

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**

32. ALTERNATIVE REIMBURSEMENT METHODOLOGY FOR SERVICES PROVIDED
BY A STATE AGENCY OR A UNIT OF LOCAL GOVERNMENT.

- a. For certain services provided by a (a) government-operated entity that is not a hospital, long term care facility, or cost-reporting clinic and (b) government-employed (including contractually-employed) practitioners, the State or local government agency operating that entity or employing the practitioner may elect to enter into an interagency or intergovernmental agreement, as appropriate, with the Department that specifies the responsibilities of the two parties with respect to services provided by the entity or practitioner and the funding thereof, including the certification of the expenditure of public funds by the agency in support of such services.
- b. The covered services to which this alternative methodology is available include: dental services; rehabilitation services; case management services; home health services; podiatric services; chiropractic services; physical, occupational, and speech therapy services; transportation services, family planning services; optometric services; Healthy Kids services; nurse midwife services; certified nurse practitioner services; respiratory care services; and services provided by a certified local public health department.
- c. The reimbursement rate shall be cost incurred by the government agency. The cost shall be computed, on a claim-by-claim basis, as the product of the provider's charge for the service; multiplied by the agency-specific cost-to-charge factor for that service.
- d. The cost-to-charge factor shall be quotient of the difference of the government agency's documented expenditures for the services provided, less any funds derived from a federal funding source and any funds otherwise used as State or local match for other federal funds, divided by the total charges for services provided. The cost-to-charge factor shall be determined annually from charge, expenditure, and reimbursement information certified by the State or local government agency that operated the entity, or employed a practitioner. The certification shall be completed at the end of the agency's fiscal year. It shall be prepared and transmitted in a form and format specified by the DPA.