

LONG TERM CARE & SENIOR LIVING BLOG

Delays in Illinois Medicaid Approval Under Fire

As every long-term care facility doing business in Illinois can attest, Medicaid eligibility determinations and benefit awards have been slow, with HFS often falling months, if not years, behind. A group of SNFs and their residents are trying to change that.

Several healthcare providers and their patients have filed suit against Felicia Norwood in her official capacity as the Director of the Illinois Department of Healthcare and Family Services (“HFS”) in federal court. They allege that HFS has failed to timely process Medicaid applications, render eligibility determinations and provide benefits with reasonable promptness in violation of the Medicaid Act.

As a result, the SNFs are seeking declaratory and injunctive relief to ensure HFS's future compliance with the Medicaid statute. In other words, they are asking the court to declare the delays unlawful and issue an injunction requiring HFS to arrange for medical assistance and nursing facility services for the residents.

Norwood sought to have the cases dismissed, but the Northern District of Illinois, Eastern Division of the United States District Court recently denied her motion (2017 WL 2461544). In doing so, the judge found the court had jurisdiction over the matters and that the plaintiffs had appropriately pleaded their claims. As such, the case will continue.

We will keep a close eye on this case and other cases that may impact the long-term care industry. As this case progresses through the legal system, we will update our blog. Hopefully this case, regardless of its ultimate outcome, will have its intended effect of speeding up Medicaid processing and ensuring timely payment. In the meantime, please let me know if you have any questions.