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State Name: Pennsylvania

State Plan Amendment (SPA)#: 18-0002

This file contains the following documents in the order listed:

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

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



Financial Management Group

MAR 12 2018

Ms. Teresa D. Miller, Acting Secretary
Commonwealth of Pennsylvania
Department of Human Services
Office of Medical Assistance Programs
PO Box 2675
Harrisburg, PA 17110

RE: State Plan Amendment 18-0002

Dear Ms. Miller:

We have completed our review of State Plan Amendment 18-0002. This SPA modifies Attachment 4.19D of Pennsylvania's Title XIX State Plan. Specifically, this SPA 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 18-0002, effective January 14, 2018. 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/

Kristin Fan
Director

Enclosures

cc: Leesa M. Allen, Deputy Secretary, DHS, Office of Medical Assistance Programs
Jennifer Burnett, Deputy Secretary, Office of Long-Term Living

bcc: Fran McCullough, ARA, RO3
Teia Miller, Manager, FMB RO3
Sabrina Tillman-Boyd, Manager, POB RO3
Mary McKeon, PA State Lead
Lisa Carroll, CO NIRT
Official NIRT File

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

FOR: HEALTH CARE FINANCING ADMINISTRATION

1. TRANSMITTAL NUMBER:
18-0002

2. STATE
Pennsylvania

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
January 14, 2018

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 2017 \$ 0
b. FFY 2018 \$ 8,604,400

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

Attachment 4.19D, Part I, pages 12i1 and 12i2

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION
OR ATTACHMENT (If Applicable):

10. SUBJECT OF AMENDMENT: Medical Assistance Day One Incentive payments to nonpublic nursing facilities and funding levels for
fiscal year 2017-2018.

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:
/S/

13. TYPED NAME:
Teresa D. Miller

14. TITLE:
Acting Secretary of Human Services

15. DATE SUBMITTED: JAN 25 2018

16. RETURN TO:

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

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED:

18. DATE APPROVED: MAR 12 2018

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL:

20. SIGNATURE OF REGIONAL OFFICIAL:
/S/

21. TYPED NAME:

22. TITLE:

23. REMARKS:

5a. *MA Day One Incentive Payments for Nonpublic Nursing Facilities*

(a) MA Day One Incentive payment for FY 2017-2018. 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) Each nursing facility may qualify for a maximum of two MDOI payments. MDOI payments for each qualified nursing facility will be based on data from the nursing facility assessment quarterly resident day reporting forms and calculated as described in subsection (b).

(ii) To qualify for a 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 = $(\text{Total Resident Days} \div (\text{licensed bed capacity at the end of the quarter} \times \text{the number of calendar days in the quarter}))$. MA occupancy rate = $\text{Total PA MA days} \div \text{Total Resident Days}$.

(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 to calculate the first MDOI payment and January 31 for the July 1-September 30 Resident Day Quarter to calculate the second MDOI payment for each qualified nursing facility based on the following formula:

- (i) A MDOI per diem for each of the two MDOI payments will be $\frac{1}{2}$ 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) Each 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 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 2017-2018 is \$8,000,000.