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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

DEPARTMENT OF HEALTH & HUMAN SERVICES

Centers for Medicare & Medicaid Services
7500 Security Boulevard, Mail Stop S3-14-28
Baltimore, Maryland 21244-1850



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:

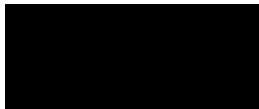
We have reviewed the proposed amendment to Attachment 4.19-A of your Medicaid State plan submitted under transmittal number (TN) 22-0017. This amendment proposes to add an additional class of supplemental payments to acute care general hospitals for qualified high volumes hospitals that are non-rural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



Director

Enclosures

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL
FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES**

1. TRANSMITTAL NUMBER

2 2 — 0 0 1 7

2. STATE

PA

3. PROGRAM IDENTIFICATION: TITLE OF THE SOCIAL SECURITY ACT



XIX



XXI

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

4. PROPOSED EFFECTIVE DATE

May 1, 2022

5. FEDERAL STATUTE/REGULATION CITATION

42 CFR 447 Subpart C

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)

a. FFY 2022 \$ 4,084,425

b. FFY 2023 \$ 0

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

Attachment 4.19A, Page 21nn

8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (if Applicable)

New

9. SUBJECT OF AMENDMENT

Additional Class of Supplemental Payments to Qualifying Hospitals

10. 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:

11. SIGNATURE OF STATE AGENCY OFFICIAL

[Redacted Signature]

12. TYPED NAME

M. Sneed

13. TITLE

Acting Secretary of Human Services

14. DATE SUBMITTED

June 10, 2022

15. 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 CMS USE ONLY

16. DATE RECEIVED

June 10, 2022

17. DATE APPROVED

August 2, 2022

PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL

19. SIGNATURE OF APPROVING OFFICIAL

[Redacted Signature]

20. TYPED NAME OF APPROVING OFFICIAL

Rory Howe

21. TITLE OF APPROVING OFFICIAL

Director, Financial Management Group

22. REMARKS

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.

TN# 22-0017

Supersedes

TN# New

Approval Date August 2, 2022

Effective Date: May 1, 2022