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State/Territory Name: IL

State Plan Amendment (SPA) #: 24-0010

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



Financial Management Group

June 24, 2024

Elizabeth M. Whitehorn, Director
Illinois Department of Healthcare and Family Services
201 South Grand Avenue East, 3rd Floor
Springfield, IL 62763-0001

RE: TN 24-0010

Dear Ms. Whitehorn:

The Centers for Medicare & Medicaid Services (CMS) has reviewed the proposed Illinois state plan amendment (SPA) to Attachment 4.19-A IL-24-0010, which proposes to increase Graduate Medical Education (GME) payments to freestanding children's hospitals.

We reviewed your SPA submission for compliance with statutory requirements, including in sections 1902(a)(2), 1902(a)(13), 1902(a)(30), 1903 as it relates to the identification of an adequate source for the non-federal share of expenditures under the plan, as required by 1902(a)(2) of the Social Security Act and the applicable implementing Federal regulations.

Based upon the information provided by the state, we have approved the amendment with an effective date of April 1, 2024. We are enclosing the approved CMS-179 and a copy of the new state plan pages.

If you have any additional questions or need further assistance, please contact Fred Sebree at via email at fredrick.sebree@cms.hhs.gov.

Sincerely,



Rory Howe
Director
Financial Management Group

Enclosures

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

1. TRANSMITTAL NUMBER

2 4 — 0 0 1 0

2. STATE

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3. PROGRAM IDENTIFICATION: TITLE OF THE SOCIAL

SECURITY ACT

☒ XIX☐ XXI

4. PROPOSED EFFECTIVE DATE

April 1, 2024

TO: CENTER DIRECTOR

CENTERS FOR MEDICAID & CHIP SERVICES

DEPARTMENT OF HEALTH AND HUMAN SERVICES

5. FEDERAL STATUTE/REGULATION CITATION

42 CFR 447 Subpart C

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)

a. FFY 2024 \$ 2,650,000b. FFY 2025 \$ 5,300,000

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

Attachment 4.19-A, page 136

8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION
OR ATTACHMENT (If Applicable)

Attachment 4.19-a, page 136

9. SUBJECT OF AMENDMENT

Increase in GME payments to freestanding children's hospitals.

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
Kelly Cunningham13. TITLE
Administrator Division of Medical Programs14. DATE SUBMITTED
March 28, 2024

15. RETURN TO

Department of Healthcare and Family Services

Bureau of Program and Policy Coordination

Attn: Kati Hinshaw

201 South Grand Avenue East Springfield, IL 62763-0001

FOR CMS USE ONLY

16. DATE RECEIVED
3/28/202417. DATE APPROVED
June 24, 2024

PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL
4/1/2024

19. SIGNATURE OF APPROVING OFFICIAL

20. TYPED NAME OF APPROVING OFFICIAL
Rory Howe21. TITLE OF APPROVING OFFICIAL
Director, FMG

22. REMARKS

STATE PLAN UNDER TITLE XIX OF THE *SOCIAL SECURITY ACT*

State: Illinois

**METHODS AND STANDARDS FOR ESTABLISHING INPATIENT RATES FOR HOSPITAL REIMBURSEMENT;
MEDICAL ASSISTANCE-GRANT (MAG) and MEDICAL ASSISTANCE-NO GRANT (MANG)**

- C. Payment. A qualifying hospital shall receive a payment that is the product of the following factors:
1. the lesser of:
 - a. the sum of the hospital's annualized Medicaid Intern Resident Cost and annualized Medicaid IME payment, or
 - b. the product of:
 - i. the number of interns and residents as reported on Worksheet S3, Part 1, Col 9, line 14, and
 - ii. 120% of the statewide average cost per intern and resident for all eligible hospitals
 2. For payments through December 31, 2022, 22.6 percent.
 3. For payments on or after January 1, 2023:
 - a. 35 percent for safety net hospitals or hospitals with 100 or more Full Time Equivalent Residents and Interns, as reported on the hospital's Medicare cost report ending in Calendar year 2018; or
 - b. 30 percent.
 4. For payments on or after April 1, 2024, for a children's hospital, as defined in Chapter II.C.3.a, 100 percent.