**Section 356.80 Reimbursement for Program Enhancements**

a) Any change in rates due to program enhancements submitted for the reasons cited below in relation to current cost impacts, either positive or negative, as a result of the review process, will be reflected in a contract amendment. Under no circumstances will the Department be responsible for enhancements that were implemented outside of the following process.

1) The Department and the provider have reached mutual agreement that substantive changes and/or enhancement of the current program are necessary and/or desirable and have been approved by the Director;

2) It is necessary and/or desirable to adjust the licensed capacity of a facility or program;

3) The Department required substantial program changes as a result of mandated licensing requirements; and

4) State and federal regulatory requirements have generated a substantial increase in reimbursable cost during the current contract year.

b) Procedures for Requesting a Program Enhancement

A request shall be submitted in writing to the Administrator of the Region where the program is located with a copy to the central office manager responsible for the administration of reimbursement rates. If needed, the central office manager responsible for the administration of reimbursement rates shall supply, upon request, the name and mailing address of the Lead Regional Administrator. The request shall include, but not be limited to:

1) The current approved reimbursable costs and the reimbursable costs sought pursuant to the request;

2) A clear, concise statement of the reasons for the request;

3) A detailed statement of financial, statistical and related information in support of the request that clearly indicates current outcomes and the relationship between the additional costs submitted and the change of circumstances or other reasons for the higher cost;

4) A citation to any statutory, regulatory, or contractual requirement pertinent to the appeal;

5) Crucial elements that will be outlined and analyzed for every program enhancement include but are not limited to:

A) Summary document or letter explaining the reason for the request for a new rate;

B) Certified audit report for most recent provider prior fiscal year;

C) Consolidated Financial Reports for most recent provider prior fiscal year (reporting all programs);

D) The new rate being sought;

E) Data identifying the individual cost of each item for which additional reimbursement is being sought;

F) Detailed explanation of why the petitioned costs cannot be funded within the current rate;

G) Beginning date the costs are planned to occur;

H) Quantifiable programmatic outcomes occurring as a result of a rate change;

I) Reporting activities that will be implemented to ensure program outcomes occur at committed levels;

J) Quantification of past program performances for current and preceding 2 fiscal years, including, where applicable:

i) Number of children successfully completing program treatment;

ii) Rate of children leaving without completion of treatment;

iii) Number of incidents of psychiatric hospitalizations;

iv) Number of runaways;

v) Number of incidences requiring police intervention; and

vi) Number of unusual incident reports;

K) Organization charts reflecting pre-request and post-request funds for additional staffing;

6) Certification under penalty of perjury by either the chief executive officer or the financial officer of the provider that the application and all the information reports, schedules, budgets, books and records submitted are true, correct and accurate.

c) Regional Review Process

1) Within 30 days after filing a request for enhancements with associated cost increases, the regional contract administrator responsible for administration of the contract shall acknowledge in writing that the request has been received.

2) The responsible regional contract administrator will review each request for adequacy of documentation and appropriateness of the request.

3) The responsible regional contract administrator may request a meeting. The purposes of the meetings may include:

A) Clarification, formulation, and simplification of issues;

B) Resolution of matters in controversy;

C) Exchange of documents and information;

D) Stipulations of facts; and

E) Such other matters as may aid in the simplification of the evidence and disposition of the issue.

d) The decision of the Director of the Department shall constitute final action. Decision of the Director shall be made within 150 days after the enhancement request.

e) Rate Setting for Approved Program Enhancements

A summary of enhancements and costs approved by the Director of the Department shall be forwarded to the central office manager responsible for the administration of reimbursement rates. The central office manager responsible for the administration of reimbursement rates will determine, based on standard Department rate setting methodology, the change to the reimbursable unit costs.

(Source: Added at 24 Ill. Reg. 7692, effective June 1, 2000)