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State Name: Pennsylvania

State Plan Amendment (SPA)#: 18-0040

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



Financial Management Group

January 18, 2019

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

RE: State Plan Amendment 18-0040

Dear Ms. Miller:

We have completed our review of State Plan Amendment (SPA) 18-0040. This SPA modifies Attachment 4.19-A of Pennsylvania's Title XIX State Plan. Specifically, the amendment continues disproportionate share hospital payments to hospitals promoting access to inpatient hospital services for MA eligible and uninsured persons with cleft palate or craniofacial abnormalities.

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 18-0040 effective December 2, 2018. We are enclosing the CMS-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, OMAP
Dan De Lellis, Director, DHS, Bureau of Policy, Planning, and Analysis

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

FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES

TO: REGIONAL ADMINISTRATOR
CENTERS FOR MEDICARE & MEDICAID SERVICES
DEPARTMENT OF HEALTH AND HUMAN SERVICES

1. TRANSMITTAL NUMBER:
18-0040

2. STATE
Pennsylvania

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

4. PROPOSED EFFECTIVE DATE
December 2, 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 2018 \$0
b. FFY 2019 \$273,560

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

Attachment 4.19A, Page 21u

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 PAGE NUMBER OF THE SUPERSEDED PLAN SECTION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

Attachment 4.19A, Page 21u

10. SUBJECT OF AMENDMENT
Disproportionate Share Payments to Qualifying Hospitals

11. GOVERNOR'S REVIEW (Check One)

GOVERNOR'S OFFICE REPORTED NO COMMENT OTHER, AS
 SPECIFIED COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

12. SIGNATURE OF STATE AGENCY OFFICIAL

/S/

13. TYPED NAME

Teresa D. Miller

14. TITLE

Secretary of Human Services

15. DATE SUBMITTED

DEC 07 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

JAN 18 2019

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL

DEC 02 2018

20. SIGNATURE OF REGIONAL OFFICIAL

/S/

21. TYPED NAME

Kristin Fan

22. TITLE

Director, FMG

23. REMARKS

ADDITIONAL CLASS OF DISPROPORTIONATE SHARE PAYMENTS TO QUALIFYING HOSPITALS

The Department of Human Services will make disproportionate share hospital (DSH) payments to certain Medical Assistance (MA) acute care general hospitals which, in partnership with an independent facility listed as a Cleft and Craniofacial Team by the American Cleft Palate-Craniofacial Association, provide surgical services to patients with cleft palate and craniofacial abnormalities. These payments are intended to promote access to inpatient hospital services for MA eligible and uninsured persons in the Commonwealth with cleft palate and craniofacial abnormalities.

A hospital is eligible for this additional class of DSH payments if the hospital meets all criteria listed below. Unless otherwise stated, the source of the information is the FY 2010-2011 MA-336 Hospital Cost Report.

- a) The hospital is enrolled in the MA Program as a general acute care hospital and is licensed to provide obstetrical and neonatal services as reported by the Pennsylvania Department of Health for the period July 1, 2010, through June 30, 2011.
- b) The hospital has a partnership with a facility listed as of January 2013 as both a cleft palate team (CPT) and a craniofacial team (CFT) by the American Cleft Palate-Craniofacial Association and Cleft Palate Foundation.
- c) As of March 2013, the hospital is accredited as a Level I Adult Trauma Center and a Level I Pediatric Trauma Center by the Pennsylvania Trauma System Foundation.
- d) The hospital provided more than 135,000 total acute inpatient days of care.
- e) The hospital ranked at or above the 90th percentile for all enrolled acute care hospitals based on the total number of MA inpatient days of care.
- f) The hospital's ratio of uncompensated care to net patient revenue is at least 3.30%, based on the Pennsylvania Health Care Cost Containment Council's *Financial Analysis 2012, Volume One*.

Payments will be divided proportionally among qualified hospitals based on each hospital's total MA inpatient days to total MA 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 additional class of DSH payments on a proportionate basis.

The FY 2018-2019 impact, as a result of the funding allocation for these payments, is 0.524 million (\$0.250 million in State general funds and \$0.274 million in Federal funds).

TN# 18-0040
Supersedes
TN# 18-0005

Approval Date: JAN 18 2019

Effective Date: December 2, 2018