**Section 148.310 Review Procedure**

Effective for dates of service on or after July 1, 2014:

a) Rate Reviews

Hospitals shall be notified of their rates for the rate year and shall have an opportunity to request a review, pursuant to subsection (f), of any rate for errors in calculation made by the Department.

b) Disproportionate Share Hospital (DSH) and Medicaid Percentage Adjustment (MPA) Determination Reviews

1) Hospitals shall be notified of their qualification for DSH or MPApayment adjustments and shall have an opportunity to request a review pursuant to subsection (f) of the DSH or MPA add-on for errors in calculation made by the Department.

2) DSH or MPA determination reviews shall be limited to the following:

A) DSH or MPA Determination Criteria. The criteria for DSH determination shall be in accordance with Section 148.120. The criteria for MPA determination shall be in accordance with Section 148.122. Review shall be limited to verification that the Department utilized criteria in accordance with State regulations.

B) Medicaid Inpatient Utilization Rates.

i) Medicaid inpatient utilization rates shall be calculated pursuant to Section 1923 of the Social Security Act and as defined in Section 148.120(i)(4). Review shall be limited to verification that Medicaid inpatient utilization rates were calculated in accordance with federal and State regulations.

ii) Hospitals' Medicaid inpatient utilization rates, as defined in Section 148.120(i)(4), which have been derived from unaudited cost reports, are not subject to the Review Procedure with the exception of errors in calculation by the Department. Pursuant to Section 148.120(c)(1)(B), hospitals shall have the opportunity to submit corrected information prior to the Department's final DSH or MPA determination.

C) Low Income Utilization Rates. Low Income utilization rates shall be calculated in accordance with Section 1923 of the Social Security Act, as defined in Section 148.120(a)(2). Review shall be limited to verification that low income utilization rates were calculated in accordance with federal and State regulations.

D) Federally Designated Health Manpower Shortage Areas (HMSAs). Illinois hospitals located in federally designated HMSAs shall be identified in accordance with 42 CFR 5 (1989) and Section 148.122(a)(3) based upon the methodologies utilized by, and the most current information available to, the Department from the federal Department of Health and Human Services. Review shall be limited to hospitals in locations that have failed to obtain designation as federally designated HMSAs only when such a request for review is accompanied by documentation from the Department of Health and Human Services substantiating that the hospital was located in a federally designated HMSA.

E) Excess Beds. Excess bed information shall be determined in accordance with Public Act 86-268 (Section 148.122(a)(3) and 77 Ill. Adm. Code 1100) based upon the methodologies utilized by, and the most current information available to, the Illinois Health Facilities Planning Board as of July 1, 1991. Reviews shall be limited to requests accompanied by documentation from the Illinois Health Facilities Planning Board substantiating that the information supplied to and utilized by the Department was incorrect.

F) Medicaid Obstetrical Inpatient Utilization Rates. Medicaid obstetrical inpatient utilization rates shall be calculated in accordance with Section 148.122(g)(3). Review shall be limited to verification that Medicaid obstetrical inpatient utilization rates were calculated in accordance with State regulations.

c) Outlier Adjustment Reviews

The Department shall make outlier adjustments to payment amounts in accordance with 89 Ill. Adm. Code 149.105. Hospitals shall be notified of the specific information that shall be utilized in the determination of those services qualified for an outlier adjustment and shall have an opportunity to request a review, pursuant to subsection (f), of specific information for errors in calculation made by the Department.

d) Cost Report Reviews

Cost report reviews are described in Section 148.210(e).

e) Medicaid High Volume Adjustment Reviews

The Department shall make Medicaid high volume adjustments in accordance with Section 148.112. Hospitals shall be notified of the Department's determination and have an opportunity to request a review, pursuant to subsection (f). That review shall be limited to verification that the Medicaid inpatient days were calculated in accordance with Section 148.120.

f) Rate Review Requirements

1) Requests for Review

A) All requests for review must be submitted in writing and must either be received by the Department, or post marked within 30 days after the date of the Department's notice to the hospital. The request shall include:

i) a clear explanation of any suspected error;

ii) any additional documentation to be considered; and

iii) the desired corrective action.

B) The Department shall notify the hospital of the results of the review within 30 days after receipt of the hospital's request for review.

2) The review procedures provided for in this Section may not be used to submit any new or corrected information that was required to be submitted by a specific date in order to qualify for a payment or payment adjustment. In addition, only information that was submitted expressly for the purpose of qualifying for the payment or payment adjustment under review shall be considered by the Department. Information that has been submitted to the Department for other purposes will not be considered during the review process.

3) For purposes of this subsection (f), the term "post marked" means the date of processing by the United States Post Office or any independent carrier service.

(Source: Amended at 38 Ill. Reg. 15165, effective July 2, 2014)