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State Name: Pennsylvania

State Plan Amendment (SPA)#: 18-0025

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

Ms. Teresa D. Miller, Secretary
Commonwealth of Pennsylvania
Department of Human Services
Office of Medical Assistance Programs
PO Box 8046
Harrisburg, PA 17105

September 18, 2018

RE: State Plan Amendment 18-0025

Dear Ms. Miller:

We have completed our review of State Plan Amendment (SPA) 18-0025. This SPA modifies Attachment 4.19-D of Pennsylvania's Title XIX State Plan. Specifically, the amendment continues provisions for Medicaid day-one-incentive (MDOI) payments to county nursing facilities.

We conducted our review of this SPA according to the statutory requirements at sections 1902(a)(3), 1902(a)(13), 1902(a)(30), and 1903(a) of the Social Security Act (the Act) and the regulations at 42 CFR 447 Subpart C. We are approving Pennsylvania State plan amendment 18-0025 with an effective date of July 1, 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 Allen, Executive Deputy Secretary, DHS
Sally Kozak, Deputy Secretary, DHS, Office of Medical Assistance Programs
Kevin Hancock, Deputy Secretary, Office of Long Term Living

bcc: Francis 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

TO: REGIONAL ADMINISTRATOR
HEALTH CARE FINANCING ADMINISTRATION
DEPARTMENT OF HEALTH AND HUMAN SERVICES

1. TRANSMITTAL NUMBER:
18-0025

2. STATE
Pennsylvania

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE
SOCIAL SECURITY ACT (MEDICAID)

4. PROPOSED EFFECTIVE DATE
July 1, 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 2018 \$
b. FFY 2019 \$ 7,033,506

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

Attachment 4.19D, Part Ia, pages 2d and 2e

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 PAGE NUMBER OF THE SUPERSEDED PLAN SECTION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

Attachment 4.19D, Part Ia, pages 2d and 2e

10. SUBJECT OF AMENDMENT: Continuation of Medical Assistance Day One Incentive payments to county nursing facilities and funding levels for fiscal year 2018-2019.

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:

Secretary of Human Services

15. DATE SUBMITTED:

AUG 07 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: SEP 18 2018

19. EFFECTIVE DATE OF APPROVED MATERIAL: JUL 01 2018
PLAN APPROVED - ONE COPY ATTACHED

20. SIGNATURE OF REGIONAL OFFICIAL:
/S/

21. TYPED NAME:

Kristin Fan

22. TITLE:

Director, FMC

23. REMARKS:

8. Incentive Payments

1. *County MA Day One Incentive payment for 2017-2018 and 2018-2019.*

The Department will make quarterly MA Day One Incentive (MDOI) payments to each qualified county nursing facility as an incentive to preserve the critical safety network county nursing facilities provide to Medical Assistance eligible residents of Pennsylvania.

a. To qualify for a quarterly MDOI payment, the facility must be a county nursing facility both during the entire quarter for which the payment is being made and at the time the payment is made. A facility will not qualify for a quarterly payment if they are located in a geographic zone where Community Health Choices operates during the entire quarter for which the payment is being made.

b. The Department will calculate each qualified county nursing facility's quarterly MDOI payment based on the following formula:

- (i) The total funds allocated for the quarter will be divided by the total MA days for all qualified county nursing facilities to determine the quarterly MDOI per diem. The total MA days used for each county nursing facility will be the MA days identified on the most recent Provider Reimbursement and Operations Management Information System (PROMIS[™]) data file used to determine the facility's eligibility for disproportionate share incentive payments. The state funds allocated for FYs 2017-2018 and 2018-2019 are as follows:

Fiscal Year	Quarter 1	Quarter 2	Quarter 3	Quarter4
FY 2017-2018	\$2,849,659	\$2,849,659	\$2,153,882	\$2,153,882
FY 2018-2019	\$1,958,577	\$1,958,577	\$1,255,298	\$1,255,298

(ii) The quarterly MDOI per diem will be multiplied by each qualified county nursing facility's paid MA days identified on the most recent PROMISe data file used to determine eligibility for disproportionate share incentive payments, to determine its quarterly MDOI amount.

c. The MDOI payments for each quarter of the rate year will be paid in the first month of the following quarter.