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State/Territory Name: Illinois

State Plan Amendment (SPA) #: 22-0004

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 S2-26-12
Baltimore, Maryland 21244-1850



FINANCIAL MANAGEMENT GROUP

Division of Reimbursement Review

April 6, 2022

Theresa Eagleson, Director
Illinois Department of Healthcare and Family Services
201 South Grand Avenue East, 3rd Floor
Springfield, IL 62763-0001

RE: State Plan Amendment 22-0004

Dear Ms. Eagleson:

We have reviewed the proposed amendment to your Medicaid State plan submitted under transmittal number 22-0004. This amendment proposes to increase mental health rates for 2022.

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 implementing Federal regulations at 42 CFR 447 Subpart C. We have found that the proposed reimbursement methodology complies with applicable requirements and therefore have approved them with an effective date of January 1, 2022.

If you have any questions, please contact Debi Benson at Deborah.Benson@cms.hhs.gov.

Sincerely,

Todd McMillion
Director
Division of Reimbursement Review

Enclosure

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES		1. TRANSMITTAL NUMBER 2 2 — 0 0 0 4	2. STATE IL
		3. PROGRAM IDENTIFICATION: TITLE OF THE SOCIAL SECURITY ACT <input checked="" type="radio"/> XIX <input type="radio"/> XXI	
TO: CENTER DIRECTOR CENTERS FOR MEDICAID & CHIP SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES		4. PROPOSED EFFECTIVE DATE January 1, 2022	
5. FEDERAL STATUTE/REGULATION CITATION 42 CFR 440.40		6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars) a. FFY 2022 \$ 4,061,250 b. FFY 2023 \$ 5,400,000	
7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT Attachment 4.19-B, Page 36, 37B, 38, 39A		8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (if Applicable) Attachment 4.19-B, Page 36, 37B, 38, 39A	

9. SUBJECT OF AMENDMENT
Rate increase for mental health and substance use disorder services

10. GOVERNOR'S REVIEW (Check One)

GOVERNOR'S OFFICE REPORTED NO COMMENT
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

OTHER, AS SPECIFIED:

11. SIGNATURE OF STATE AGENCY OFFICIAL	15. RETURN TO Department of Healthcare and Family Services Bureau of Program and Policy Coordination Attn: Mary Doran 201 South Grand Avenue East Springfield, IL 62763-0001
12. TYPED NAME Theresa Eagleson	
13. TITLE Director of Healthcare and Family Services	
14. DATE SUBMITTED 2/17/2022	

FOR CMS USE ONLY

16. DATE RECEIVED February 17, 2022	17. DATE APPROVED April 6, 2022
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PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL January 1, 2022	19. SIGNATURE OF APPROVING OFFICIAL
20. TYPED NAME OF APPROVING OFFICIAL Todd McMillion	21. TITLE OF APPROVING OFFICIAL Director, Division of Reimbursement Review

22. 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**

07/12 21. REHABILITATIVE SERVICES:

Mental Health Rehabilitative Services

07/18 For services found under Attachment 3.1-A, Mental Health Rehabilitative Services, the state pays the lesser of: 1) provider charges, or 2) the maximum fee schedule rate for mental health rehabilitative services.

01/22 Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers of mental health rehabilitative services. The agency's fee schedule rate was set as of January 1, 2022, and is effective for services provided on or after that date. All rates are published on the HFS website at <http://www.illinois.gov/hfs/MedicalProviders/MedicaidReimbursement/>

The fee schedule shall detail the unit of service, rate of reimbursement and applicable modifiers. The rates do not include costs related to room and board or any other unallowable facility costs.

Assertive Community Treatment (ACT), Community Support and Mobile Crisis Response services are reimbursed using a bundled payment methodology (i.e. single rate for multiple levels of different practitioners or clinical activities). The agency shall establish procedures to annually review provider costs and service expenditures to ensure that beneficiaries receive the types, quantity and intensity of services to meet their medical needs and that rates are economic and efficient.

The services will be monitored via encounter data to ensure adequate service mix. Services must meet the LPHA recommendations from the service plan.

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**

21. REHABILITATIVE SERVICES

Mental Health Services, continued

07/19 Effective for dates of service July 1, 2019 and after, providers of Mental Health Rehabilitative Services will receive an add-on payment. The procedure codes and reimbursement rates subject to the add-on payment are published in the Community Based Behavioral Services Fee Schedule located at <http://www.illinois.gov/hfs/MedicalProviders/MedicaidReimbursement/Pages/CMHP.aspx>

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

09/20 21. REHABILITATIVE SERVICES

Substance Use Disorder Residential Treatment Services

- a. Reimbursement for substance use disorder (SUD) residential treatment services is made through daily payment rates established by the state. The daily payment rates are made for each day of patient care, not including the day of discharge. Reimbursement rates are based on aggregated cost data from providers of SUD residential treatment services and include direct service costs, including salaries, wages, and benefits of direct service personnel, and non-personnel operating costs, including costs for program related supplies and general administration costs. Room and board costs are not reimbursable.

Daily payment rates have been established for the following services:

- Substance Use Disorder Treatment, Medically Monitored Withdrawal Management; ASAM Level 3.7
- Substance Use Disorder Treatment, Adult Day Treatment; ASAM Level 3.5
- Substance Use Disorder Treatment, Adolescent Day Treatment; ASAM Level 3.5
- Substance Use Disorder Treatment, Adolescent Psychiatric Rehabilitation Treatment Facility (PRTF); ASAM Level 3.5 – Adolescent

01/22

The rates are established as part of the state-developed fee schedule for both governmental and private providers. The rates were set as of January 1, 2022 and are effective for services provided on or after that date. Rates are published at <https://www.illinois.gov/hfs/MedicalProviders/MedicaidReimbursement/>.

For providers, where the updated standard rates result in projected lower overall reimbursement for the services providers are currently licensed to provide, effective September 1, 2020, any existing rate in place on August 31, 2020 will remain in place and not subject to any future increase until the standard rate for that service reaches the same level for all other organizations.

- b. Reserved.

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

21. REHABILITATIVE SERVICES

Substance Use Disorder Treatment, continued

- 01/22 d. Medication Assisted Treatment (MAT) – Reimbursement for medical administration of Methadone as a medical adjunct to substance use disorder treatment is made on a weekly per patient case rate. The rate is established as part of the state-developed fee schedule for both governmental and private providers of MAT. The agency’s fee schedule rate was set as of January 1, 2022, and is effective for services provided on or after that date.

All rates are published at

<https://www.illinois.gov/hfs/MedicalProviders/MedicaidReimbursement/>

The fee schedule for MAT considers cost components associated with: 1) Managing the medical plan of care; 2) Ordering the drug; 3) Nursing services related to administration; 4) Administration of the drug; 5) Coordination with other MRO Substance Use Disorder (SUD) services; and 6) Actual drug cost per dose.

- 01/17 The initial medical examination, additional medical services rendered by a practitioner, laboratory services provided by an outside laboratory, and other MRO SUD services are reimbursed separately (not part of the Medication Assisted Treatment bundle) when the services and the provider of the services meet the requirements specified in the state plan.

- 01/22 e. Substance Use Disorder Treatment Rate Increase – Rates in effect on December 31, 2021, shall be increased by 2%, effective for dates of services on or after January 1, 2022, for the following services:

- Outpatient care
- Day Treatment and Medically Monitored Withdrawal Management provided in a facility setting as a per diem payment
- Psychiatric evaluation services
- Medication Assisted Treatment

The fee schedule rate was set as of January 1, 2022 and is effective for services provided on or after that date. Rates are published at

<https://www.illinois.gov/hfs/MedicalProviders/MedicaidReimbursement/>