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State/Territory Name: Pennsylvania

State Plan Amendment (SPA) #: PA-14-0031

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form/Summary Form (with 179-like data)
- 3) Approved SPA Pages

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



Financial Management Group

NOV 21 2014

Ms. Beverly Mackereth, Secretary
Commonwealth of Pennsylvania
Department of Public Welfare
Office of Medical Assistance Programs
Bureau of Policy, Budget and Planning
P.O. Box 8046
Harrisburg, PA 17105

RE: State Plan Amendment (SPA) 14-031

Dear Ms. Mackereth:

We have completed our review of State Plan Amendment 14-031. This SPA modifies Attachment 4.19D of Pennsylvania's Title XIX State Plan. Specifically, SPA 14-031 continues Medicaid Day One Incentive payments to private nursing facilities.

We conducted our review of this amendment according to the statutory requirements at sections 1902(a)(3), 1902(a)(13), 1902(a)(30), and 1903(a) of the Social Security Act and the regulations at 42 CFR 447 Subpart C. We are approving SPA 14-031, effective September 15, 2014. Enclosed are the approved HCFA-179 and the amended state plan pages.

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

Sincerely,

/S/

Timothy Hill
Director

A handwritten signature in black ink, appearing to be 'Timothy Hill', written over the printed name and title.

Enclosures

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL**

1. TRANSMITTAL NUMBER:
14-031

2. STATE
Pennsylvania

FOR: HEALTH CARE FINANCING ADMINISTRATION

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE
SOCIAL SECURITY ACT (MEDICAID)

TO: REGIONAL ADMINISTRATOR
HEALTH CARE FINANCING ADMINISTRATION
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE
September 15, 2014

5. TYPE OF PLAN MATERIAL (Check One):

☐ NEW STATE PLAN ☐ AMENDMENT TO BE CONSIDERED AS NEW PLAN ☒ AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)

6. FEDERAL STATUTE/REGULATION CITATION:
42 CFR 447.250

7. FEDERAL BUDGET IMPACT:
a. FFY 2014 \$0
b. FFY 2015 \$8,604,000

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:
Attachment 4.19D, Part I, pages 12f and 12g

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION
OR ATTACHMENT (If Applicable):
Attachment 4.19D, Part I, pages 12f and 12g

10. SUBJECT OF AMENDMENT: Medical Assistance Day One Incentive payments to nonpublic nursing facilities and funding levels for fiscal year 2014-2015.

11. GOVERNOR'S REVIEW (Check One):

☐ GOVERNOR'S OFFICE REPORTED NO COMMENT
☐ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

☒ OTHER, AS SPECIFIED:

12. SIGNATURE OF STATE AGENCY OFFICIAL:

16. RETURN TO:

/s/
Beverly D. Mackereth

PA Department of Public Welfare
Office of Long-Term Living/Forum Place 6th Fl.
Attention: Bureau of Policy and Regulatory Management
P.O. Box 8025
Harrisburg, Pennsylvania 17105-8025

14. TITLE:
Secretary of Public Welfare

15. DATE SUBMITTED: SEP - 4 2014

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED:

18. DATE APPROVED: NOV 21 2014

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL:
SEP 15 2014

20. SIGNATURE OF REGIONAL OFFICIAL:
/s/

21. TYPED NAME: Kristin FAN

22. TITLE: Deputy Director, FMG

23. REMARKS:

4. MA Day One Incentive Payments for Nonpublic Nursing Facilities

(a) MA Day One Incentive payment for FY 2013-2014 and 2014-2015. The Department will make MA Day One Incentive (MDOI) payments to each qualified nursing facility as an incentive to increase access to care for the poor and indigent citizens of Pennsylvania.

(i) An MDOI payment for each qualified nursing facility will be calculated and paid on a quarterly basis.

(ii) To qualify for a quarterly MDOI payment, the facility must:

- a. Have reported the resident day information to the Department for the applicable Resident Day Quarter in the manner specified by the Department in the *PA NF Assessment and Quarterly Resident Day Reporting Form End User Manual* by the applicable date in subsection (b).
- b. Meet the definition of a nursing facility as defined in 55 Pa. Code § 1187.2 for the entire applicable Resident Day Quarter.
- c. Have an overall occupancy rate of at least 85% during the applicable Resident Day Quarter.
- d. Have a MA occupancy rate of at least 65% during the applicable Resident Day Quarter.

(iii) For purposes of subsection (a)(ii) above, Overall occupancy rate = $\frac{\text{Total Resident Days}}{\text{(licensed bed capacity at the end of the quarter} \times \text{the number of calendar days in the quarter))}$. MA occupancy rate = $\frac{\text{Total PA MA days}}{\text{Total Resident Days}}$.

(iv) The Department will use the Total PA MA days and the Total Resident Days defined in the *PA NF Assessment and Quarterly Resident Day Reporting Form End User Manual* as reported by nursing facilities on the applicable nursing facility assessment resident day reporting forms to determine eligibility and calculate payments.

(b) The Department will use the nursing facility assessment quarterly resident day reporting forms available on October 31 for the April 1-June 30 Resident Day Quarter, January 31 for the July 1-September 30 Resident Day Quarter, April 30 for the October 1-December 31 Resident Day Quarter and July 31 for the January 1-March 31 Resident Day Quarter to calculate each qualified nursing facility's MDOI quarterly payment based on the following formula:

(i) The MDOI quarterly per diem will be $\frac{1}{4}$ of the total funds appropriated for the fiscal year divided by the Total PA MA days as reported by all qualifying nursing facilities for the applicable Resident Day Quarter.

(ii) The quarterly MDOI per diem will then be multiplied by each qualified nursing facility's Total PA MA days, as reported, for the applicable Resident Day Quarter to determine its quarterly MDOI payment.

(iii) The Department will not retroactively revise a MDOI payment amount based on a nursing facility's late submission or revision of its nursing facility assessment quarterly resident day report related to the dates above. The Department may recoup payments based on an audit of a nursing facility's report.

(iv) The state funds allocated for FY 2013-2014 and 2014-2015 are as follows:

FY – 2013-2014 - \$8,000,000

FY – 2014-2015 - \$8,000,000