

## **Table of Contents**

**State Name:** Pennsylvania

**State Plan Amendment (SPA)#:** 16-0009

This file contains the following documents in the order listed:

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

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



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**Financial Management Group**

**MAY 18 2016**

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 16-0009

Dear Mr. Dallas:

We have completed our review of State Plan Amendment (SPA) 16-0009. This SPA modifies Attachment 4.19-A of Pennsylvania's Title XIX State Plan. Specifically, the amendment continues a supplemental payment to acute care general hospitals in Pennsylvania that provide a substantial portion of their inpatient services to Medicaid patients.

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 16-0009 effective February 14, 2016. 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,

**/S/**

Kristin Fan  
Director

Enclosures

<b>TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL</b>		1. TRANSMITTAL NUMBER: 16-0009	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 February 14, 2016	
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 2015 \$0 b. FFY 2016 \$156,030	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Attachment 4.19A, Page 21s		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable): Attachment 4.19A, Page 21s	
10. SUBJECT OF AMENDMENT: Supplemental Payments for Medical Assistance Reliant Hospitals			
11. GOVERNOR'S REVIEW (Check One): <input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL <input checked="" type="checkbox"/> OTHER, AS SPECIFIED: Review and approval authority has been delegated to the Department of Public Welfare			
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, Budget and Planning P.O. Box 2675 Harrisburg, Pennsylvania 17110	
13. TYPED NAME: Theodore Dallas			
14. TITLE: Secretary of Human Services			
15. DATE SUBMITTED: FEB 25 2016			
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED:		18. DATE APPROVED: MAY 18 2016	
PLAN APPROVED - ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL: FEB 14 2016		20. SIGNATURE OF REGIONAL OFFICIAL: /S/	
21. TYPED NAME: Kristen Fan		22. TITLE: Director, FMC	
23. REMARKS:			

**SUPPLEMENTAL PAYMENTS FOR MEDICAL ASSISTANCE RELIANT HOSPITALS**

The Department provides additional funding to hospitals enrolled in Pennsylvania (PA) Medical Assistance (MA) as an acute care general hospital that provide a substantial portion of their inpatient services to PA MA patients. To qualify for the supplemental payments, an acute care general hospital must provide at least 80% of its inpatient days of care (both Fee-For-Service and Managed Care) to PA MA patients as evidenced by the hospitals' Fiscal Year (FY) 2009-2010 MA cost report (MA 336).

A qualifying hospital's payment is determined by dividing the hospital's PA MA inpatient days of care (both Fee-for-Service and Managed Care) as specified in its FY 2009-2010 MA cost report to the total PA MA inpatient days for all qualifying hospitals to establish the hospital proportional payment percentage. The hospital's proportional payment percentage is then multiplied by the funds appropriated for these payments to establish the hospital's allocation amount for the fiscal year.

For FY 2015-2016, the amount allocated to these payments is \$0.300 (\$0.144 in State General Funds and \$0.156 in Federal Funds upon approval by the Centers for Medicare and Medicaid Services (CMS)).

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**TN#16-0009****Supersedes****TN#14-036****Approval Date** MAY 18 2016**Effective Date:** February 14, 2016