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State/Territory Name: IL

State Plan Amendment (SPA) #: 14-0027

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

Disabled & Elderly Health Programs Group

OCT 17 2014

Ms. Julie Hamos
Director of Healthcare and Family Services
Department of Healthcare and Family Services
Bureau of Program and Reimbursement Analysis
201 South Grand Avenue East
Springfield, IL 62763-0001

Attn: Theresa Eagleson

Dear Ms. Hamos,

We have reviewed Illinois State Plan Amendment (SPA) 14-0027, MIPPA Provisions – Outpatient Drug Coverage, received in the Chicago Regional Office on October 9, 2014. This amendment proposes to allow federal qualified health centers (FQHCs) and rural health clinics (RHCs) to be reimbursed under an alternate payment methodology for Long Acting Reversible Contraceptives (LARCs) and non-surgical, transcervical permanent female contraceptive devices.

Based on the information provided, we are pleased to inform you that Illinois SPA 14-0027 is approved, effective October 1, 2014. The Chicago Regional Office will forward to you a copy of the signed CMS-179 form as well as the SPA pages approved for incorporation into the Illinois state plan. If you have any questions regarding this amendment, please contact Bernadette Leeds at (410) 786-9463.

Sincerely,



John M. Coster, Ph.D., R.Ph.
Director
Division of Pharmacy

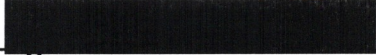
cc: Theresa Eagleson, Department of Healthcare and Family Services
Verlon Johnson, ARA, Chicago Regional Office
Catherine Song, Chicago Regional Office

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTER FOR MEDICARE AND MEDICAID SERVICES	1. TRANSMITTAL NUMBER 14-0027	2. STATE:- ILLINOIS
	3. PROGRAM IDENTIFICATION: Title XIX of the Social Security Act (Medicaid)	
TO: REGIONAL ADMINISTRATOR CENTERS FOR MEDICARE AND MEDICAID SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES	4. PROPOSED EFFECTIVE DATE: October 1, 2014	

5. TYPE OF PLAN MATERIAL (Check One)

NEW STATE PLAN AMENDMENT TO BE CONSIDERED AS NEW PLAN AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)

6. FEDERAL STATUTE/REGULATION CITATION: Section 1902 of the Social Security Act	7. FEDERAL BUDGET IMPACT a. FFY 2014 \$0.0 b. FFY 2015 \$0.0
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Attachment 4.19-B, Page 32A	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable): Attachment 4.19-B, Page 32A
10. SUBJECT OF AMENDMENT: FQHC/RHC Reimbursement – Contraceptive Devices	
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: Department of Healthcare and Family Services Bureau of Program and Reimbursement Analysis Attn: Mary Doran 201 South Grand Avenue East Springfield, IL 62763-0001
13. TYPED NAME: Julie Hamos	
14. TITLE: Director of Healthcare and Family Services	
15. DATE SUBMITTED 9/29/14	

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED: 9/29/14	18. DATE APPROVED: 10/17/14
PLAN APPROVED—ONE COPY ATTACHED	
19. EFFECTIVE DATE OF APPROVED MATERIAL: 10/1/14	20. SIGNATURE OF REGIONAL OFFICIAL: /s/
21. TYPED NAME Verlon Johnson	22. TITLE: Associate Regional Administrator
23. REMARKS:	

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Illinois

**METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES—
OTHER TYPE OF CARE—BASIS FOR REIMBURSEMENT**

- 10/14 f. FQHC/RHC Long Acting Reversible Contraceptives (LARCs) and Non-surgical, Transcervical Permanent, Female Contraceptive Devices.
- Effective for dates of service on or after October 13, 2012, FQHCs and RHCs, as described in subsection (2)(a), may elect to receive reimbursement for LARCs (specifically intrauterine devices and single rod implantable devices) for contraceptive purposes.
- Effective for dates of service on or after October 1, 2014, FQHCs and RHCs, as described in subsection (2)(a), may elect to receive reimbursement for non-surgical transcervical permanent contraceptive devices.
- Reimbursement for the LARCs and transcervical permanent contraceptive devices shall be made in accordance with the following:
- i. To the extent that the LARCs or transcervical permanent contraceptive devices were purchased under the 340B Drug Pricing Program, the FQHC or RHC must bill the actual acquisition cost for the device.
 - ii. Reimbursement shall be made at the FQHC or RHC's actual 340B acquisition cost for LARCs and transcervical permanent contraceptive devices purchased through the 340B program. For LARCs and transcervical permanent contraceptive devices not purchased through the 340B program, reimbursement shall be made at the lower of the provider's charges or the rate on the Department's practitioner fee schedule, whichever is applicable.
 - iii. Reimbursement is separate from any encounter payment the FQHC or RHC may receive for LARCs or transcervical permanent contraceptive devices.

TN # 14-0027
Supersedes
TN # 12-026

Approval date: 10/17/14

Effective date: 10/01/2014