

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

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

Date: July 1, 2024

The Illinois Department of Healthcare and Family Services (HFS) is proposing changes in the methods and standards of payment to providers to be compliant with the statutory requirements in [Public Act 103-0593](#).

Effective for dates of service on or after October 1, 2024, HFS is proposing to update the STRIVE per diem staffing add-on portion of the nursing facility rate for facilities licensed under the Nursing Home Care Act as skilled or intermediate care facilities. The updates include:

- Transitioning from a RUGs based STRIVE staffing formula to a PDPM based STRIVE staffing ratio.
- Incorporating a four quarter transition period before fully implementing the PDPM STRIVE staffing ratio.
- Adjusting the per diem add-on amounts for providers between 70% and 125% of the facility specific staffing targets.

These proposed changes will result in an estimated annual increase in Medicaid liability of approximately \$14 million in the first year for services provided through fee-for-service or through managed care organizations and will be budget neutral in year two.

Effective for dates of service on or after January 1, 2025, HFS is also proposing to update the real estate tax component of the nursing facility payment rate using the most recent property tax bill on file with the Department.

These proposed changes will result in an estimated annual increase in Medicaid liability of approximately \$38 million for services provided through fee-for-service or through managed care organizations.

The 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