

## **Table of Contents**

**State/Territory Name: IL**

**State Plan Amendment (SPA) #: 12-020**

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**

**DEC 01 2014**

Ms. Julie Hamos, Director  
Illinois Department of Healthcare and Family Services  
Prescott E Bloom Building  
201 South Grand Avenue East  
Springfield IL 62763-0002

RE: Illinois State Plan Amendment (SPA) 12-020

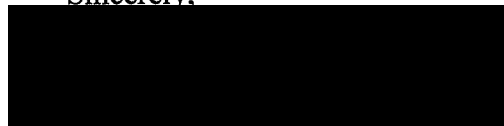
Dear Ms. Hamos:

We have reviewed the proposed amendment to Attachment 4.19-D of your Medicaid State plan submitted under transmittal number (TN) 12-020. Effective for services on or after July 1, 2012, this amendment eliminates the add-on reimbursement for delivery of psychiatric rehabilitation services to individuals with mental illness residing in nursing facilities (NFs), which was \$10 per day. It also reduces reimbursement rates for NFs including: the nursing rate for residents classified as RUG-IV PA1, PA2, BA1, or BA2 are reduced by 10%, rates for residents classified as all other RUGs are reduced by 1%, and NF rates for the support and capital components are reduced by 1.7%. Additionally, this amendment is also reducing the nursing, socio-development, capital and support components of the rates for Institutions for Mental Disease (IMDs) by 2.7%.

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 regulations at 42 CFR 447 Subpart C. We hereby inform you that Medicaid State plan amendment 12-020 is approved effective July 1, 2012. We are enclosing the CMS-179 and the amended plan pages.

If you have any questions, please contact Michelle Beasley at (312) 353-3746 or via email at [Michelle.Beasley@cms.hhs.gov](mailto:Michelle.Beasley@cms.hhs.gov).



Sincerely,



Timothy Hill  
Director

A handwritten signature in black ink, appearing to be "T Hill", is written over the printed name and title.

Enclosure

<b>TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTER FOR MEDICARE AND MEDICAID SERVICES</b>	1. TRANSMITTAL NUMBER <b>12-020</b>	2. STATE: <b>ILLINOIS</b>
	3. PROGRAM IDENTIFICATION: <b>Title XIX of the Social Security Act (Medicaid)</b>	
TO: REGIONAL ADMINISTRATOR CENTERS FOR MEDICARE AND MEDICAID SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES	4. PROPOSED EFFECTIVE DATE: <b>July 1, 2012</b>	
5. TYPE OF PLAN MATERIAL (Check One) <input type="checkbox"/> NEW STATE PLAN <input type="checkbox"/> AMENDMENT TO BE CONSIDERED AS NEW PLAN <input checked="" type="checkbox"/> AMENDMENT		
COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)		
6. FEDERAL STATUTE/REGULATION CITATION: <b>Section 1902 of the Social Security Act</b>	7. FEDERAL BUDGET IMPACT a. FFY <b>2012</b> <b>(\$3.0 million)</b> b. FFY <b>2013</b> <b>(\$12.2 million)</b>	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: <b>Attachment 4.19-D, Pages 76 and 120</b>	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable): <b>Attachment 4.19-D, Pages 76 and 120</b>	
10. SUBJECT OF AMENDMENT: <b>Long Term Care Rate Modifications</b>		
11. GOVERNOR'S REVIEW (Check One) <input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL <input checked="" type="checkbox"/> OTHER, AS SPECIFIED: Not submitted for review by prior approval.		
12. SIGNATURE OF AGENCY OFFICIAL: 	16. RETURN TO: <b>Department of Healthcare and Family Services Bureau of Program and Reimbursement Analysis Attn: Theresa Eagleson 201 South Grand Avenue East Springfield, IL 62763-0001</b>	
13. TYPED NAME: <b>Julie Hamos</b>		
14. TITLE: <b>Director of Healthcare and Family Services</b>		
15. DATE SUBMITTED: <b>8-24-12</b>		
<b>FOR REGIONAL OFFICE USE ONLY</b>		
17. DATE RECEIVED:	18. DATE APPROVED: <b>DEC 01 2014</b>	
PLAN APPROVED—ONE COPY ATTACHED		
19. EFFECTIVE DATE OF APPROVED MATERIAL: <b>JUL 01 2012</b>	20. SIGNATURE OF REGIONAL OFFICIAL: 	
21. TYPED NAME: <b>Kristen FAN</b>	22. TITLE: <b>Deputy Director, PMG</b>	
23. REMARKS:		

State: Illinois

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT  
METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES—  
REIMBURSEMENT TO LONG TERM CARE FACILITIES

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- (D) A psychologist with at least a master's degree in psychology from an accredited school;
  - (E) A social worker with a bachelor's degree from a college or university or graduate degree from a school of social work accredited or approved by the Council on Social Work Education or another comparable body;
  - (F) A human services professional with at least a bachelor's degree in a human services field (including, but not limited to: sociology, special education, rehabilitation counseling and psychology).
- c. Assessment and Other Program Services
- i. A comprehensive functional assessment that identifies an individual's needs must be performed as needed to supplement any preliminary evaluations conducted prior to admission to a nursing facility.
  - ii. Psychiatric rehabilitation services program reimbursement includes other program costs, including program-related supplies, consultants and other items necessary for the delivery of psychiatric rehabilitation services to clients in accordance with their individual program plans.
  - iii. ~~Total program add-on reimbursement for delivery of psychiatric rehabilitation services to individuals with mental illness residing in nursing facilities will be ten dollars (\$10) per day, per individual being served. Facility eligibility for psychiatric rehabilitation services program reimbursement is dependent upon the facility meeting all criteria.~~

07/12

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TN # 12-020  
Supersedes  
TN # 98-03

Approval date: / DEC 01 2014 Effective date: 07/01/2012

State: Illinois

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

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

- 08/08 Notwithstanding any other provision of this Section, the socio-development component for facilities that are classified as institutions for mental diseases shall equal 6.6% of the facility's nursing component rate as of January 1, 2006, multiplied by a factor of 3.53.
- 05/11 Notwithstanding the provisions set forth for maintaining rates at the levels in effect on January 18, 1994, for services beginning May 1, 2011, facilities that are federally defined as Institutions for Mental Disease (IMD) will have the nursing component of their rate calculated using the MDS methodology, and will also receive an increase to their socio-development component rate. The socio-development component rate increase will be equal to two-thirds of the difference between the highest nursing rate among the Medicaid certified IMD facilities and the individual IMD's nursing rate.
- 07/12 Notwithstanding any other provisions of the Section, for dates of service on or after July 1, 2012, the nursing facilities not otherwise designated as ICF/DDs, including skilled nursing facilities for persons under 22 years of age (SNF/Ped), shall have rates effective May 1, 2011, reduced as follows:
1. Individual nursing rate for residents classified as Resource Utilization Groups IV (RUG-IV), PA1, PA2, BA1, and BA2, during the quarter ending March 31, 2012, shall be reduced by 10 percent. Nursing facility residents are classified into distinct groups (RUGs) based upon the Minimum Data Set (MDS) assessment tool, which contains extensive information on the resident's nursing and therapy needs, activities of daily living impairments, cognitive status, behavioral problems and medical diagnoses.
  2. Individual nursing rates for residents classified in all other RUG-IV groups shall be reduced by 1.0 percent.
  3. Facility rates for support and capital components shall be reduced by 1.7 percent.
  4. The portion of the rate or payment paid to a provider that is operated by a unit of local government and provides the non-federal share of such services, shall not be further reduced.
- 07/12 Notwithstanding any other provisions of this Section, for dates of service on or after July 1, 2012, nursing facilities designated as Institutions for Mental Disease shall have their nursing, socio-development, capital and support components of their rate effective May 1, 2011, reduced in total by 2.7%.

VII. Public Notice Process

- 01/99 The Department has in place a public process, which complies with the requirements of Section 1902(a)(13)(A) of the *Social Security Act*.