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State/Territory Name: PA

State Plan Amendment (SPA) #: 26-0017

This file contains the following documents in the order listed:

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

08/06/2026

Valerie A. Arkoosh, MD, MPH
Department of Human Services
Office of Medical Assistance Programs
Bureau of Policy, Analysis and Planning
PO Box 2675
Harrisburg, Pennsylvania 17105-2675

RE: TN 26-0017

Dear Secretary of Human Services Arkoosh:

The Centers for Medicare & Medicaid Services (CMS) has reviewed the proposed Pennsylvania state plan amendment (SPA) to Attachment 4.19-A PA 26-0017, which was submitted to CMS on June 22, 2026. This plan amendment authorizes the Department to establish a new class of supplemental payments to qualifying Medical Assistance (MA) enrolled acute care general hospitals to improve access to readily available and coordinated trauma and burn care for MA eligible persons in the Commonwealth and to support the availability of health care professionals trained in these services to the MA population.

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 June 14, 2026. 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,

[redacted]

Rory Howe
Director
Financial Management Group

Enclosures

DEPARTMENT OF HEALTH AND HUMAN SERVICES
CENTERS FOR MEDICARE & MEDICAID SERVICES

FORM APPROVED
OMB No. 0938-0193

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL

FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES

1. TRANSMITTAL NUMBER: 26 — 0017

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
June 14, 2026

5. FEDERAL STATUTE/REGULATION CITATION
42 CFR 447 Subpart C

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)
a. FFY 2026 $ 3,337,156
b. FFY 2027 $ 0

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

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]

12. TYPED NAME
Valerie A. Arkoosh, MD, MPH

13. TITLE
Secretary of Human Services

14. DATE SUBMITTED
June 22, 2026

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 22, 2026

17. DATE APPROVED
08/06/2026

PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL
June 14, 2026

19. SIGNATURE OF APPROVING OFFICIAL
[redacted]

20. TYPED NAME OF APPROVING OFFICIAL
Rory Howe

21. TITLE OF APPROVING OFFICIAL
Director, Financial Management Group

22. REMARKS

Instructions on Back

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES-INPATIENT HOSPITAL CARE

ADDITIONAL CLASS OF SUPPLEMENTAL PAYMENTS TO QUALIFYING HOSPITALS

The Department of Human Services (Department) will make supplemental payments to qualifying Medical Assistance (MA) enrolled acute care general hospitals to improve access to readily available and coordinated trauma and burn care for MA eligible persons in the Commonwealth and to support the availability of health care professionals trained in these services to the MA population.

A hospital is eligible for this additional class of supplemental payments if the hospital meets the following criteria:

a) The hospital is enrolled in Pennsylvania's (PA) MA Program as an acute care general hospital, licensed by the PA Department of Health;

b) The hospital is located in a city of the second class in a county of the second class; and

c) The hospital operates a level 1 trauma center, a comprehensive burn center, and a nursing school.

Payments will be divided proportionally among qualifying hospitals based on the percentage of each qualifying hospital's fee-for-service (FFS) PA MA inpatient acute care days to the total FFS PA MA inpatient acute care days for all qualifying hospitals. The source of the information for FFS MA inpatient acute care days is the Fiscal Year (FY) 2018-2019 MA-336 Hospital Cost Report available to the Department as of February 13, 2026.

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

For FY 2025-2026, effective June 14, 2026, the Department will distribute $4.587 million in total funds (State and Federal) for these inpatient supplemental payments by December 31, 2026.