

October 27, 2026

**ILLINOIS HEALTH AND HOSPITAL ASSOCIATION
M E M O R A N D U M**

SUBJECT: State Proposes Updates to Children's Behavioral Health Coverage

The Illinois Dept. of Children and Family Services (DCFS) and the Illinois Dept. of Healthcare and Family Services (HFS) have proposed amendments to state rules governing healthcare service coverage for children and young adults, primarily focusing on behavioral healthcare. A summary of proposed amendments is below.

Comments on the proposed amendments are due to HFS by Monday, Nov. 16, 2026, at HFS.Rules@illinois.gov and to DCFS by Monday, Nov. 23, 2026, at DCFS.Policy@illinois.gov. To submit questions or feedback for potential IHA comments, **please contact Lia Daniels by Wednesday, Nov. 4, 2026, at ldaniels@team-ihh.org.**

HFS Child Behavioral Health Assessment and Service Program Coverage

Public Act 99-479 transferred operations of the Children's Mental Screening, Assessment and Support Services (SASS) program from the Illinois Dept. of Human Services (DHS) to HFS. Public Act 102-899 further restructured the Children's Mental Health Act, which had the effect of removing the authority to promulgate regulations from DHS. On July 2, 2026, DHS repealed their administrative rules governing the SASS program.

On Oct. 2, proposed amendments were filed on Children's Behavioral Health by HFS (89 Ill. Adm. Code 139 et seq., [Illinois Register](#), pages [14276 to 14287](#)), to adopt rules on SASS program at HFS. Specifically, these rules establish criteria for payment of certain mental health and related services that are provided to children enrolled in the SASS program. SASS assessments are required for any child prior to any admission to an inpatient hospital for psychiatric services.

HFS proposed modifying the following for children enrolled in the SASS program:

- Changing SASS program criteria as it applies to children in a "behavioral health crisis," replacing the reference to children in a "psychiatric crisis";
- Changing eligibility criteria for inpatient psychiatric services from the appropriateness of admission and "availability of alternative treatment resources in the community" to the appropriateness of admission and "the ability for the individual to be safely stabilized in the community";
- Eliminating coverage for electroconvulsive therapy (ECT) for seizures (including necessary monitoring), which was previously covered for single and multiple seizures per day with prior Departmental approval. In addition to a guardian's approval, state

law separately requires court approval and concurrence of two licensed psychiatrists prior to ECT treatment being provided to a minor ([405 ILCS 5/2-110.5](#)); and

- Extending enrollment an additional 90 days if deemed clinically necessary. Prior regulations permitted enrollment extensions when deemed clinically necessary by DCFS or DHS.

DCFS Proposed Amendments to Health Service Coverage

On Sept. 30, proposed amendments were filed to Services Delivered by DCFS (89 Ill. Adm. Code 302 et seq., [Illinois Register](#), pages [15026 to 15077](#)). The proposed amendments would primarily modernize language and align provisions governing assistance for children for whom DCFS is legally responsible with federal and state law. Proposals include provisions addressing health coverage through state programs, which are summarized below.

Child welfare service eligibility throughout most of the proposed amendments would apply to children under 18 years old, but would now also apply to individuals:

- Who are in foster care under responsibility of DCFS;
- Who have an effective adoption assistance agreement, if the child was at least 16 years old before the agreement was effective; or
- Who are between 18 and 21 and enrolled in specified educational programs; are participating in programs to promote employment; are employed for at least 80 hours a month; or who are incapable of doing applicable activities due to a medical condition.

The current rules require DCFS to provide a Medicaid card for individuals seeking adoption assistance. The proposed language would instead recognize health insurance coverage through one or more unspecified state medical assistance programs. These programs must provide the same type and kind of medical and mental health benefits available to children under Medicaid, including:

- Children with special needs;
- Children with an effective adoption assistance agreement; or
- Circumstances where there has been a state determination that the child cannot be placed with adoptive parents without medical assistance because of special needs for medical, mental health, or rehabilitative care.

New language also states that if the state provides coverage through a medical assistance program other than Medicaid and that program's funding is exhausted, the youth could be treated as receiving assistance under the state's Medicaid plan. In addition, cost-sharing requirements would take into account the adoptive parents' circumstances and the child's needs. Health coverage eligibility would be extended until age 26 for individuals who have received adoption assistance as "former youth in care," eliminating a current access gap. The proposal would also extend respite care coverage for medically fragile and technology-

dependent adopted children and add mental health and substance use prevention services for children eligible for foster care or certain children in foster care.

Language would also establish notification responsibilities in two situations. First, healthcare providers would be responsible for notifying DCFS when payment is needed for non-emergency medical or mental health services not covered by existing insurance or public resources. Payment will not be made until the notification is provided and a contract has been completed between DCFS and the provider, when applicable. Currently, language requires notification for payment of services, but it was not clear who needed to provide the notification. Second, adoptive parents would be responsible for notifying DCFS of additional service or support needs related to a pre-existing condition not identified in the adoption assistance agreement. Currently, language is silent on this situation.

Finally, proposed language clarifies eligibility more generally for healthcare and behavioral health service coverage for children whom DCFS is legally responsible. For behavioral healthcare service eligibility specifically, the existing requirement for children to receive a Child and Adolescent Needs and Strengths Assessment (CANS) is proposed to take place during the initial placement, rather than during the integrated assessment. Language maintains the current requirement that the CANS continue to be provided at additional specific junctures during the child's time in care of DCFS.