

**PROPOSED CHANGES IN METHODS AND STANDARDS
FOR ESTABLISHING MEDICAL ASSISTANCE PAYMENT RATES**

**STATE OF ILLINOIS
DEPARTMENT OF HEALTHCARE AND FAMILY SERVICES**

The Illinois Department of Healthcare and Family Services (HFS) is proposing a change in the methods and standards by which the Department will reimburse providers. The proposed change is effective for dates of service on or after July 1, 2017 and is addressed below.

The Department of Healthcare and Family Services implemented the potentially preventable readmission (PPR) policy January 1, 2013 as required by Public Act 97-689.

For purposes of determining PPRs, the Department currently excludes from its admissions data individuals enrolled in managed care entities (MCE). Because the Medicaid environment has shifted from a fee-for-service (FFS) delivery system to managed care, any analysis of FFS data alone would not be considered objective. Effective July 1, 2017, the Department will begin analyzing fee-for-service and encounter data from both providers and the MCE, and penalty payments for FY18 and after will cease. The cost reconciliations for the previous fiscal years through fiscal year 2017 will still be completed and any penalties owed for those fiscal years will be due.

Estimated fiscal impact to the Department is \$5 million annually.

The proposed change is subject to approval by the federal Centers for Medicare and Medicaid Services and may be modified or revised during the approval process.

Any interested party may submit questions or comments concerning these proposed changes in reimbursement methods and standards. All questions or comments must be submitted in writing within thirty (30) days of the publication date of this notice and addressed to:

Bureau of Program and Policy Coordination
Division of Medical Programs
Healthcare and Family Services
201 South Grand Avenue East
Springfield, IL 62763-0001
E-mail address: HFS.bpra@illinois.gov

This notice may be viewed at the DHS local offices (except in Cook County). In Cook County, the notice and clarification may be reviewed at the Office of the Director, Illinois Department of Healthcare and Family Services, 401 South Clinton Street, 1st Floor, Chicago, Illinois. Comments received regarding this notice shall be published on the HFS web site at <http://www.illinois.gov/hfs/info/legal/PublicNotices/Pages/>.

This notice is being provided in accordance with federal requirements found at 42 *CFR* 447.205.