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State/Territory Name: Pennsylvania

State Plan Amendment (SPA) #: 20-0004

This file contains the following documents in the order listed:

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

June 3, 2020

Ms. Teresa D. Miller, Secretary
Commonwealth of Pennsylvania
Department of Human Services
Office of Medical Assistance Programs
Bureau of Policy, Analysis and Planning
P.O. Box 2675
Harrisburg, PA 17105-2675

RE: State Plan Amendment (SPA) 20-0004

Dear Ms. Miller:

We have completed our review of State Plan Amendment (SPA) 20-0004. 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 payment to qualifying trauma facilities.

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 Pennsylvania State plan amendment 20-0004 with an effective date of April 19, 2020. 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.


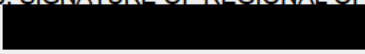
Sincerely,

A solid black rectangular box used to redact the signature of Kristin Fan.

Kristin Fan
Director

Enclosures

cc: Sally Kozak, Deputy Secretary
Dan De Lellis, Chief of Staff

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES	1. TRANSMITTAL NUMBER 20-0004	2. STATE Pennsylvania
	3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID) Title XIX	
TO: REGIONAL ADMINISTRATOR CENTERS FOR MEDICARE & MEDICAID SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES	4. PROPOSED EFFECTIVE DATE April 19, 2020	
5. TYPE OF PLAN MATERIAL (<i>Check One</i>) <input type="checkbox"/> NEW STATE PLAN <input type="checkbox"/> AMENDMENT TO BE CONSIDERED AS NEW PLAN <input checked="" type="checkbox"/> AMENDMENT		
COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (<i>Separate transmittal for each amendment</i>)		
6. FEDERAL STATUTE/REGULATION CITATION 42 CFR 447 Subpart C	6. FEDERAL BUDGET IMPACT a. FFY 2019 \$0 b. FFY 2020 \$9,471,749	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT Attachment 4.19A, Page 21c	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (<i>If Applicable</i>) Attachment 4.19A, Page 21c	
10. SUBJECT OF AMENDMENT Disproportionate Share Payments for Trauma Services		
11. GOVERNOR'S REVIEW (<i>Check One</i>) <input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input checked="" type="checkbox"/> OTHER, AS SPECIFIED <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED Review and approval authority <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL has been delegated to the Department of Human Services		
12. SIGNATURE OF STATE AGENCY OFFICIAL 	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	
13. TYPED NAME Teresa D. Miller		
14. TITLE Secretary of Human Services		
15. DATE SUBMITTED April 17, 2020		
FOR REGIONAL OFFICE USE ONLY		
17. DATE RECEIVED April 17, 2020	18. DATE APPROVED 6/3/20	
PLAN APPROVED - ONE COPY ATTACHED		
19. EFFECTIVE DATE OF APPROVED MATERIAL April 19, 2020	20. SIGNATURE OF REGIONAL OFFICIAL 	
21. TYPED NAME Kristin Fan	22. TITLE Director, FMG	
23. REMARKS		

ADDITIONAL CLASS OF DISPROPORTIONATE SHARE PAYMENTS FOR TRAUMA SERVICES

The Department of Human Services (Department) will make a disproportionate share hospital (DSH) payment ("Trauma DSH payment") to hospitals that qualify as a trauma center for the purpose of improving access to readily available and coordinated trauma care for the citizens of Pennsylvania.

Unless otherwise stated, the source of information for this payment is the most recent available Pennsylvania Trauma Outcome Study (PTOS) prepared by the Pennsylvania Trauma Systems Foundation (Foundation). For purposes of calculating the hospital-specific portion of the payment, the Department shall count all medical assistance days, uninsured PTOS trauma visits and patient days, irrespective of the home state of the patient.

A hospital shall qualify as a trauma center ("qualified trauma center") if it meets one of the criteria below:

- 1) Is located in Pennsylvania and is accredited by the Foundation as a Level I, Level II, or Level III trauma center;
- 2) Is located in Pennsylvania and has submitted an application to the Foundation seeking Level III accreditation and has documented evidence or progression towards accreditation and achievement of benchmarks as verified and established by the Foundation in collaboration with the Department for up to four years. In addition to the established standards, a hospital applying for Level III certification qualifies as a Level III trauma center if it meets all the following criteria:
 - a. Provides comprehensive emergency services;
 - b. Has at least 4,000 inpatient admissions from its emergency department on an annual basis;
 - c. Is located in a county of the third, fourth, fifth, sixth, seventh, or eighth class; and,
 - d. Is located more than 25 miles travel distance from a Level I, Level II or Level III trauma center unless the hospital can demonstrate that other trauma centers in the catchment area have a volume of excess cases which is twice the amount needed for reaccreditation for the three preceding years.
- 3) Is located in a rural county of Pennsylvania, as defined by the Center for Rural Pennsylvania, and is accredited by the Foundation as a Level IV trauma center; or,
- 4) Is an "out-of-state qualified trauma center" for purposes of eligibility for this additional class of DSH payment. The term out-of-state qualified trauma center means West Virginia University Hospital, or an out-of-state trauma center that meets all of the following requirements:
 - a. Is accredited as a Level I or Level II trauma center by the Foundation; or has obtained verification from the American College of Surgeons as a Level I or Level II trauma center; and is formally designated as a Level I or Level II trauma center by its home state;
 - b. Pays to the Foundation the annual participation fee the out-of-state hospital would be charged were it accredited by the Foundation as a Level I or Level II trauma center; and,
 - c. Annually discharges more than 30 trauma patients under the PTOS for 2 of the preceding 4 years.

Out-of-state qualified trauma centers shall submit to the Foundation on an annual basis both:

- (i) a copy of the clinical patient data the hospital submits to the National Trauma Database regarding Pennsylvania residents who receive trauma services from the hospital; and,
- (ii) the total and Pennsylvania resident-specific number of PTOS trauma visits and patient days for individuals who are Medical Assistance beneficiaries and those who are uninsured. The definition of what constitutes a PTOS trauma case shall be the same for both Pennsylvania and out-of-state hospitals.

The Department may use any funds available for Trauma DSH payments to make Trauma DSH payments to eligible out-of-state hospitals. The Department will make Trauma DSH payments to qualified trauma centers using the following payment methodology:

- 1) 90% of the total available funds will be paid to hospitals with qualified Level I and Level II trauma centers, including out-of-state qualified trauma centers as follows:
 - a. 50% of the amount available for Level I and Level II trauma centers will be distributed equally among Level I and Level II trauma centers.
 - b. 50% of the total amount available for Level I and Level II trauma centers will be distributed on the basis of each qualified trauma center's percentage of MA and uninsured PTOS trauma visits and patient days compared to the Pennsylvania statewide total number of MA and uninsured PTOS trauma visits and patient days for Level I and Level II trauma centers.
- 2) 10% of the total available funds will be paid to hospitals with qualified Level III trauma centers and qualified trauma centers seeking accreditation as Level III as follows:
 - a. 50% of the amount available for Level III trauma centers will be distributed equally among Level III trauma centers.
 - b. 50% of the total amount available for Level III trauma centers will be distributed on the basis of each trauma center's percentage of MA and uninsured PTOS trauma cases and patient days compared to the Pennsylvania statewide total number of MA and uninsured PTOS trauma cases and patient days for Level III trauma centers.
 - c. Payment to each qualifying Level III trauma center may not be greater than 50% of the average statewide annual payment to a Level I or Level II trauma center.
- 3) Funds not distributed to Level I, II, or III qualified trauma centers will be paid to hospitals with qualified Level IV trauma centers as follows:
 - a. 50% of the amount available for Level IV trauma centers will be distributed equally among Level IV trauma centers.
 - b. 50% of the total amount available for Level IV trauma centers will be distributed on the basis of each trauma center's percentage of MA and uninsured PTOS trauma cases and patient days compared to the Pennsylvania statewide total number of MA and uninsured PTOS trauma cases and patient days for Level IV trauma centers.
 - c. Payment to each qualifying Level IV trauma center may not be greater than 50% of the average statewide annual payment to a Level I or Level II trauma center.
- 4) Funds unspent after distribution to Level IV qualified trauma centers will be paid to hospitals with qualified Level I and Level II trauma centers as follows:
 - a. 50% of unspent funds shall be distributed equally among qualified Level I and Level II trauma centers.
 - b. 50% of unspent funds shall be distributed on the basis of each qualified Level I and Level II trauma center's percentage of MA and uninsured PTOS trauma visits and patient days compared to the Pennsylvania statewide total number of MA and uninsured PTOS trauma visits and patient days for Level I and Level II trauma centers.

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. The Department will not redistribute DSH payments made under this additional class of DSH payments to qualifying hospitals as a result of a qualifying hospital exceeding its hospital-specific DSH limit.

The Fiscal Year 2019-2020 impact, as a result of the funding allocation for these payments, is \$18.128 million (\$8.656 million in State general funds and \$9.472 million in Federal funds).