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State Name: Pennsylvania

State Plan Amendment (SPA)#: 18-0008

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



Financial Management Group

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

JUN 19 2018

RE: State Plan Amendment 18-0008

Dear Ms. Miller:

We have completed our review of State Plan Amendment (SPA) 18-0008. This SPA modifies Attachment 4.19-A of Pennsylvania's Title XIX State Plan. Specifically, the amendment continues an additional class of disproportionate share hospital payments to promote access to services and to support academic medical programs.

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 18-0008 effective May 27, 2018. 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

cc: Leesa M. Allen, Executive Deputy Secretary, DHS
Sally Kozak, Deputy Secretary, DHS, Office of Medical Assistance Programs
Dan De Lellis, Director, DHS, Bureau of Policy, Planning, and Analysis

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**

1. TRANSMITTAL NUMBER:
18-0008

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
May 27, 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 Subpart C

7. FEDERAL BUDGET IMPACT:
a. FFY 2017 \$0
b. FFY 2018 \$8,619,655

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

Attachment 4.19A, Page 27aaa

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 PAGE NUMBER OF THE SUPERSEDED PLAN SECTION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

Attachment 4.19A, Page 27aaa

10. SUBJECT OF AMENDMENT:

Additional Class of Disproportionate Share Payments

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
Human Services

12. SIGNATURE OF STATE AGENCY OFFICIAL:

/S/

13. TYPED NAME:

Teresa D. Miller

14. TITLE:

Secretary of Human Services

15. DATE SUBMITTED: JUN 06 2018

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 17105-2675

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED:

18. DATE APPROVED:

JUN 19 2018

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL:

MAY 27 2018

20. SIG

/S/

OFFICIAL:

21. TYPED NAME:

Kristin Fan

22. TITLE:

Director, FMC

23. REMARKS:

ADDITIONAL CLASS OF DISPROPORTIONATE SHARE PAYMENTS

The Department will make a disproportionate share hospital (DSH) payment to qualifying hospitals to promote additional access to inpatient and ancillary outpatient services and to support academic medical programs for integrated patient centered medical services.

The Department determines a hospital eligible for this additional class of DSH payment if the hospital meets all of the criteria listed below. Unless otherwise stated, the source of the information is the State Fiscal Year 2010-2011 Medical Assistance (MA) hospital cost report (MA-336).

- a) The hospital is enrolled in the Pennsylvania (PA) MA Program as a general acute care hospital.
- b) The hospital is ranked at or above the 92nd percentile of all acute care hospitals on the total acute care inpatient days provided to MA beneficiaries.
- c) The hospital is ranked at or above the 94th percentile of all acute care hospitals on net PA MA Outpatient Revenues.
- d) The hospital is accredited as an Adult Level I Trauma Center and a Pediatric Level I Trauma Center according to the Pennsylvania Trauma Systems Foundation's 2012 *Annual Report*.
- e) The hospital is part of an academic medical center that includes a regional medical campus in a county of the fourth class.

Payments will be divided proportionally among all qualifying hospitals based on each hospital's total MA acute care inpatient days to total MA acute care inpatient days for all qualified hospitals. All payment limitations are still applicable, including those limitations that the Commonwealth may not exceed its aggregate annual DSH allotment and that no hospital may receive DSH payments in excess of its hospital-specific limit. Any funds available due to the application of the hospital-specific DSH upper payment limit will be redistributed to other hospitals qualifying under this class of disproportionate share payments on a proportionate basis.

For FY 2017-2018, the fiscal impact as a result of this payment program is \$16.634 million (\$8.014 million in State general funds and \$8.620 million in Federal funds).

TN# 18-0008
Supersedes
TN# 17-0005

Approval Date: JUN 19 2018

Effective Date: May 27, 2018