



**Center for Medicaid, CHIP, and Survey & Certification**

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Mr. Michael P. Nardone, Acting Secretary  
Commonwealth of Pennsylvania  
Department of Public Welfare  
P.O. Box 8046  
Harrisburg, PA 17105

OCT 27 2010

RE: State Plan Amendment 10-016

Dear Mr. Nardone:

We have reviewed the proposed amendment to Attachment 4.19-D to the Pennsylvania State plan submitted under transmittal number (TN) 10-016. This amendment modifies the State's methods and standards for setting non-public nursing facility (NF) payment rates. Specifically, this amendment updates the version of the Resource Utilization Grouper III to version 5.12 and implements the use of the most recent resident assessment for establishing case mix indices.

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 10-016 is approved effective July 1, 2010. 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,

A handwritten signature in black ink that reads "Bill Lovewell". The signature is written in a cursive style.

Cindy Mann

Director

Center for Medicaid, CHIP, and Survey & Certification