

Table of Contents

State/Territory Name: PA

State Plan Amendment (SPA) #: 24-0027

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

January 6, 2025

Valerie A. Arkoosh, MD, MPH
Secretary of Human Services
Office of Long-Term Living/Forum Place 6th Fl
ATTN: Bureau of Policy Development and Communications Management
PO Box 8025
Harrisburg, Pennsylvania 17105-8025

RE: TN 24-0027

Dear Secretary of Human Services:

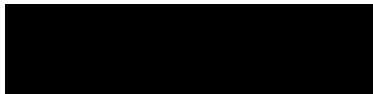
The Centers for Medicare & Medicaid Services (CMS) has reviewed the proposed Pennsylvania state plan amendment (SPA) to Attachment 4.19-D PA 24-0027, which was submitted to CMS on November 27, 2024. This plan amendment authorizes the Department to make Medical Assistance Day One Incentive (MDOI) payments to qualified nonpublic nursing facilities.

We reviewed your SPA submission for compliance with statutory requirements, including in sections 1902(a)(2), 1902(a)(13), 1902(a)(30), 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 October 1, 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 Kristina Mack at 617-565-1225 or via email at Kristina.Mack-Webb@cms.hhs.gov.

Sincerely,



Rory Howe
Director
Financial Management Group

Enclosures

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

1. TRANSMITTAL NUMBER

2 4 — 0 0 2 7

2. STATE

PA3. 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

October 1, 2024

5. FEDERAL STATUTE/REGULATION CITATION

42 CFR 447.250

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)

a. FFY 2024\$ 0b. FFY 2025\$ 25,760,1877. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT
Attachment 4.19D, Part I, pages 12i3, 12i4, 12i5, 12i6 and 12i78. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION
OR ATTACHMENT (If Applicable)
Attachment 4.19D, Part I, pages 12i3, 12i4, 12i5 and 12i6

9. SUBJECT OF AMENDMENT

Medical Assistance Day One Incentive payments to nonpublic nursing facilities and funding levels for Fiscal Year 2024-2025.

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

12. TYPED NAME
Valerie A. Arkoosh, MD, MPH13. TITLE
Secretary of Human Services14. DATE SUBMITTED
November 18, 2024

15. RETURN TO

PA Department of Human Services
Office of Long-Term Living/Forum Place 6th Fl.
Attention: Bureau of Policy Development and Communications
Management
P.O. Box 8025
Harrisburg, Pennsylvania 17105-8025**FOR CMS USE ONLY**16. DATE RECEIVED
November 27, 202417. DATE APPROVED
January 6, 2025**PLAN APPROVED - ONE COPY ATTACHED**

18. EFFECTIVE DATE OF APPROVED MATERIAL

19. SIGNATURE OF APPROVING OFFICIAL

20. TYPED NAME OF APPROVING OFFICIAL
Rory Howe21. TITLE OF APPROVING OFFICIAL
Director, Financial Management Group

22. REMARKS

5b. MA Day One Incentive Payments for Nonpublic Nursing Facilities

- (a) MA Day One Incentive payment for FYs 2018-2019, 2019-2020, 2020-2021, 2021-2022, 2022-2023, 2023-2024 and 2024-2025. The Department will make MA Day One Incentive (MDOI) payments to each qualified nursing facility as an incentive to increase access to care for the poor and indigent citizens of Pennsylvania.
- (i) Each nursing facility may qualify for a maximum of two MDOI payments. MDOI payments for each qualified nursing facility will be based on data from the nursing facility assessment quarterly resident day reporting forms and calculated as described in the following subsections.
- (ii) To qualify for an MDOI payment, the facility must:
- Have reported the resident day information to the Department for the applicable Resident Day Quarter in the manner specified by the Department in the *PA NF Assessment and Quarterly Resident Day Reporting Form End User Manual* by the applicable date in the following subsections.
 - Meet the definition of a nursing facility as defined in 55 Pa. Code § 1187.2 for the entire applicable Resident Day Quarter.
 - Have an overall occupancy rate of at least 85% during the applicable Resident Day Quarter.
 - Have an MA occupancy rate of at least 65% during the applicable Resident Day Quarter.
- (iii) For purposes of subsection (a)(ii) above, overall occupancy rate = (Total Resident Days ÷ (licensed bed capacity at the end of the quarter x the number of calendar days in the quarter)). MA occupancy rate = Total PA MA days ÷ Total Resident Days.
- (iv) The Department will use the Total PA MA days and the Total Resident Days defined in the *PA NF Assessment and Quarterly Resident Day Reporting Form End User Manual* as reported by nursing facilities on the applicable nursing facility assessment resident day reporting forms to determine eligibility and calculate payments.

- (b) For FY 2018-2019, qualifying nursing facilities in the southwest Community HealthChoices (CHC) zone, the Department will use the nursing facility assessment quarterly resident day reporting forms available on October 31, 2018, for the July 1, 2017 – September 30, 2017, Resident Day Quarter for the first payment and January 31, 2019, for the October 1, 2017 – December 31, 2017, Resident Day Quarter for the second payment. For all other qualifying nursing facilities, the Department will use the nursing facility assessment quarterly resident day reporting forms available on October 31, 2018, for the April 1, 2018 – June 30, 2018, Resident Day Quarter for the first payment and January 31, 2019, for the July 1, 2018 – September 30, 2018, Resident Day Quarter for the second payment.
- (c) For FY 2019-2020, qualifying nursing facilities in the southwest CHC zone, the Department will use the nursing facility assessment quarterly resident day reporting forms available on October 31, 2019, for the July 1, 2017 – September 30, 2017, Resident Day Quarter for the first payment and January 31, 2020, for the October 1, 2017 – December 31, 2017, Resident Day Quarter for the second payment. For qualifying nursing facilities in the southeast CHC zone, the Department will use the nursing facility assessment quarterly resident day reporting forms available on October 31, 2019, for the July 1, 2018 – September 30, 2018, Resident Day Quarter for the first payment and January 31, 2020, for the October 1, 2018 – December 31, 2018, Resident Day Quarter for the second payment. For qualifying nursing facilities in the Lehigh/Capital, northwest and northeast CHC zones, the Department will use the nursing facility assessment quarterly resident day reporting forms available on October 31, 2019, for the April 1, 2019 – June 30, 2019, Resident Day Quarter for the first payment and January 31, 2020, for the July 1, 2019 – September 30, 2019, Resident Day Quarter for the second payment.
- (d) For FY 2020-2021, for qualifying nursing facilities in the southwest CHC zone, the Department will use the nursing facility assessment quarterly resident day reporting forms available on October 31, 2020, for the July 1, 2017 – September 30, 2017, Resident Day Quarter for the first payment and January 31, 2021, for the October 1, 2017 – December 31, 2017, Resident Day Quarter for the second payment. For qualifying nursing facilities in the southeast CHC zone, the Department will use the nursing facility assessment quarterly resident day reporting forms available on October 31, 2020, for the July 1, 2018 – September 30, 2018, Resident Day Quarter for the first payment and January 31, 2021, for the October 1, 2018 – December 31, 2018, Resident Day Quarter for the second payment. For qualifying nursing facilities in the Lehigh/Capital, northwest and northeast CHC zones, the Department will use the nursing facility assessment quarterly resident day reporting forms available on October 31, 2020, for the July 1, 2019 – September 30, 2019, Resident Day Quarter for the first payment and will use the nursing facility assessment quarterly resident day reporting forms available on January 31, 2021, for the October 1, 2019 – December 31, 2019, Resident Day Quarter for the second payment.

- (e) For FY 2021-2022, for qualifying nursing facilities in the southwest CHC zone, the Department will use the nursing facility assessment quarterly resident day reporting forms available on October 31, 2021, for the July 1, 2017 – September 30, 2017, Resident Day Quarter for the first payment and January 31, 2022, for the October 1, 2017 – December 31, 2017, Resident Day Quarter for the second payment. For qualifying nursing facilities in the southeast CHC zone, the Department will use the nursing facility assessment quarterly resident day reporting forms available on October 31, 2021, for the July 1, 2018 – September 30, 2018, Resident Day Quarter for the first payment and January 31, 2022, for the October 1, 2018 – December 31, 2018, Resident Day Quarter for the second payment. For qualifying nursing facilities in the Lehigh/Capital, northwest and northeast CHC zones, the Department will use the nursing facility assessment quarterly resident day reporting forms available on October 31, 2021, for the July 1, 2019 – September 30, 2019, Resident Day Quarter for the first payment and will use the nursing facility assessment quarterly resident day reporting forms available on January 31, 2022, for the October 1, 2019 – December 31, 2019, Resident Day Quarter for the second payment.
- (f) For FY 2022-2023, qualifying nursing facilities in the southwest Community HealthChoices (CHC) zone, the Department will use the nursing facility assessment quarterly resident day reporting forms available on October 31, 2022, for the July 1, 2017 – September 30, 2017, Resident Day Quarter for the first payment and will use the nursing facility assessment quarterly resident day reporting forms available on January 31, 2023, for the October 1, 2017 – December 31, 2017, Resident Day Quarter for the second payment. For qualifying nursing facilities in the southeast CHC zone, the Department will use the nursing facility assessment quarterly resident day reporting forms available on October 31, 2022, for the July 1, 2018 – September 30, 2018, Resident Day Quarter for the first payment and will use the nursing facility assessment quarterly resident day reporting forms available on January 31, 2023, for the October 1, 2018 – December 31, 2018, Resident Day Quarter for the second payment. For qualifying nursing facilities in the Lehigh/Capital, northwest and northeast CHC zones, the Department will use the nursing facility assessment quarterly resident day reporting forms available on October 31, 2022, for the July 1, 2019 – September 30, 2019, Resident Day Quarter for the first payment and will use the nursing facility assessment quarterly resident day reporting forms available on January 31, 2023, for the October 1, 2019 – December 31, 2019, Resident Day Quarter for the second payment.
- (g) For FY 2023-2024, qualifying nursing facilities in the southwest Community HealthChoices (CHC) zone, the Department will use the nursing facility assessment quarterly resident day reporting forms available on October 31, 2023, for the July 1, 2017 – September 30, 2017, Resident Day Quarter for the first payment and will use the nursing facility assessment quarterly resident day reporting forms available on January 31, 2024, for the October 1, 2017 – December 31, 2017, Resident Day Quarter for the second payment. For qualifying nursing facilities in the southeast CHC zone, the Department will use the nursing facility assessment quarterly resident day reporting forms available on October 31, 2023, for the July 1, 2018 – September 30,

2018, Resident Day Quarter for the first payment and will use the nursing facility assessment quarterly resident day reporting forms available on January 31, 2024, for the October 1, 2018 – December 31, 2018, Resident Day Quarter for the second payment. For qualifying nursing facilities in the Lehigh/Capital, northwest and northeast CHC zones, the Department will use the nursing facility assessment quarterly resident day reporting forms available on October 31, 2023, for the July 1, 2019 – September 30, 2019, Resident Day Quarter for the first payment and will use the nursing facility assessment quarterly resident day reporting forms available on January 31, 2024, for the October 1, 2019 – December 31, 2019, Resident Day Quarter for the second payment.

- (h) For FY 2024-2025, qualifying nursing facilities in the southwest Community HealthChoices (CHC) zone, the Department will use the nursing facility assessment quarterly resident day reporting forms available on October 31, 2024, for the July 1, 2017 – September 30, 2017, Resident Day Quarter for the first payment and will use the nursing facility assessment quarterly resident day reporting forms available on January 31, 2025, for the October 1, 2017 – December 31, 2017, Resident Day Quarter for the second payment. For qualifying nursing facilities in the southeast CHC zone, the Department will use the nursing facility assessment quarterly resident day reporting forms available on October 31, 2024, for the July 1, 2018 – September 30, 2018, Resident Day Quarter for the first payment and will use the nursing facility assessment quarterly resident day reporting forms available on January 31, 2025, for the October 1, 2018 – December 31, 2018, Resident Day Quarter for the second payment. For qualifying nursing facilities in the Lehigh/Capital, northwest and northeast CHC zones, the Department will use the nursing facility assessment quarterly resident day reporting forms available on October 31, 2024, for the July 1, 2019 – September 30, 2019, Resident Day Quarter for the first payment and will use the nursing facility assessment quarterly resident day reporting forms available on January 31, 2025, for the October 1, 2019 – December 31, 2019, Resident Day Quarter for the second payment.
- (i) The Department will calculate each qualified nonpublic nursing facility's MDOI payments based on the following formula:
- (i) An MDOI per diem for each of the two MDOI payments will be $\frac{1}{2}$ of the total funds appropriated for the fiscal year divided by the Total PA MA days as reported by all qualifying nursing facilities for the applicable Resident Day Quarter.
 - (ii) Each MDOI per diem will then be multiplied by each qualified nursing facility's Total PA MA days, as reported, for the applicable Resident Day Quarter to determine its MDOI payment.
 - (iii) The Department will not retroactively revise an MDOI payment amount based on a nursing facility's late submission or revision of its nursing facility assessment quarterly resident day report related to the dates above. The Department may

recoup payments based on an audit of a nursing facility's report.

- (iv) The state funds allocated for nonpublic nursing facilities for a Fiscal Year is as follows:

FY 2018-2019 is \$8,000,000.

FY 2019-2020 is \$16,000,000.

FY 2020-2021 is \$16,000,000.

FY 2021-2022 is \$16,000,000.

FY 2022-2023 is \$16,000,000.

FY 2023-2024 is \$16,000,000.

FY 2024-2025 is \$21,000,000.