DEPARTMENT OF HEALTH & HUMAN SERVICES Centers for Medicare & Medicaid Services 7500 Security Boulevard, Mail Stop S2-26-12 Baltimore, Maryland 21244-1850



Center for Medicaid, CHIP, and Survey & Certification

Ms. Harriet Dichter, Acting Secretary Department of Public Welfare Commonwealth of Pennsylvania P.O. Box 2675 Harrisburg, Pennsylvania 17105-2675

SEP 2 2 2010

RE: State Plan Amendment 09-17

Dear Ms. Dichter:

We have reviewed the proposed amendment to Attachment 4.19-D to the Pennsylvania State plan submitted under transmittal number (TN) 09-017. This amendment modifies the State's methods and standards for setting public nursing facility (NF) payment rates. Specifically, this amendment continues the use of a budget adjustment factor in setting rates for the 2009/2010 rate year.

We conducted our review of your submittal according to the statutory requirements at Sections 1902(a)(2), 1902(a)(13), and 1902(a)(30) of the Social Security Act (the Act) and the regulations at 42 CFR 447 Subpart C. I am pleased to inform you that Medicaid State plan amendment 09-017 is approved effective July 1, 2009. I have enclosed the approved HCFA-179 and the amended state plan pages.

If you have any questions, please call Gary Knight on (304) 347-5723.

Sincerely,

Cindy Mann

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