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State/Territory Name: PA

State Plan Amendment (SPA) #: 22-0017

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
Financial Management Group

August 2, 2022

M. Snead, Acting Secretary of Human Services
Department of Human Services
P.O. Box 2675
Harrisburg, Pennsylvania 17105-2675

Reference: TN 22-0017

Dear Acting Secretary of Human Services:

We have reviewed the proposed amendment to Attachment 4.19-A of your Medicaid State plan submitted under transmittal number (TN) 22-0017. This amendment proposes to add an additional class of supplemental payments to acute care general hospitals for qualified high volumes hospitals that are non-rural in medically under served areas.

We conducted our review of your submittal according to the statutory requirements at sections 1902(a)(2), 1902(a)(13), 1902(a)(30), 1923 and 1903(a) of the Social Security Act and the implementing Federal regulations at 42 CFR 447 Subpart C.

This is to inform you that Medicaid State plan amendment PA 22-0017 is approved effective May 1, 2022. The CMS-179 and the amended plan page(s) are attached.

If you have any additional questions or need further assistance, please contact Kristina Mack-Webb at 1-617-565-1225 or Kristina.Mack-Webb@cms.hhs.gov.

Sincerely,

[Signature]

Director

Enclosures
TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL

FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES

TO: CENTER DIRECTOR
CENTERS FOR MEDICAID & CHIP SERVICES
DEPARTMENT OF HEALTH AND HUMAN SERVICES

TRANSMITTAL NUMBER 22-0017
STATE PA

PROGRAM IDENTIFICATION: TITLE OF THE SOCIAL SECURITY ACT
XIX

PROPOSED EFFECTIVE DATE May 1, 2022

FEDERAL STATUTE/REGULATION CITATION
42 CFR 447 Subpart C

FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)
a. FFY 2022 $4,084,425
b. FFY 2023 $0

PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT
Attachment 4.19A, Page 21

PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable)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

SUBJECT OF AMENDMENT
Additional Class of Supplemental Payments to Qualifying Hospitals

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

SIGNATURE OF STATE AGENCY OFFICIAL

TYPED NAME OF APPROVING OFFICIAL
M. Snead

TITLE Acting Secretary of Human Services

DATE SUBMITTED June 10, 2022

DATE RECEIVED June 10, 2022

DATE APPROVED August 2, 2022

EFFECTIVE DATE OF APPROVED MATERIAL

SIGNATURE OF APPROVING OFFICIAL

TYPED NAME OF APPROVING OFFICIAL
Rory Howe

TITLE OF APPROVING OFFICIAL
Director, Financial Management Group

REMARKS

Instructions on Back
ADDITIONAL CLASS OF SUPPLEMENTAL PAYMENTS TO QUALIFYING HOSPITALS

The Department of Human Services (Department) will make supplemental payments to qualifying acute care general hospitals that provide a high volume of services to Medical Assistance (MA) eligible and low-income populations in non-rural medically underserved areas according to the Health Resources & Services Administration as of March 8, 2022. These payments will enable the continuation of quality medical services in these areas.

A hospital is eligible for this additional class of supplemental payments if the hospital meets all the following criteria. Unless otherwise stated, the source of the information is the Fiscal Year (FY) 2018-2019 MA-336 Hospital Cost Report, available to the Department on June 22, 2021.

a) The hospital is enrolled in the Commonwealth's MA Program as an acute care general hospital;

b) The hospital submitted a FY 2018-2019 MA-336 Hospital Cost Report to the Department available to the Department on June 22, 2021;

c) The hospital's main campus is located in a county of the third class with a population between 360,000 and 370,000 under the 2010 federal decennial census (county class for purposes of this payment program as reflected in Classification of Counties, 2010 Census within Section 6 of The Pennsylvania Manual, Volume 121);

d) The hospital provided over 10,000 inpatient days of care to Commonwealth MA beneficiaries and offered an array of inpatient services to Commonwealth MA beneficiaries as evidenced by having provided at least 150 acute care days, 150 psychiatric days and 150 rehabilitation (medical and drug & alcohol) days to Commonwealth MA beneficiaries; and,

e) The hospital has less than 300 total available beds.

Payments will be divided proportionately among qualified hospitals based on each hospital's fee-for-service (FFS) Pennsylvania MA inpatient acute care days of service to total FFS Pennsylvania MA inpatient acute care days for all qualifying hospitals.

Supplemental payments are subject to the regulations at 42 CFR 447.272 and the application of upper payment limits for inpatient services.

For FY 2021-2022, the Department will allocate an annualized amount of $5.283 million in total funds (State and Federal) for these supplemental payments.