DEPARTMENT OF HEALTH & HUMAN SERVICES Centers for Medicare & Medicaid Services 7500 Security Boulevard, Mail Stop S2-26-12 Baltimore, Maryland 21244-1850



## Center for Medicaid and CHIP Services (CMCS)

Mr. Gary D. Alexander, Secretary
Commonwealth of Pennsylvania
Department of Public Welfare/Department of Aging
Office of Long Term Living
555 Walnut Street
Forum Place, 5<sup>th</sup> Floor
Harrisburg, PA 17101-1919

NOV 2 3 2012

RE: State Plan Amendment 12-019

Dear Mr. Alexander:

We have reviewed the proposed amendment to Attachment 4.19-D to the Pennsylvania State plan submitted under transmittal number (TN) 12-019. This amendment modifies the State's methods and standards for setting public nursing facility (NF) payment rates. Specifically, this amendment continues the use of a budget adjustment factor and establishes the factor for setting rates for the 2012/2013 rate year.

We conducted our review of your submittal according to the statutory requirements at Sections 1902(a)(2), 1902(a)(13), 1902(a)(30), and 1902(a)(30) of the Social Security Act (the Act) and the regulations at 42 CFR 447 Subpart C. We are approving Pennsylvania State plan amendment 12-019 effective date of July 1, 2012. The approved HCFA-179 and the amended state plan pages are enclosed.

If you have any questions, please call Gary Knight on (304) 347-5723.

Cindy Mann
Director, CMCS