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State Name: Pennsylvania

State Plan Amendment (SPA)#: 15-0017

This file contains the following documents in the order listed:

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



Financial Management Group

AUG 17 2015

Mr. Theodore Dallas, Secretary
Commonwealth of Pennsylvania
Department of Human Services
Office of Medical Assistance Programs
PO Box 8046
Harrisburg, PA 17105

RE: State Plan Amendment 15-0017

Dear Mr. Dallas:

We have completed our review of State Plan Amendment (SPA) 15-0017. This SPA modifies Attachment 4.19-A of Pennsylvania's Title XIX State Plan. Specifically, the SPA establishes a new class of disproportionate payments for 2015 acute care hospitals with 400 or more setup and staffed beds in a county with a population less than 500,000.

We conducted our review of this SPA according to the statutory requirements at sections 1902(a)(3), 1902(a)(13), 1902(a)(30), 1903(a), and 1923 of the Social Security Act (the Act) and the regulations at 42 CFR 447 Subpart C. We are approving state plan amendment 15-0017 effective June 21, 2015. We are enclosing the HCFA-179 and the amended plan pages.

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

Sincerely yours,

/S/

Timothy Hill
Director

Enclosures

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL		1. TRANSMITTAL NUMBER: 15-0017	2. STATE Pennsylvania
FOR: HEALTH CARE FINANCING ADMINISTRATION		3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID) Title XIX	
TO: REGIONAL ADMINISTRATOR HEALTH CARE FINANCING ADMINISTRATION DEPARTMENT OF HEALTH AND HUMAN SERVICES		4. PROPOSED EFFECTIVE DATE June 21, 2015	
5. TYPE OF PLAN MATERIAL (Check One): <input type="checkbox"/> NEW STATE PLAN <input type="checkbox"/> AMENDMENT TO BE CONSIDERED AS NEW PLAN <input checked="" type="checkbox"/> AMENDMENT COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)			
6. FEDERAL STATUTE/REGULATION CITATION: 42 CFR 447 Subpart C		7. FEDERAL BUDGET IMPACT: a. FFY 2014 \$0 b. FFY 2015 \$374,937	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Attachment 4.19A, Page 21x		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable):	
10. SUBJECT OF AMENDMENT: Additional Class of Disproportionate Share Hospital Payments			
11. GOVERNOR'S REVIEW (Check One): <input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input checked="" type="checkbox"/> OTHER, AS SPECIFIED: <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED Review and approval authority has <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL been delegated to the Department of Human Services			
12. SIGNATURE OF STATE AGENCY OFFICIAL: /S/		16. RETURN TO: Commonwealth of Pennsylvania Department of Human Services Office of Medical Assistance Programs Bureau of Policy, Analysis and Planning P.O. Box 2675 Harrisburg, Pennsylvania 17110	
13. TYPED NAME: Theodore Dallas			
14. TITLE: Secretary of Human Services			
15. DATE SUBMITTED: JUN 24 2015			
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED:		18. DATE APPROVED: AUG 17 2015	
PLAN APPROVED - ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL: JUN 21 2015		20. SIGNATURE OF REGIONAL OFFICIAL: /S/	
21. TYPED NAME:		22. TITLE: Deputy Director, FMG	
23. REMARKS:			

ADDITIONAL CLASS OF DISPROPORTIONATE SHARE PAYMENTS

The Department will make an additional class of disproportionate share hospital (DSH) payment to qualifying Medical Assistance (MA) enrolled acute care general hospitals which provide a high volume of inpatient services to MA eligible and low income populations.

A hospital is eligible for this additional class of DSH payment if the hospital is an acute care hospital that meets all of the criteria listed below. Unless otherwise stated, the source of the information is the State Fiscal Year (FY) 2011-2012 MA-336 Hospital Cost Report.

- a) The hospital is enrolled in the MA Program as an acute care general hospital.
- b) The hospital is located in a county with a total population of less than 500,000 residents, based on the 2010 Federal decennial census.
- c) The hospital has at least 400 total setup and staffed beds.
- d) The hospital ranked at or above the 90th percentile, among MA enrolled acute care hospitals located in counties with a total population of less than 500,000 residents, on the total number of MA inpatient days of care provided.
- e) The hospital ranked in excess of one standard deviation above the mean among MA enrolled acute care hospitals located in counties with a total population of less than 500,000 residents, on the ratio of MA psychiatric inpatient days provided to total psychiatric inpatient days.
- f) The hospital's ratio of uncompensated care to net patient revenue, based on the Pennsylvania Health Care Cost Containment Council *Financial Analysis 2013*, exceeded 3.40%.

For FY 2014-2015, the Department will allocate \$0.724 million (\$0.349 million in State General funds and \$0.375 million Federal funds) for this additional class of DSH payments. Payments will be divided proportionally among qualified hospitals based on each hospital's total MA inpatient days to total MA inpatient days for all qualified hospitals.

TN# 15-0017

Supersedes

TN# NewApproval Date: AUG 17 2015Effective Date: June 21, 2015