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State Name: Pennsylvania

State Plan Amendment (SPA)#: 18-0033

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form/Summary Form (with 179-like data)
- 3) Two (2) SPA Pages



Financial Management Group

Ms. Teresa D. Miller, Secretary
PA Department of Human Services
Office of Long-Term Living/Forum Place 6th Fl
Attention: Bureau of Policy and Regulatory Management
PO Box 8025
Harrisburg, PA 17105

RE: State Plan Amendment 18-0033

October 24, 2018

Dear Ms. Miller:

We have completed our review of State Plan Amendment 18-0033. This SPA modifies Attachment 4.19D of Pennsylvania's Title XIX State Plan. Specifically, this SPA continues Medicaid Day One Incentive payments to private nursing facilities.

We conducted our review of this amendment according to the statutory requirements at sections 1902(a)(3), 1902(a)(13), 1902(a)(30), and 1903(a) of the Social Security Act and the regulations at 42 CFR 447 Subpart C. We are approving SPA 18-0033, effective September 23, 2018. Enclosed are the approved HCFA-179 and the amended state plan pages.

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

Sincerely,

/S/

Kristin Fan
Director

Enclosures

cc: Leesa Allen, Executive Deputy Secretary, DHS
Sally Kozak, Deputy Secretary, DHS, Office of Medical Assistance Programs
Virginia Brown
Kevin Hancock, Deputy Secretary, Office of Long Term Living

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL	1. TRANSMITTAL NUMBER: 18-0033	2. STATE Pennsylvania
FOR: HEALTH CARE FINANCING ADMINISTRATION	3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
TO: REGIONAL ADMINISTRATOR HEALTH CARE FINANCING ADMINISTRATION DEPARTMENT OF HEALTH AND HUMAN SERVICES	4. PROPOSED EFFECTIVE DATE September 23, 2018	

5. TYPE OF PLAN MATERIAL (Check One):

- NEW STATE PLAN
 AMENDMENT TO BE CONSIDERED AS NEW PLAN
 AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)

6. FEDERAL STATUTE/REGULATION CITATION: 42 CFR 447.250	7. FEDERAL BUDGET IMPACT: a. FFY 2018 \$ 0 b. FFY 2019 \$ 8,753,927
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Attachment 4.19D, Part I, pages 12i3 and 12i4	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable):

10. SUBJECT OF AMENDMENT: Medical Assistance Day One Incentive payments to nonpublic nursing facilities and funding levels for fiscal year 2018-2019.

11. GOVERNOR'S REVIEW (Check One):

- GOVERNOR'S OFFICE REPORTED NO COMMENT
 OTHER, AS SPECIFIED:
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

12. SIGNATURE OF STATE AGENCY OFFICIAL: /S/	16. RETURN TO: PA Department of Human Services Office of Long-Term Living/Forum Place 6 th Fl. Attention: Bureau of Policy and Regulatory Management P.O. Box 8025 Harrisburg, Pennsylvania 17105-8025
13. TYPED NAME: Teresa D. Miller	
14. TITLE: Secretary of Human Services	
15. DATE SUBMITTED:	

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED:	18. DATE APPROVED: Oct 24 2018
PLAN APPROVED -- ONE COPY ATTACHED	
19. EFFECTIVE DATE OF APPROVED MATERIAL: SEP 23 2018	20. SIGNATURE OF REGIONAL OFFICIAL: /S/
21. TYPED NAME: Kristin Farn	22. TITLE: Director, FMG

23. REMARKS:

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

(a) MA Day One Incentive payment for FY 2018-2019. 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 subsection (b).

(ii) To qualify for a MDOI payment, the facility must:

- a. 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 subsection (b).
- b. Meet the definition of a nursing facility as defined in 55 Pa. Code § 1187.2 for the entire applicable Resident Day Quarter.
- c. Have an overall occupancy rate of at least 85% during the applicable Resident Day Quarter.
- d. Have a 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 qualifying nursing facilities in the southwest Community HealthChoices 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. The Department will calculate each qualified nonpublic nursing facility's MDOI payments based on the following formula:
- (i) A 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 a 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 FY 2018-2019 is \$8,000,000.