TITLE 89: SOCIAL SERVICES
CHAPTER I: DEPARTMENT OF HEALTHCARE AND FAMILY SERVICES
SUBCHAPTER d: MEDICAL PROGRAMS

PART 147
REIMBURSEMENT FOR NURSING COSTS FOR GERIATRIC FACILITIES

Section

147.TABLE C Comprehensive Resident Assessment (Repealed)
147.TABLE D Functional Needs and Restorative Care (Repealed)
147.TABLE E Service (Repealed)
147.TABLE F Social Services (Repealed)
147.TABLE G Therapy Services (Repealed)
147.TABLE H Determinations (Repealed)
147.TABLE I Activities (Repealed)
147.TABLE J Signatures (Repealed)
147.TABLE K Rehabilitation Services (Repealed)
147.TABLE L Personal Information (Repealed)

AUTHORITY: Implementing and authorized by Articles III, IV, V, VI and Section 12-13 of the Illinois Public Aid Code [305 ILCS 5/Arts. III, IV, V, VI and 12-13].

SOURCE: Recodified from 89 Ill. Adm. Code 140.900 thru 140.912 and 140.Table H and 140.Table I at 12 Ill. Reg. 6956; amended at 13 Ill. Reg. 559, effective January 1, 1989; amended at 13 Ill. Reg. 7043, effective April 24, 1989; emergency amendment at 13 Ill. Reg. 10999, effective July 1, 1989, for a maximum of 150 days; emergency expired November 28, 1989; amended at 13 Ill. Reg. 16796, effective October 13, 1989; amended at 14 Ill. Reg. 210, effective December 21, 1989; emergency amendment at 14 Ill. Reg. 6915, effective April 19, 1990, for a maximum of 150 days; emergency amendment at 14 Ill. Reg. 9523, effective June 4, 1990, for a maximum of 150 days; emergency expired November 1, 1990; emergency amendment at 14 Ill. Reg. 14203, effective August 16, 1990, for a maximum of 150 days; emergency expired January 13, 1991; emergency amendment at 14 Ill. Reg. 15578, effective September 11, 1990, for a maximum of 150 days; emergency expired February 8, 1991; amended at 14 Ill. Reg. 16669, effective September 27, 1990; amended at 15 Ill. Reg. 2715, effective January 30, 1991; amended at 15 Ill. Reg. 3058, effective February 5, 1991; amended at 15 Ill. Reg. 6238, effective April 18, 1991; amended at 15 Ill. Reg. 7162, effective April 30, 1991; amended at 15 Ill. Reg. 9001, effective June 17, 1991; amended at 15 Ill. Reg. 13390, effective August 28, 1991; emergency amendment at 15 Ill. Reg. 16435, effective October 22, 1991, for a maximum of 150 days; amended at 16 Ill. Reg. 4035, effective March 4, 1992; amended at 16 Ill. Reg. 6479, effective March 20, 1992; emergency amendment at 16 Ill. Reg. 13361, effective August 14, 1992, for a maximum of 150 days; amended at 16 Ill. Reg. 14233, effective August 31, 1992; amended at 16 Ill. Reg. 17332, effective November 6, 1992; amended at 17 Ill. Reg. 1128, effective January 12, 1993; amended at 17 Ill. Reg. 8486, effective June 1, 1993; amended at 17 Ill. Reg. 13498, effective August 6, 1993; emergency amendment at 17 Ill. Reg. 15189, effective September 2, 1993, for a maximum of 150 days; amended at 18 Ill. Reg. 2405, effective January 25, 1994; amended at 18 Ill. Reg. 4271, effective March 4, 1994; amended at 19 Ill. Reg. 7944, effective June 5, 1995; amended at 20 Ill. Reg. 6953, effective May 6, 1996; amended at 21 Ill. Reg. 12203, effective August 22, 1997; amended at 26 Ill. Reg. 3093, effective February 15, 2002; emergency amendment at 27 Ill. Reg. 10863, effective July 1, 2003, for a maximum of 150 days; amended at 27 Ill. Reg. 18680, effective November 26, 2003; expedited correction at 28 Ill. Reg. 4992, effective November 26, 2003; emergency amendment at 29 Ill. Reg. 10266, effective

July 1, 2005, for a maximum of 150 days; amended at 29 Ill. Reg. 18913, effective November 4, 2005; amended at 30 Ill. Reg. 15141, effective September 11, 2006; expedited correction at 31 Ill. Reg. 7409, effective September 11, 2006; amended at 31 Ill. Reg. 8654, effective June 11, 2007; emergency amendment at 32 Ill. Reg. 415, effective January 1, 2008, for a maximum of 150 days; emergency amendment suspended at 32 Ill. Reg. 3114, effective February 13, 2008; emergency suspension withdrawn in part at 32 Ill. Reg. 4399, effective February 26, 2008 and 32 Ill. Reg. 4402, effective March 11, 2008 and 32 Ill. Reg. 9765, effective June 17, 2008; amended at 32 Ill. Reg. 8614, effective May 29, 2008; amended at 33 Ill. Reg. 9337, effective July 1, 2009; emergency amendment at 33 Ill. Reg. 14350, effective October 1, 2009, for a maximum of 150 days; emergency amendment modified in response to the objection of the Joint Committee on Administrative Rules at 34 Ill. Reg. 1421, effective January 5, 2010, for the remainder of the 150 days; emergency expired February 27, 2010; amended at 34 Ill. Reg. 3786, effective March 14, 2010; amended at 35 Ill. Reg. 19514, effective December 1, 2011; amended at 36 Ill. Reg. 7077, effective April 27, 2012; emergency amendment at 38 Ill. Reg. 1205, effective January 1, 2014, for a maximum of 150 days; Sections 147.335(a)(7)(B) and 147.355(b) of the emergency amendment suspended by the Joint Committee on Administrative Rules at 38 Ill. Reg. 3385, effective January 14, 2014; suspension withdrawn at 38 Ill. Reg. 5898, effective March 7, 2014; emergency amendment modified in response to JCAR Objection at 38 Ill. Reg. 6707, effective March 7, 2014, for the remainder of the 150 days; amended at 38 Ill. Reg. 12173, effective May 30, 2014; emergency amendment at 38 Ill. Reg. 15723, effective July 7, 2014, for a maximum of 150 days; amended at 38 Ill. Reg. 23778, effective December 2, 2014; amended at 45 Ill. Reg. 8326, effective June 28, 2021; emergency amendment at 46 Ill. Reg. 12156, effective July 1, 2022, for a maximum of 150 days; amended at 46 Ill. Reg. 19682, effective November 28, 2022; amended at 49 Ill. Reg. 1849, effective January 30, 2025; amended at 50 Ill. Reg. 4212, effective March 9, 2026; amended at 50 Ill. Reg. _____, effective _____.

Section 147.310 Implementation of a Case Mix System

P.A. 98-0104 requires the Department to implement, effective January 1, 2014, an evidence-based payment methodology for the reimbursement of nursing services. The methodology shall take into consideration the needs of individual residents, as assessed and reported by the most current version of the nursing facility Minimum Data Set (MDS), adopted and in use by the federal government.

a) This Section establishes the method and criteria used to determine the resident reimbursement classification based upon the assessments of residents in nursing facilities. All formulas, data sources, data sources, and collection periods specific to the base rate, addons, pass through allocations, incentives and adjustments specified in this section shall be published in sufficient detail to make an appropriate estimation of appropriate payment in the Department's rate handbook no later than July 20, 2022, and posted on the Department's website. Within 24 hours of publishing, the Department shall issue a provider notice to direct them to the website. Each nursing facility shall be notified in advance of the beginning of

each quarter of its nursing component rate and all add-ons and adjustments stated as a per diem except retention, promotion, and quality incentive add-ons, which shall be stated as a quarterly lump sum payment. The notice shall clearly state the amount attributed to each addon or adjustment and in the case of the variable staffing add-on any adjustment resulting from the application of 147.310(c)(3)(I). The notice shall also clearly state the percent of Medicaid bed days used to determine eligibility for the Medicaid Access Adjustment.

1) Effective January 1, 2014, resident reimbursement classification shall be established utilizing the 48-group, Resource Utilization Groups IV (RUG-IV) classification scheme and weights as published by the United States Department of Health and Human Services, Centers for Medicare and Medicaid Services (CMS).

2) Effective July 1, 2022, resident reimbursement classification shall be established utilizing the Patient Driven Payment Model (PDPM) nursing component classification methodology and associated weights, as published by the United States Department of Health and Human Services, Centers for Medicare and Medicaid Services (CMS), as of March 1, 2022, multiplied by 0.7858 and rounded to the nearest four decimal places.

3) An Illinois specific default group of AA1 is established in subsection (c)(5) of this Section and with an assigned weight equal to the weight assigned to group PA1.

b) The statewide nursing base per diem rate effective on:

1) January 1, 2014 shall be $83.49.

2) July 1, 2014 shall be increased by $1.76, and is $85.25.

3) July 1, 2022 shall be increased by $7.00 to $92.25.

c) Nursing Component Per Diem:

1) For services provided on or after January 1, 2014, the Department shall compute and pay a facility-specific nursing component of the per diem rate as the arithmetic mean of the resident-specific nursing components assigned to Medicaid-enrolled residents on record, as of 30 days prior to the beginning of the rate period, in the Department's Medicaid Management Information System (MMIS), or any successor system, as present in the facility on the last day of the second quarter preceding the rate period.

A) Effective January 1, 2014, and until September 30, 2023, the RUG-IV nursing component per diem for a nursing facility shall be the product of the statewide nursing base per diem rate, the facility average case mix index as identified in subsection (a)(1) to be calculated quarterly, and the regional wage adjustor, and then add the Medicaid access adjustment as defined in subsection (c)(4).

B) Effective July 1, 2022, the PDPM nursing component per diem for a nursing facility shall be the product of the statewide nursing base per diem rate, the facility average case mix index as identified in subsection (a)(2), to be calculated quarterly, and the regional wage adjustor, and then add the Medicaid access adjustment as defined in subsection (c)(4).

C) Transition rates for services provided between July 1, 2022, and October 1, 2023, shall be the greater of the PDPM nursing component per diem, defined in subsection (c)(1)(B) or:

i) for the quarter beginning July 1, 2022, the RUG-IV nursing component per diem, defined in subparagraph (c)(1)(A).

ii) for the quarter beginning October 1, 2022, the sum of the RUG-IV nursing component per diem as defined in (c)(1)(A) multiplied by 0.80 and the PDPM nursing component per diem as defined in (c)(1)(B) multiplied by 0.20.

iii) for the quarter beginning on January 1, 2023, the sum of the RUG-IV nursing component per diem as defined in (c)(1)(A) multiplied by 0.60 and the PDPM nursing component per diem as defined in (c)(1)(B) multiplied by 0.40.

iv) for the quarter beginning on April 1, 2023, the sum of the RUG-IV nursing component per diem as defined in (c)(1)(A) multiplied by 0.40 and the PDPM nursing component per diem as defined in (c)(1)(B) multiplied by 0.60.

v) for the quarter beginning on July 1, 2023, the sum of the RUG-IV nursing component per diem as defined in (c)(1)(A) multiplied by 0.20 and the PDPM nursing

component per diem as defined in (c)(1)(B) multiplied by 0.80.

D) For the quarter beginning on October 1, 2023, and each subsequent quarter, nursing facilities shall be paid 100% of the PDPM nursing component per diem as defined in (c)(1)(B).

2) Effective for dates of service on or after July 1, 2014, a per diem add-on to the RUGS methodology will be included as follows:

A) $0.63 for each resident who scores I4200 Alzheimer's Disease or I4800 non-Alzheimer's Dementia.

B) $2.67 for each resident who scores "1" or "2" in any items S1200A through S1200I and also scores in the RUG groups PA1, PA2, BA1 and BA2.

3) Effective for dates of service on or after July 1, 2022, a variable per diem staffing per diem add-on shall be paid to facilities with at least 70% of the staffing indicated by the Centers for Medicare and Medicaid Services' Staff Time and Resource Intensity Verification Study (STRIVE study) (2021), available at https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/SNFPPS/TimeStudy. The add-on will be based on information from the most recent available federal staffing report, currently the Payroll Based Journal (PBJ), adjusted for acuity using the same quarter's MDS. Specifically, that percentage will reflect "Reported total nurse staffing hours per resident per day" divided by "Case-mix total nurse staffing hours per resident per day" from the Provider Information files published on https://data.cms.gov/provider-data and available through the Federal COMPARE website, https://data.cms.gov/provider-data/search?theme=Nursing%20homes%20including%20rehab%20services.

A) Effective October 1, 2024, facilities~~Facilities~~ at 70% of the staffing indicated by the STRIVE study shall be paid a per diem of $9, increasing by equivalent steps for each whole percentage point of improvement until the facilities reach a per diem of $16.52~~$14.88~~.

B) Effective October 1, 2024, facilities~~Facilities~~ at 80% of the staffing indicated by the STRIVE study shall be paid a per diem of $16.52~~$14.88~~, increasing by equivalent steps for each whole percentage point of improvement until the facilities reach a per diem of $25.77~~$23.80~~.

C) Effective October 1, 2024, ~~Facilities~~ at 92% of the staffing indicated by the STRIVE study shall be paid a per diem of $25.77 ~~$23.80~~, increasing by equivalent steps for each whole percentage point of improvement until the facilities reach a per diem of $30.98 ~~$29.75~~.

D) Effective October 1, 2024, ~~Facilities~~ at 100% of the staffing indicated by the STRIVE study shall be paid a per diem of $30.98 ~~$29.75~~, increasing by equivalent steps for each whole percentage point of improvement until the facilities reach a per diem of $36.44 ~~$35.70~~.

E) Effective October 1, 2024, ~~Facilities~~ at 110% of the staffing indicated by the STRIVE study shall be paid a per diem of $36.44 ~~$35.70~~, increasing by equivalent steps for each whole percentage point of improvement until the facilities reach a per diem of $38.68.

F) Facilities at or above 125% of the staffing indicated by the STRIVE study shall be paid a per diem of $38.68.

G) For the transition period quarters beginning July 1, 2022, and October 1, 2022, no facility's variable per diem staffing add-on shall be calculated at a rate lower than 85% for the staffing indicated by the STRIVE study. For the quarter beginning January 1, 2023, all facilities shall begin at their actual staffing indicated for that period.

H) No facility below 70% of the staffing indicated by the STRIVE study shall receive a variable per diem staffing add-on after December 31, 2022.

I) Beginning April 1, 2023, no nursing facility's variable per diem staffing add-on shall be reduced by more than 5 percent in 2 consecutive quarters.

J) When the Centers for Medicare and Medicaid Services waives or modifies PBJ submission rules for any provider due to extenuating circumstances outside the provider's control, the Department shall assign the previous quarter's rate if comparable or substitute data is not available directly from the provider in time for the current quarter's rate determination.

K) If the Department is notified by a facility prior to or within an applicable rate quarter of missing or inaccurate Payroll Based Journal data or an incorrect calculation of staffing, the Department must make a correction as soon as the error is verified.

L) Payment determinations in this Section may be appealed under the terms under Section 140.830(b) and Section 140.830(c).

M) Beginning October 1, 2024, the staffing percentage used in the calculation of the per diem staffing add-on shall be its PDPM STRIVE Staffing Ratio which equals: its Reported Total Nurse Staffing Hours Per Resident Per Day as published in the most recent federal staffing report (the Provider Information File), divided by the facility's PDPM STRIVE Staffing Target. Each facility's PDPM STRIVE Staffing Target is equal to .82 times the facility's Illinois Adjusted Facility Case-Mix Hours Per Resident Per Day. A facility's Illinois Adjusted Facility Case Mix Hours Per Resident Per Day is equal to its Case-Mix Total Nurse Staffing Hours Per Resident Per Day (as published in the most recent federal staffing provider information file) times 3.662 (which reflects the national resident days-weighted mean Reported Total Nurse Staffing Hours Per Resident Per Day as calculated using the January 2024 federal Provider Information Files), divided by the national resident days-weighted mean Reported Total Nurse Staffing Hours Per Resident Per Day calculated using the most recent federal Provider Information File.

N) Beginning January 1, 2025, the staffing percentage used in the calculation of the per diem staffing add-on shall be its PDPM STRIVE Staffing Ratio which equals: its Reported Total Nurse Staffing Hours Per Resident Per Day as published in the most recent federal staffing report (the Provider Information File), divided by the facility's PDPM STRIVE Staffing Target. Each facility's PDPM STRIVE Staffing Target is equal to .7122 times the facility's Illinois Adjusted Facility Case-Mix Hours Per Resident Per Day. A facility's Illinois Adjusted Facility Case Mix Hours Per Resident Per Day is equal to its Case-Mix Total Nurse Staffing Hours Per Resident Per Day (as published in the most recent federal staffing report Provider Information file) times 3.79 (which is the Reported Total Nurse Staffing Hours Per Resident Per Day for the Nation as reported on the January 2024 State US Averages file), divided by the Reported Total Nurse Staffing Hours

Per Resident Per Day for the Nation as reported in the most recent State US Averages file.

O) For dates beginning October 1, 2024, and through September 30, 2025, the denominator for the staffing percentage shall be the lesser of the facility's PDPM STRIVE Staffing Target and:

i) For the quarter beginning October 1, 2024, the sum of 20% of the facility's PDPM STRIVE Staffing Target and 80% of the facility's Case-Mix Total Nurse Staffing Hours Per Resident Per Day (as published in the January 2024 federal staffing report).

ii) For the quarter beginning January 1, 2025, the sum of 40% of the facility's PDPM STRIVE Staffing Target and 60% of the facility's Case-Mix Total Nurse Staffing Hours Per Resident Per Day (as published in the January 2024 federal staffing report).

iii) For the quarter beginning March 1, 2025, the sum of 60% of the facility's PDPM STRIVE Staffing Target and 40% of the facility's Case-Mix Total Nurse Staffing Hours Per Resident Per Day (as published in the January 2024 federal staffing report).

iv) For the quarter beginning July 1, 2025, the sum of 80% of the facility's PDPM STRIVE Staffing Target and 20% of the facility's Case-Mix Total Nurse Staffing Hours Per Resident Per Day (as published in the January 2024 federal staffing report).

4) Effective July 1, 2022, and until December 31, 2027, a Medicaid Access Adjustment shall be paid to all facilities with annual Medicaid bed days of at least 70% of all occupied bed days.

A) Effective July 1, 2022 through December 31, 2022, the adjustment shall be $4 per day and adjusted for the facility average PDPM case mix index for Medicaid, as identified in subsection (a)(2), calculated on a quarterly basis. (See 305 ILCS 5/5-5.2(e)(3))

B) Effective January 1, 2023, the adjustment shall be $4.75 per day and adjusted for the facility average PDPM case mix index for

Medicaid, as identified in subsection (a)(2), calculated on a quarterly basis. (See 305 ILCS 5/5-5.2(e)(3))

C) The qualifying Medicaid percentage shall be calculated quarterly based upon a rolling 12-month period of historical data ending 9 months prior. For each new quarter beginning July 1, 2022, a facility's percentage of Medicaid bed days shall be paid Medicaid resident days per annum as determined by adding the number of Medicaid, Medicaid MLTSS and MMAI days (inclusive of hospice and provisional days, if applicable) divided by the number of total occupied days found in the most recent 12 months of Long Term Care Provider Assessment Reports for the facility that are available to the Department.

D) If a facility's Medicaid percentage increases by 15% points or more and the facility's most recent Medicaid percentage for a quarter is at least 70%, that facility may be eligible to receive the payments described in this section. If a facility's Medicaid percentage decreases by 15% points or more and that facility's most recent Medicaid percentage for a quarter is no longer at least 70%, that facility may no longer be eligible to receive the payments described in this section.

E) Payment determinations in this Section may be appealed under the terms under Section 140.830(b) and Section 140.830(c)

5) A resident for whom resident identification information is missing, or inaccurate, or for whom there is no current MDS record for that quarter, shall be assigned to default group AA1. A resident for whom an MDS assessment does not meet the federal CMS edit requirements as described in the Long Term Care Resident Assessment Instrument (RAI) Users Manual or for whom an MDS assessment has not been submitted within 14 calendar days after the time requirements in Section 147.315 shall be assigned to default group AA1.

6) The assessment used for the purpose of rate calculation shall be identified as an Omnibus Budget Reconciliation Act (OBRA) assessment on the MDS following the guidance in the RAI Manual.

7) The MDS used for the purpose of rate calculation shall be determined by the Assessment Reference Date (ARD) identified on the MDS assessment.

8) Effective January 1, 2020, the regional wage adjustor referenced in subsection (c)(1) cannot be lower than 0.95.

9) Effective July 1, 2020, the regional wage adjustor referenced in subsection (c)(1) cannot be lower than 1.0.

10) Effective July 1, 2022, the regional wage adjustor referenced in subsection (c)(1) cannot be lower than 1.06.

d) The Department shall provide each nursing facility with information that identifies the PDPM group to which each resident has been assigned, and until September 30, 2023 the Department shall continue to provide each RUG-IV group to which each resident has been assigned.

e) Rate determination in this Section may be appealed under the terms under Section 140.830.

(Source: Amended at 50 Ill. Reg. _____, effective _____)