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State/Territory Name: Pennsylvania

State Plan Amendment (SPA) #: PA 24-0020

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form/Summary Form
- 3) Approved SPA Pages

DEPARTMENT OF HEALTH & HUMAN SERVICES

Centers for Medicare & Medicaid Services
Center for Medicaid & CHIP Services
230 South Dearborn
Chicago, Illinois 60604



Financial Management Group

September 16, 2024

Valerie A. Arkoosh, MD, MPH
Acting Secretary of Human Services
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: PA-24-0020

Dear Acting Secretary Arkoosh,

The Centers for Medicare & Medicaid Services (CMS) has reviewed the proposed Pennsylvania state plan amendment (SPA) to Attachment 4.19B 24-0020 which was submitted to CMS on June 27, 2024. This plan continues a temporary extension of an Alternative Payment Methodology (APM) for Federally Qualified Health Centers (FQHC) and Rural Health Clinics (RHC). This APM will continue to provide coverage without copay or cost-sharing, for the administration of COVID-19 vaccines by staff who have the authority under state law to administer the vaccine, in the FQHC and RHC settings during a COVID-19 vaccine-only visit through September 30, 2024.

We reviewed your SPA submission for compliance with statutory requirements including in sections 1902(a)(2), 1902(a)(13), 1902(a)(30), and 1903 as it relates to the identification of an adequate source for the non-federal share of expenditures under the plan, as required by 1902(a)(2), of the Social Security Act and the applicable implementing Federal regulations.

Based upon the information provided by the state, we have approved the amendment with an effective date of May 12, 2024. We are enclosing the approved CMS-179 and a copy of the new state plan pages.

If you have any additional questions or need further assistance, please contact Lindsay Michael at lindsay.michael@cms.hhs.gov

Sincerely,



Todd McMillion
Director
Division of Reimbursement Review

Enclosures

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

1. TRANSMITTAL NUMBER

2 4 — 0 0 2 0

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 12, 2024

5. FEDERAL STATUTE/REGULATION CITATION

Title XIX of the Social Security Act

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)

a. FFY 2024 \$ 0
b. FFY 2025 \$ 0

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

Attachment 4.19B, page 2bbbb
Attachment 4.19B, page 2ca

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

Attachment 4.19B, page 2bbbb
Attachment 4.19B, page 2ca

9. SUBJECT OF AMENDMENT

Alternative payment methodology for COVID-19 vaccine administration in Federally Qualified Health Centers and Rural Health Clinics.

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

Valerie A. Arkoosh, MD, MPH

13. TITLE

Secretary of Human Services

14. DATE SUBMITTED

June 27, 2024

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, PA 17105-2675

FOR CMS USE ONLY

16. DATE RECEIVED

6/27/24

17. DATE APPROVED

September 16, 2024

PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL

5/12/24

19. SIGNATURE OF APPROVING OFFICIAL

[Redacted Signature]

20. TYPED NAME OF APPROVING OFFICIAL

Todd McMillion

21. TITLE OF APPROVING OFFICIAL

Director, DRR

22. REMARKS

METHODS AND STANDARDS FOR ESTABLISHING PAYMENTS RATES-OTHER TYPES OF CARE

SERVICE	LIMITATIONS
8. Rural Health Clinic (RHC) Services	<p data-bbox="667 394 1511 525">Payment is made on the basis of an all-inclusive visit fee established by the Department. See page 2c for descriptions of the prospective payment system (PPS) and supplemental payments under managed care.</p> <p data-bbox="667 569 1166 594">Alternative Payment Methodologies (APM)</p> <p data-bbox="667 638 1211 663">a) <u>Managed Care Organizations (MCOs)</u></p> <p data-bbox="764 707 1474 840">Effective with dates of service on and after January 1, 2016, MCOs began paying rates that are not less than the Fee-for-Service (FFS) provider-specific PPS rate to RHCs that participate in the MCO network.</p> <p data-bbox="764 900 1511 1138">Beginning June 1, 2017, RHCs participating in MCO provider networks have the option to elect to receive payments from MCOs that are at least equal to their FFS provider-specific PPS rate. If the RHC does not elect this option, the Department will make supplemental payments to RHCs that equal the difference between the payment under the PPS rate and the payment provided by the MCO.</p> <p data-bbox="667 1182 1162 1207">b) <u>COVID-19 Vaccine Administration</u></p> <p data-bbox="764 1251 1523 1486">Through September 30, 2024, the Department pays RHCs that agree to this APM a supplemental payment of the Medical Assistance Program Fee Schedule rate for the administration of a COVID-19 vaccine when provided during a COVID-19 vaccine-only visit by staff who have the authority under state law to administer the vaccine and are covered under Pennsylvania's Medicaid State Plan.</p>

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES – OTHER TYPES OF CARE

Alternative Payment Methodologies (APM) for Federally Qualified Health Centers (FQHCs)

SERVICE	LIMITATIONS
c.	<u>Public FQHCs Located in a City of the First Class</u> Effective with dates of service on and after April 1, 2019, through March 31, 2029, the Department pays FQHCs that are located in and operated by a city of the first class and agree to this APM, a Medical Assistance Encounter Rate (MAER) for medical services as determined by the Department as follows. State fiscal year 2016-2017 data is utilized unless otherwise noted. The MAER is determined by dividing the Medicaid portion of the FQHC's total medical costs applicable to FQHC services by the FQHC's number of Medicaid visits. The FQHC's medical costs applicable to FQHC services are identified in the FQHC's Medicaid cost report most recently reviewed and accepted by the Department. The Medicaid portion of costs is determined by applying the FQHC's Medicaid patient percentage to the FQHC's total medical costs applicable to FQHC services. The FQHC's Medicaid patient percentage is calculated as a patient-weighted average Medicaid patient percent for the combined FQHC and FQHC look-alike as identified in the Health Resources & Services Administration (HRSA) 2017 Health Center Profile. The number of Medicaid visits are identified in the Department's MMIS data. A city of the first class is a city with more than one million residents. The MAER is a rate that is at least equal to the FQHC's provider-specific PPS rate on an encounter basis. For those FQHCs contracting with a Medicaid Managed Care Organization (MCO), the Department will determine whether each Medicaid MCO, at a minimum, reimbursed the FQHC at least 100% of the Medical Assistance Encounter Rate (MAER) on a quarterly basis. The Department will provide supplemental payments (wrap payments) to a FQHC in an amount equal to the difference between the MCO's payment and 100% of the MAER multiplied by the number of visits. The Department will make wrap payments on a quarterly basis. Effective April 1, 2029, the FQHC's payment rate will revert to the PPS rate effective on March 31, 2019, as adjusted annually by the Medicare Economic Index.
d.	<u>COVID-19 Vaccine Administration</u> Through September 30, 2024, the Department pays FQHCs that agree to this APM a supplemental payment of the Medical Assistance Program Fee Schedule rate for the administration of a COVID-19 vaccine when provided during a COVID-19 vaccine-only visit by staff who have the authority under state law to administer the vaccine and are covered under Pennsylvania's Medicaid State Plan.