

Bureau of Managed Care
MCO Capitation Reconciliations Policy
Effective 11/01/2025

Definitions:

SME – Departments subject matter expert. Only staff member(s) who can answer your question or inquiry.

Account Manager – Department assigned liaison who oversees the operations of the binding contract and daily operations of an MCO.

Eligibility Procedure Code Question – A question on a procedure code assigned to recipient enrolled in your MCO. Procedure code you believe is inaccurate or missing.

Region code - assigned to a recipient based on their true county code (actual place of residence) on the 1st day of the capitation month. Region codes will not be adjusted thereafter. These are a monthly assignment subject to change each month.

Department Template – Template developed by the Department that is to be used when submitting monthly reconciliations. The MCO may not submit any other document, form or version of the Department's template or the reconciliation will be returned and the MCO will be out of compliance and subject to sanctions. Instructions on the use of the Department's template are contained on the "Instructions" tab.

Procedures to follow PRIOR to reaching out to BMC:

- The date of service must be within the last 18 capitation months. If outside that timeframe they will be labeled as such and returned.
- The Department reserves the right to request additional reconciliations without prior notice.

MCOs should follow the steps below when submitting an eligibility procedure code question:

- 1) Ensure all procedures set by the Department are followed prior, during and after monthly required submission. The required submission date is no later than the last business day of the current month and includes questions for the previous month. Deadlines not followed will be subject to sanction.
- 2) Submit questions to the BMC MCO Reconciliation inbox HFS.MCOReconciliation@illinois.gov.
- 3) An extension under extenuating circumstances only can be requested by the MCO to the Department liaison. The request for an extension must be made by the MCO at least three business days before the deadline.
- 4) Using the template developed by the Department **only** submit procedure code questions as defined above.

Bureau of Managed Care
MCO Capitation Reconciliations Policy
Effective 11/01/2025

- 5) Questions concerning the submission, acceptance of your template and timelines will be resolved by the BMC MCO Reconciliation liaison. The Department will return answers/responses to the MCO as resources allow.
- 6) Once the BMC MCO Reconciliation liaison completes the reconciliations, confirmation, including questions for clarification, will be provided to the MCO via the HFS.MCOReconciliation@illinois.gov inbox.
- 7) MCO's should respond to any questions shared for clarification using the same inbox (HFS.MCOReconciliation@illinois.gov), and no later than the deadline requested.
- 8) MCOs shall cc: their assigned Account Manager on all correspondence submitted to the Department via the HFS.MCOReconciliation@illinois.gov inbox.

Contract Language and disputes per contract.

Disputes are limited to as per the contract:

- Payments after 30 days of the 820 being made available to the contractor the contractor shall notify the department of any discrepancies. Discrepancies are defined as 1) Recipient is a different plan. 2) The recipient is included on the 820 but contractor does not believe they should be. 3) The recipient is on the 820 but contractor believes the recipient should be in a different rate cell.
- Contractor must notify the Department within 60 days of an overpayment. Notification shall occur via the provided template through HFS.MCOReconciliation@illinois.gov.
- Adjustments can be made for up to 24 months. Currently the time frame for adjustments will be made back 18 months, adjustments can go back farther than 18 months in cases of death, incarceration, or systematic eligibility adjustments made by the department.
- Reconciliations should be submitted to the HFS.MCOReconciliation@illinois.gov inbox via the attached template, reconciliations that are submitted late or incorrectly may result in sanctions to the contractor.
- Templates not filled out in their entirety will be rejected and returned. This will not start the 30-day required timeframe over.
- Contractor may ask for an extension of up to 10 days and said extension should be submitted for approval to the HFS.MCOReconciliation@illinois.gov mailbox with the applicable account manager CC'd on the request. Said extension requests should be made 10 days prior to the submission deadline.
- Contractor should still contact the HFS Bureau of Rate Development and Analysis as defined in policy # MCO-028-MCO Rate Questions for any questions involving rates.

Bureau of Managed Care
MCO Capitation Reconciliations Policy
Effective 11/01/2025

All MCOs are subject to sanctions by the Department if processes and policies provided are not followed pursuant to the applicable Managed Care Program Contract.

Bureau of Managed Care
MCO Capitation Reconciliations Policy
Effective 11/01/2025

Policy History

Date:

September 2025

Action:

Systems Updates

Policy Originator

Michelle Schuster and
Clinton Griffin

Policy Revisions

September 2025

Revision Approved

Keshonna Lones, Bureau Chief