

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

AUG 10 2010

RE: Illinois 08-04

Dear Ms. Hamos:

We have reviewed the proposed amendment to Attachment 4.19-A of your Medicaid State plan submitted under transmittal number (TN) 08-04. Effective for services on or after January 1, 2008, this amendment provides for cost containment revisions for inpatient hospital outlier payments and allows certain children's hospital claims to be considered for outlier payments. Specifically, this amendment accomplishes cost containment by modifying the method for calculating the outlier threshold. Additionally, this amendment proposes to include inpatient hospital services provided to children who have not attained the age of 19 years and services were provided exclusively in a children's hospital in the eligible services that can qualify for outlier adjustments.

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 are pleased to inform you that Medicaid State plan amendment 08-04 is approved effective January 1, 2008. 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,

A handwritten signature in black ink that reads "Cindy Mann". The signature is written in a cursive, flowing style.

Cindy Mann
Director

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