

## **Table of Contents**

**State/Territory Name: PA**

**State Plan Amendment (SPA) #: 22-0022**

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**

November 18, 2022

M. Snead  
Acting Secretary of Human Services  
PA Department of Human Services  
Attn: Bureau of Policy Development and Communications Management  
P.O. Box 8025  
Harrisburg, PA 17105-8025

Reference: TN 22-0022

Dear Acting Secretary of Human Services:

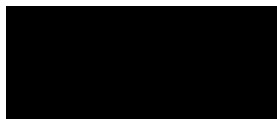
We have reviewed the proposed amendment to Attachment 4.19-A of your Medicaid State plan submitted under transmittal number (TN) 22-0022. This amendment proposes to continue the funding of inpatient disproportionate share hospital (DSH), outpatient supplemental and direct medical education payments.

We conducted our review of your submittal according to the statutory requirements at sections 1902(a)(2), 1902(a)(13), 1902(a)(30), 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-22-0022 is approved effective September 25, 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 617-565-1225 or [Kristina.Mack-Webb@cms.hhs.gov](mailto: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 2 2

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

**September 25, 2022**

5. FEDERAL STATUTE/REGULATION CITATION

**42 CFR Subpart C**

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)

a. FFY 2022 \$ 0

b. FFY 2023 \$ 152,934,398

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

**Attachment 4.19A, Pages 20aa and 21tt**

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 PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (if Applicable)

**Attachment 4.19A, Pages 20aa and 21tt**

9. SUBJECT OF AMENDMENT

**Aggregate Limits to Inpatient Disproportionate Share, Outpatient Supplemental and Direct Medical Education and Disproportionate Share Hospital and Supplemental Payments to Newly Enrolled In-State Hospitals that Qualify for Payments**

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. Snead

13. TITLE

Acting Secretary of Human Services

14. DATE SUBMITTED

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

September 27, 2022

17. DATE APPROVED

November 18, 2022

**PLAN APPROVED - ONE COPY ATTACHED**

18. EFFECTIVE DATE OF APPROVED MATERIAL

19. APPROVING OFFICIAL

[Redacted Name]

20. TYPED NAME OF APPROVING OFFICIAL

Rory Howe

21. TITLE OF APPROVING OFFICIAL

Director, Financial Management Group

22. REMARKS

For State Fiscal Year 2019-2020, the Department shall distribute to providers that are eligible for direct medical education, inpatient disproportionate share and outpatient supplemental payments an aggregate annualized amount of \$256.360 million, as adjusted to reflect the reconciliation factor described in Part VI.

For State Fiscal Year 2020-2021, the Department shall distribute to providers that are eligible for direct medical education, inpatient disproportionate share and outpatient supplemental payments an aggregate annualized amount of \$255.730 million, as adjusted to reflect the reconciliation factor described in Part VI.

For State Fiscal Year 2021-2022, the Department shall distribute to providers that are eligible for direct medical education, inpatient disproportionate share and outpatient supplemental payments an aggregate annualized amount of \$255.556 million, as adjusted to reflect the reconciliation factor described in Part VI.

For State Fiscal Year 2022-2023, the Department shall distribute to providers that are eligible for direct medical education, inpatient disproportionate share and outpatient supplemental payments an aggregate annualized amount of \$255.655 million, as adjusted to reflect the reconciliation factor described in Part VI.

- (C) Except as provided in (D), beginning in FY 2013-2014, for the second and subsequent full FY of PA MA enrollment of a new hospital that qualifies for one or more of these payments, the payments will be annualized if the first full FY payment had been prorated as described in (B)(2) and (B)(3), or the source data will be annualized prior to determining the annual payment allocation if the source data was not annualized as described in (B)(1).
- (D) For each of the payments listed in (B) for new hospitals, the Department will determine a final payment amount using actual MA data relating to the new hospital's first full FY of enrollment once that data becomes available. The Department will reconcile payments made to final payment amounts subject to available funding.

For FY 2022-2023, the Department will allocate an annualized amount of \$2.105 million for these DSH and supplemental payments adjusted to reflect the reconciliation factor described in Part VI.