



January 7, 2022

Below are several Medicaid updates from the Illinois Dept. of Healthcare and Family Services (HFS) concerning hospital and health system behavioral healthcare. Questions or comments on Public Notices summarized below may be submitted 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](mailto:HFS.bpra@illinois.gov)

#### Removal of 60-Day Detox Readmission Penalty

On Dec. 22, HFS posted a [Public Notice](#) proposing to remove the 60-day readmission prohibition for patients who present at a hospital for alcohol or drug-induced detoxification, if that client was discharged from a hospital within 60 days for treatment of such services. The proposed change is pursuant to [Public Act \(PA\) 102-0043](#). HFS estimates that this change will increase Medicaid expenditures by \$26 million annually. HFS has proposed that the change take place for dates of service on or after Jan. 1, 2022.

As background, PA102-0043 added a sunset date of June 30, 2021 to a requirement in the Public Aid Code that HFS impose concurrent review for inpatient detoxification. The provision was originally implemented as a cost-cutting measure by the Save Medicaid Access and Resources Together (SMART) Act in 2012. IHA strongly supported the reversal of the SMART Act measure limiting reimbursement for inpatient detoxification based on past advocacy. The final language in PA102-0043 was negotiated by IHA, HFS, Illinois Association of Medicaid Health Plans, and the Association of Safety-Net Hospitals. Questions or comments may be submitted by Friday, Jan. 21.

#### Community Mental Health Rate Increase

On Dec. 21, HFS issued a [Public Notice](#) proposing a rate increase to providers of mental health services beginning Jan. 1, 2022. On Jan. 3, HFS issued a [Provider Notice](#) clarifying that the Department is increasing the base rate for all Medicaid covered mental health services covered under the [Community Based Services fee schedule](#) (issued Oct. 10, 2021) by 2% with the following exceptions:

- The base rate for Assertive Community Treatment services will be increased by 5%;
- The Telemedicine Originating Site Facility Fee will not receive a rate increase; and
- The state-funded Family Support Program services will not receive a rate increase.

The rate increase does not apply to hospital inpatient psychiatric services (Category of Service 21) or psychiatric ambulatory services (Categories of Service 27 and 28).

The proposed change is estimated to increase Medicaid expenditures by \$8.7 million annually for services provided through fee-for-service or managed care organizations. Questions or comments may be submitted by Thursday, Jan. 20.

#### Substance Use Provider Rate Increase

On Dec. 21, HFS issued a [Public Notice](#) proposing a 2% rate increase for the Dept. of Human Services' Division of Substance Use Prevention and Recovery Providers (DHS-SUPR) beginning Jan. 1, 2022. The rate increase applies to all Medicaid and

non-Medicaid contract reimbursement rates. For covered services and corresponding base rates subject to the 2% rate increase, see the:

- [Fiscal Year 2021 SUPR Policy Manual for Participants Covered Under HFS Medical Programs \(p.7\)](#) for Medicaid rates; and
- [Fiscal Year 2022 DHS-SUPR Contractual Policy Manual](#) for non-Medicaid contract reimbursement rates.

The rate increase does not apply to hospital inpatient detoxification (Level IV-D Medically Monitored Inpatient Withdrawal Management). The proposed change is estimated to increase Medicaid expenditures by \$2.13 million annually for services provided through fee-for-service or managed care organizations.

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