DEPARTMENT OF HEALTH & HUMAN SERVICES Centers for Medicare & Medicaid Services 7500 Security Boulevard, Mail Stop S2-26-12 Baltimore, Maryland 21244-1850



Center for Medicaid, CHIP, and Survey & Certification

Ms. Julie Hamos, Director Illinois Department of Health Care and Family Services 201 South Grand Avenue East Springfield, Illinois 62763-0002

JUL 1 2 2010

RE: Illinois 07-08

Dear Ms. Hamos:

We have reviewed the proposed amendment to Attachment 4.19-A of your Medicaid State plan submitted under transmittal number (TN) 07-08. Effective for services on or after July 1, 2007, this amendment revises methods and standards for establishing payment rates for nursing facility services. Specifically, this amendment proposes a change in determining the nursing component of the nursing facility rate with implementation of a minimum data set (MDS) based reimbursement methodology.

We conducted our review of your submittal according to the statutory requirements at sections 1902(a)(2), 1902(a)(13), 1902(a)(30), and 1903(a) of the Social Security Act and the implementing Federal regulations at 42 CFR 447 Subpart C. We are pleased to inform you that Medicaid State plan amendment 07-04 is approved effective July 1, 2007. We are enclosing the HCFA-179 and the amended plan pages.

If you have any questions, please call Todd McMillion at (608) 441-5344.

Sincerely,

Bell Lasousl

Cindy Mann Director Center for Medicaid, CHIP, and Survey & Certification