

March 21, 2024

Elizabeth M. Whitehorn, Director  
Illinois Department of Healthcare and Family Services  
201 South Grand Avenue East  
Springfield, IL 62763-0001

Dear Director Whitehorn:

On behalf of our more than 200 member hospitals and nearly 40 member health systems, the Illinois Health and Hospital Association (IHA) respectfully requests that the Illinois Department of Healthcare and Family Services (Department) swiftly implement the flexibilities allowed by the Centers for Medicare & Medicaid Services (CMS) as a result of the disruption caused by the February 21, 2024 cybersecurity incident experienced by Change Healthcare.

The Change Healthcare incident has had a far-reaching impact on the entire healthcare delivery system, and to date, it remains without an expected timeline for full restoration of normal operations. Our members have experienced a significant disruption to their operations and finances that without immediate remediation, will have a long-lasting impact.

While the insurance industry may minimize the impact to hospitals by indicating that they have deployed temporary workarounds and solutions, they are simply inefficient and place an additional administrative burden on our members. For example, the claims submission process is now more time-consuming and administratively burdensome on hospitals already experiencing a significant workforce shortage. Further, hospitals are not receiving denial information in a timely and efficient manner, which slows the correction and resubmission turnaround time significantly. This places reimbursement at risk, as hospitals may be challenged to complete the resubmission process within the existing timely filing requirements.

Given these unprecedented and extraordinary circumstances, and the significance of the impact on our members, IHA is requesting that the Department implement and require all Medicaid MCOs to institute the flexibilities recommended by CMS in their March 5, 2024 press release, with subsequent guidance announced on March 15, 2024. These flexibilities were also encouraged by the U.S. Dept. of Health and Human Services (HHS) and the U.S. Dept. of Labor (DOL) in their March 10, 2024 [Letter to Health Care Leaders on Cyberattack on Change Healthcare](#). Specifically, the IHA is requesting the following flexibilities:

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- Extend timely filing for claims submission;
- Extend timeframes associated with claims disputes;
- Pause prior/concurrent authorization requirements, and use all available leeway on deadlines; and
- Provide access to interim payments to impacted providers.

IHA further requests that these flexibilities continue for the maximum length of time allowed by CMS, and at least through June 30, 2024. While our members will resume normal operations once the issue has been resolved, the impact of the disrupted operations is likely to last for several months. Hospitals have reported that they expect to incur significant additional administrative expense, as well as reductions in revenue, as a result of disrupted processes.

Thank you for your consideration of this urgent matter. If you have questions, or would like to discuss the issue further, please feel free to reach out to me.

Sincerely,

A.J. Wilhelmi  
President and CEO  
Illinois Health and Hospital Association