

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
7500 Security Boulevard, Mail Stop S2-25-26
Baltimore, Maryland 21244-1850



State Demonstrations Group

June 28, 2024

Kelly Cunningham
Medicaid Administrator
Illinois Department of Healthcare and Family Services
201 South Grand Ave. East
Springfield, IL 62763-0001

Dear Director Cunningham:

This letter is to inform you that the Centers for Medicare & Medicaid Services (CMS) has approved a temporary extension of the state's section 1115 demonstration, entitled "Behavioral Health Transformation" (Project Number 11-W-00316/5), in order to allow the state and CMS to continue negotiations over the state's demonstration extension application submitted on June 23, 2023. This demonstration will now expire on July 12, 2024.

CMS's approval is conditioned upon the state's continued compliance with the special terms and conditions (STC) defining the nature, character, and extent of anticipated federal involvement in the project. The current STCs and expenditure authorities will continue to apply during the temporary extension of this demonstration. The state's current budget neutrality agreement and per member per month amounts (as of Demonstration Year 5) will continue to apply as described in the STCs, until July 12, 2024, or until the demonstration is extended, whichever is sooner. The state will not earn budget neutrality savings during this temporary extension period.

For the temporary extension period, the state must continue to monitor its demonstration as stipulated in the current STCs. In addition, the state is required to include the temporary extension period in its demonstration evaluation. The state may choose to include the temporary extension period within its summative evaluation for the demonstration approval period beginning July 1, 2018. Alternatively, if CMS approves an extension beyond July 12, 2024, the state may choose to include the temporary extension period in its Evaluation Design and activities for the next full demonstration approval period.

Your CMS project officer for this demonstration is Jonathan Morancy. He is available to answer any questions concerning your section 1115 demonstration and can be reached at Jonathan.Morancy@cms.hhs.gov. If you have questions regarding this communication, please contact me at (410) 786-9686.

Sincerely,

Jacey Cooper
Director

cc: Courtenay Savage, State Monitoring Lead, Medicaid and CHIP Operations Group