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 is proposing a change in the methods and standards by which the Department will reimburse providers delivering maternal health services. The proposed changes are effective for dates of service on or after January 1, 2023.

The Department is updating the method of reimbursement for maternity services to align with the Third Party Liability (TPL) requirements established by the Bipartisan Budget Act of 2018. Section 53102(a)(1) of the Bipartisan Budget Act of 2018 amends section 1902(a)(25)(E) of the Social Security Act to require states to cost avoid for prenatal services and to collect information on third party liability before making payments. Consequently, practitioners rendering services to pregnant participants are required to bill the participant's private insurance carrier, when applicable, prior to billing the Department. This requirement prompts a change in the way the Department reimburses maternity services. The Department currently reimburses for each individual maternity service visit. As a result of the new requirement, the Department will transition to a global maternity billing and reimbursement methodology for all participants. This change in methodology is anticipated to increase expenditures by \$10 million annually.

In addition, the Department is proposing increases to rates for certain maternal health services as follows:

- Pursuant to <u>PA 102-1037</u>, prenatal and postpartum visits will be increased to no less than the rate for an adult well visit, including any applicable add-ons.
- Pursuant to <u>PA 102-1037</u>, reimbursement rates for external cephalic version (ECV) will be increased to 100% of the Medicare rate.
- Bonus payments for certain postpartum visits will be introduced. These bonus payments will be reimbursed at a rate of \$75 per visit when a service is rendered within three weeks and/or twelve weeks of the delivery.

The Department estimates these changes will increase costs by approximately \$26 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: <u>HFS.BPPC@illinois.gov</u>

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. 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.