**Section 148.421** **Hospital Inpatient Adjustment**

a) Qualifying Criteria. Effective January 1, 2023, the following categories of non-large public hospitals located in Illinois shall qualify for a Hospital Inpatient Adjustment Payment:

1) High Medicaid General Acute Care Hospitals, as defined in subsection (c)(1);

2) Other General Acute Care Hospitals, as defined in subsection (c)(4);

3) Safety-Net Hospitals, as defined in subsection (c)(5);

4) Long Term Acute Care (LTAC) Hospitals, as defined in Section 148.25;

5) Psychiatric Hospitals, as defined in Section 148.25(d)(1);

6) Rehabilitation Hospitals, as defined in Section 148.255(d)(2);

7) Critical Access Hospitals, as defined in 42 CFR 485, Subpart F that are not Small Public Hospitals; and

8) Small Public Hospitals, as defined in subsection (c)(6).

b) Payment. Each qualifying hospital shall receive an annual payment equal to the product of:

1) The hospital's calendar year 2019 inpatient days; and

2) The rate assigned to the group to which the hospital qualifies:

A) General Acute Care Hospitals: $750;

B) Other General Acute Care Hospitals: $550;

C) Safety-Net Hospitals: $1300;

D) LTAC Hospitals: $1410;

E) Psychiatric Hospitals: $810;

F) Rehabilitation Hospitals: $550;

G) Critical Access Hospitals: $750; and

H) Small Public Hospitals: $275.

c) Definitions. For purposes of this Section:

1) "High Medicaid General Acute Care Hospital" means a hospital that is not a public hospital, safety-net hospital, or critical access hospital and that qualifies as a regional high-volume hospital or is a hospital that has a Medicaid Inpatient Utilization Rate (MIUR) above 30%.

2) "Inpatient days" means, for a given hospital, the sum of fee-for-service inpatient hospital days provided to recipients of medical assistance under Title XIX of the Social Security Act for general acute care, psychiatric care, and rehabilitation care, excluding days for individuals eligible for Medicare under Title XVIII of the Social Security Act (Medicaid/ Medicare crossover days), as tabulated from the Department's paid claims data for total days occurring during calendar year 2019 as of May 11, 2020.

3) "MIUR" means Medicaid inpatient utilization rate for rate year ending 3 months prior to the calendar year.

4) "Other General Acute Care Hospitals" means an acute care hospital that is not a public hospital, safety net hospital, critical access hospital, or high Medicaid general acute care hospital.

5) "Safety-Net Hospital" means a hospital, as defined in 89 Ill. Adm. Code 149.100(f)(4), except that stand-alone children's hospitals that are not specialty children's hospitals will not be included.

6) "Small Public Hospitals" means any Illinois publicly owned hospital which is not a "large public hospital" as defined in Section 148.25(a).

(Source: Amended at 49 Ill. Reg. 2024, effective February 10, 2025)