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Julie Hamos, Director Illinois Department of Healthcare and Family Services Prescott E. Bloom Building 201 South Grand Avenue East Springfield, Illinois 62763-0001

ATTN: Greg Wilson and Mark McCurdy

Dear Ms. Hamos:

Enclosed for your records is an approved copy of the following State Plan Amendment (SPA).

Transmittal #10-009 - Requires Illinois to Contract with Recovery Audit Contractors (RAC) to Identify Underpayments and Overpayments of Medicaid Claims and to Recoup Overpayments from Medicaid Providers.

-- Effective Date: December 31, 2010

If you have any questions, please have a member of your staff contact Michelle Baldi at (312) 353-0909 or by email at Michelle.Baldi@cms.hhs.gov

Sincerely,

Verlon Johnson

Associate Regional Administrator

Division of Medicaid and Children's Health Operations

Enclosure