

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

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

**Date: December 29, 2025**

The Illinois Department of Healthcare and Family Services (HFS) is proposing changes in the methods and standards by which the Department will reimburse providers. The proposed change is effective for dates of service on or after January 1, 2026.

The Department is proposing to clean-up references and language within the rate setting methodology for the Program of All-Inclusive Care for the Elderly (PACE) within the Medicaid State Plan. These changes will remove references to the obsolete Medicare Medicaid Alignment Initiative (MMAI), generalizes references to the Illinois managed care program (i.e., in lieu of referencing HealthChoice Illinois), and will allow for greater flexibility in rate setting to accommodate program design and changes to the managed care landscape.

These proposed changes are anticipated to be budget neutral. The proposed change is subject to approval by the federal Centers for Medicare & 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](mailto: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.