjusted Facility Case-Mix Hours Per Resident Per Day. A facility's Illinois Adjusted Facility Case Mix Hours Per Resident Per Day is equal to its Case-Mix Total Nurse Staffing Hours Per Resident Per Day (as published in the most recent federal staffing report) times 3.662 (which reflects the national resident days-weighted mean Reported Total Nurse Staffing Hours Per Resident Per Day as calculated using the January 2024 federal Provider Information Files), divided by the national resident days-weighted mean Reported Total Nurse Staffing Hours Per Resident Per Day calculated using the most recent federal Provider Information File. |

## STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: **Illinois****METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES—  
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- 01/25 11) Beginning January 1, 2025, the staffing percentage used in the calculation of the per diem staffing add-on shall be its PDPM STRIVE Staffing Ratio which equals: its Reported Total Nurse Staffing Hours Per Resident Per Day as published in the most recent federal staffing report (the Provider Information File), divided by the facility's PDPM STRIVE Staffing Target. Each facility's PDPM STRIVE Staffing Target is equal to .7122 times the facility's Illinois Adjusted Facility Case-Mix Hours Per Resident Per Day. A facility's Illinois Adjusted Facility Case Mix Hours Per Resident Per Day is equal to its Case-Mix Total Nurse Staffing Hours Per Resident Per Day (as published in the most recent federal staffing report Provider Information file) times 3.79 (which is the Reported Total Nurse Staffing Hours Per Resident Per Day for the Nation as reported on the January 2024 State US Averages file), divided by the Reported Total Nurse Staffing Hours Per Resident Per Day for the Nation as reported in the most recent State US Averages file.
- 01/25 12) For dates beginning October 1, 2024, and through September 30, 2025, the denominator for the staffing percentage shall be the lesser of the facility's PDPM STRIVE Staffing Target and:
- (a) For the quarter beginning October 1, 2024, the sum of 20% of the facility's PDPM STRIVE Staffing Target and 80% of the facility's Case-Mix Total Nurse Staffing Hours Per Resident Per Day (as published in the January 2024 federal staffing report).
  - (b) For the quarter beginning January 1, 2025, the sum of 40% of the facility's PDPM STRIVE Staffing Target and 60% of the facility's Case-Mix Total Nurse Staffing Hours Per Resident Per Day (as published in the January 2024 federal staffing report).
  - (c) For the quarter beginning March 1, 2025, the sum of 60% of the facility's PDPM STRIVE Staffing Target and 40% of the facility's Case-Mix Total Nurse Staffing Hours Per Resident Per Day (as published in the January 2024 federal staffing report).
  - (d) For the quarter beginning July 1, 2025, the sum of 80% of the facility's PDPM STRIVE Staffing Target and 20% of the facility's Case-Mix Total Nurse Staffing Hours Per Resident Per Day (as published in the January 2024 federal staffing report).
- 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.
- 1/23 1) Effective July 1, 2022 through December 31, 2022, 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.
- 1/23 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.

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**METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES—  
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- 07/21 Notwithstanding the provisions set forth in this Section, facilities licensed by the Department of Public Health under the ID/DD Community Care Act [210 ILCS 47] or MC/DD Act [210 ILCS 46] will receive an increase to their facility rate:
1. Effective July 1, 2021, facilities will receive an increase to their reimbursement rates sufficient to provide a \$0.50 per hour wage increase for aides.
  2. Effective January 1, 2022, facilities will receive an increase to their reimbursement rates sufficient to provide a \$1.00 per hour wage increase for aides.
  3. Effective January 1, 2022, facilities will receive an increase sufficient to provide wages for all residential non-executive direct care staff, excluding aides, at the federal Department of Labor, Bureau of Labor Statistics' average wage.
- 01/23 Notwithstanding the provisions set forth in this Section, facilities licensed by the Department of Public Health under the ID/DD Community Care Act [210 ILCS 47] or MC/DD Act [210 ILCS 46] will receive an increase to their facility rate effective for dates of service on or after January 1, 2023:
1. Facilities will receive a \$1.00 per hour wage increase for all direct support personnel and all other frontline personnel who are not subject to the Bureau of Labor Statistics' average wage increases, who work in residential and community day services settings, with at least \$0.50 of those funds to be provided as a direct increase to all aide base wages, with the remaining \$0.50 to be used flexibly for base wage increases to the rate methodology for aides.
  2. Facilities will receive an increase sufficient to provide wages for all residential non-executive direct care staff, excluding aides, at the federal Department of Labor, Bureau of Labor Statistics' average wage.
  3. Employment-related expenses ratios will be updated as follows:
    - a. Aides – 29.9%
    - b. Nurses – 24.9%
    - c. Qualified Intellectual Disabilities Professionals – 28.1%
- 10/24 Notwithstanding any other provision of this Section, for facilities licensed under the Nursing Home Care Act as skilled or intermediate care facilities (SNF/ICF), effective for services beginning January 1, 2025, the real estate tax component of the payment rate shall be updated using the 2022 long term care site property tax bill included with the facility's 2023 cost report that has been filed with the department. The per diem rate shall be computed by dividing the allowable facility 2022 real estate tax bill costs reported in the 2023 cost report inflated to the midpoint of the rate year by the total number of patient days reported in the same cost report. Computation of the real estate tax component shall be based on capital days as defined in Section III.C.8.b.iii.