

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

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

Date: September 28, 2026

The Illinois Department of Healthcare and Family Services (HFS) is proposing changes in the methods and standards for setting payment rates for reimbursing providers. The proposed changes are effective for dates of service on or after January 1, 2027.

The Department is proposing changes to two reimbursement methodologies for nursing facility providers:

1. A \$2.25 rate increase to the variable per diem staffing add-on payments for facilities with at least 80% of the staffing indicated by the STRIVE study; and
2. The following changes to the Medicaid Access Adjustment:
 - a. Extending the adjustment payment through December 31, 2029;
 - b. Expanding the qualifying criteria to facilities located outside of rate areas 6, 7, and 8 that have Medicaid bed days of at least 65% of all occupied bed days; and
 - c. Increasing the adjustment rate to \$10.30 per day for facilities with at least 70% of the staffing indicated by the STRIVE study.

The Department estimates these changes will increase expenditures annually on services provided through fee-for-service or through managed care organizations by the following amounts:

- Strive Adjustment: \$26.2 million
- Medicaid Access Adjustment: \$78.5 million

These proposed changes are 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. Comments received regarding this notice shall be published on the HFS web site at <https://hfs.illinois.gov/info/legal/publicnotices.html>. It is recommended to include the name of the public notice in the subject line. 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.BPPC@illinois.gov

The notice may be viewed at the DHS local offices (except in Cook County). In Cook County, the notice may be reviewed at the Office of the Director, Illinois Department of Healthcare and Family Services, 401 South Clinton Street, 1st Floor, Chicago, Illinois.

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