

## **Table of Contents**

**State Name:** Pennsylvania

**State Plan Amendment (SPA)#:** 16-0040

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**

**JAN 13 2017**

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 16-0040

Dear Mr. Dallas:

We have completed our review of State Plan Amendment (SPA) 16-0040. 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 16-0040 effective October 30, 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

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

1. TRANSMITTAL NUMBER:  
16-0040

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  
October 30, 2016

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 Subpart C

7. FEDERAL BUDGET IMPACT:  
a. FFY 2016 \$ 0  
b. FFY 2017 \$ 155,340

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 PAGE NUMBER OF THE SUPERSEDED PLAN SECTION  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):

☐ GOVERNOR'S OFFICE REPORTED NO COMMENT

☐ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED

☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

☒ OTHER, AS SPECIFIED:

Review and approval authority has  
been delegated to the Department of  
Public Welfare

12. SIGNATURE OF STATE AGENCY OFFICIAL:

/S/

13. TYPED NAME:

Theodore Dallas

14. TITLE:

Secretary of Human Services

15. DATE SUBMITTED:

OCT 31 2016

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

**FOR REGIONAL OFFICE USE ONLY**

17. DATE RECEIVED:

18. DATE APPROVED:

JAN 13 2017

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL:

OCT 30 2016

20. SIGNATURE OF REGIONAL OFFICIAL:

/S/

21. TYPED NAME:

Kristin 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.

Beginning with State Fiscal Year 2016-2017, the Department will allocate an annualized amount of \$0.300 million for this payment.

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TN# 16-0040

Supersedes

TN# 16-0009Approval Date JAN 13 2017 Effective Date: October 30, 2016