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State/Territory Name: Illinois

State Plan Amendment (SPA) #: 22-0028

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS Form 179
- 3) Approved SPA Page

DEPARTMENT OF HEALTH & HUMAN SERVICES

Centers for Medicare & Medicaid Services
601 E. 12th St., Room 355
Kansas City, Missouri 64106



Medicaid and CHIP Operations Group

November 16, 2022

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

Re: Illinois State Plan Amendment (SPA) 22-0028


Dear Ms. Eagleson:

The Centers for Medicare & Medicaid Services (CMS) reviewed your Medicaid State Plan Amendment (SPA) submitted under transmittal number (TN) 22-0028. This amendment proposes to waive any claim against the first \$25,000 of an estate as not cost-effective.

We conducted our review of your submittal according to statutory requirements in Title XIX of the Social Security Act and implementing regulations. This letter is to inform you that Illinois Medicaid SPA 22-0028 was approved on November 16, 2022, with an effective date of July 1, 2022.

If you have any questions, please contact Courtenay Savage at 708-567-2048 or via email at Courtenay.Savage@cms.hhs.gov.

Sincerely



Ruth A. Hughes, Acting Director
Division of Program Operations

Enclosures

cc: Kelly Cunningham
Mary Doran

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL
FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES**

1. TRANSMITTAL NUMBER <u>2 2 — 0 0 2 8</u>	2. STATE <u>IL</u>
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
July 1, 2022

5. FEDERAL STATUTE/REGULATION CITATION
42 CFR 433.36


6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)
a. FFY 2022 \$ 300,000
b. FFY 2023 \$ 1,187,500

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT
Attachment 4.17-A, Page 3

8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable)
Attachment 4.17-A, Page 3

9. SUBJECT OF AMENDMENT
Estate recovery claims threshold.

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


12. TYPED NAME
Theresa Eagleson

13. TITLE
Director of Healthcare and Family Services

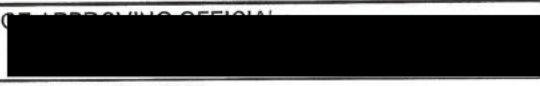
14. DATE SUBMITTED
8/23/22

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

FOR CMS USE ONLY

16. DATE RECEIVED August 23, 2022	17. DATE APPROVED November 16, 2022
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PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL July 1, 2022	19. SIGNATURE OF APPROVING OFFICIAL 
20. TYPED NAME OF APPROVING OFFICIAL Ruth A. Hughes	21. TITLE OF APPROVING OFFICIAL Acting Director, Division of Program Operations

22. REMARKS

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Illinois

LIENS AND ADJUSTMENTS OR RECOVERIES

- Discharge from the medical institution and return home

The attending physician has signed an order for discharge from the nursing home, following which the individual has returned to reside in their home. When a person is discharged and returns home, the State's lien is released.

4. The State defines undue hardship as follows:

Undue hardship exists when the State's recovery from a decedent's estate would cause an heir or beneficiary of the estate to become or remain eligible for a public benefit program, such as SSI, TANF or Food Stamps.

5. The following standards and procedures are used by the State for waiving estate recoveries when recovery would cause an undue hardship, and when recovery is not cost-effective:

The State has determined via HB 4343 (PA 102-1037) that the cost-effectiveness threshold for estate recovery claims is \$25,000. The legislature determined that this cost-effectiveness threshold is required to prevent substantial and unreasonable hardship. Therefore, the State shall waive any claim against the first \$25,000.00 of an estate as not cost-effective. The State shall consider the gross assets in the estate, including, but not limited to, the net value of real estate less mortgages or liens with priority over the Department's claims.

The State will waive estate recovery based on undue hardship if pursuing recovery from a decedent's estate would cause an heir or beneficiary of the estate to become or remain eligible for a public benefit program, such as SSI, TANF or Food Stamps.

6. The State defines cost-effective as follows (include methodology/thresholds used to determine cost-effectiveness):

The State does not make a cost effectiveness determination shall waive any claim against the first \$25,000.00 of an estate as not cost-effective per state statute (PA 102-1037).

7. The State uses the following collection procedures (include specific elements contained in the advance notice requirement, the method for applying for a waiver, hearing and appeals procedures, and time frames involved):

When the State learns of the death of a client, the case is reviewed to determine the value of the estate and whether there are heirs.