Federal Position Paper



Support Illinois Hospital Assessment Program: Preserve Access to Care, Modernize the Payment System, Preserve Federal Medicaid Funding

Issue:

The State of Illinois is seeking approval from the Centers for Medicare & Medicaid Services (CMS) for its State Plan Amendments for a redesigned, modernized \$3.5 billion Medicaid Hospital Assessment Program. The redesigned program was approved this spring with overwhelming bipartisan support by the Illinois General Assembly and signed into law by Governor Rauner. The program includes significant reforms to modernize the Illinois Hospital Assessment Program, components of which sunset under the current Medicaid State Plan on June 30, 2018.

IHA Position:

The Illinois Hospital Assessment Program is critical to ensuring access to quality hospital care for the state's most vulnerable patients and is a critical component of the state's Medicaid program. IHA asks the Illinois Congressional Delegation to support the state's efforts and urge CMS to expeditiously review and approve the State Plan Amendments for the redesigned Hospital Assessment Program.

Key Components of Illinois' Redesigned Hospital Assessment Program

- The assessment program will be modernized with payments based on the most recent available, updated patient utilization data, replacing current payments based on data from more than 10 years ago.
- The program's new design shifts to a more dynamic reimbursement system with less reliance on fixed annual supplemental payments, supporting a system that more closely aligns reimbursement with actual services provided to Medicaid beneficiaries.
- The program includes significant reforms to address healthcare delivery system changes and needs, such as incentivizing outpatient services and addressing the critical and growing need for behavioral health services.
- The program seeks to provide stability and a pathway to healthcare delivery transformation by creating a program that supports hospitals as they transform to best meet the needs of their communities.
- The assessment program will maintain access to care for Illinois' most vulnerable populations in urban and rural communities by prioritizing and providing key support to Safety Net and Critical Access Hospitals.