

## **Table of Contents**

**State Name:** Pennsylvania

**State Plan Amendment (SPA)#:** 18-0050

This file contains the following documents in the order listed:

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

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



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**Financial Management Group**

January 28, 2019

Ms. Teresa D. Miller, Secretary  
Commonwealth of Pennsylvania  
Department of Human Services  
Office of Medical Assistance Programs  
PO Box 2675  
Harrisburg, PA 17110

RE: State Plan Amendment 18-0050

Dear Ms. Miller:

We have completed our review of State Plan Amendment (SPA) 18-0050. This SPA modifies Attachment 4.19-A of Pennsylvania's Title XIX State Plan. Specifically, this SPA continues supplemental payments to qualifying hospitals which provide a high volume of services in medically underserved areas.

We conducted our review of this SPA according to the statutory requirements at sections 1902(a)(3), 1902(a)(13), 1902(a)(30), 1903(a), and 1923 of the Social Security Act (the Act) and the regulations at 42 CFR 447 Subpart C. We are approving state plan amendment 18-0050 effective December 23, 2018. We are enclosing the HCFA-179 and the amended plan pages.

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

Sincerely,

/S/

Kristin Fan  
Director

Enclosures

cc: Leesa M. Allen, Executive Deputy Secretary, DHS  
Sally Kozack, Deputy Secretary, DHS/OMAP  
Dan De Lellis, Chief of Staff, DHS/OMAP

**TRANSMITTAL AND NOTICE OF APPROVAL OF  
STATE PLAN MATERIAL**

1. TRANSMITTAL NUMBER:  
**18-0050**

2. STATE  
Pennsylvania

**FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES**

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE  
SOCIAL SECURITY ACT (MEDICAID)  
Title XIX

TO: REGIONAL ADMINISTRATOR  
CENTERS FOR MEDICARE & MEDICAID SERVICES  
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE  
December 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 Subpart C

7. FEDERAL BUDGET IMPACT  
a. FFY 2018 \$0  
b. FFY 2019 \$1,642,000

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

Attachment 4.19A, Page 21z

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION  
OR ATTACHMENT (If Applicable)

Attachment 4.19A, Page 21z

10. SUBJECT OF AMENDMENT

Supplemental Payments to Qualifying Hospitals

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 /S/ OFFICIAL

13. TYPED NAME  
Teresa D. Miller

14. TITLE  
Secretary of Human Services

15. DATE SUBMITTED  
DEC 21 2018

16. 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 REGIONAL OFFICE USE ONLY**

17. DATE RECEIVED

18. DATE APPROVED  
JAN 28 2019

**PLAN APPROVED - ONE COPY ATTACHED**

19. EFFECTIVE DATE OF APPROVED MATERIAL  
DEC 23 2018

20. SIGNATURE OF REGIONAL OFFICIAL  
/S/

21. TYPED NAME  
Kristin Fan

22. TITLE  
Director, FMG

23. REMARKS

**ADDITIONAL CLASS OF SUPPLEMENTAL PAYMENTS TO QUALIFYING HOSPITALS**

The Department of Human Services (Department) will make supplemental payments to qualifying hospitals that provide a high volume of services to Medical Assistance (MA) eligible and low-income populations in medically underserved areas.

A hospital is eligible for this additional class of supplemental payments if the hospital is enrolled in the Pennsylvania MA Program as an acute care hospital and meets all criteria listed below. Unless otherwise stated, the source of the information is Fiscal Year (FY) 2012-2013 MA-336 Hospital Cost Report available to the Department on June 25, 2016:

- a) The ratio of MA days to total hospital patient days exceeds 40 percent.
- b) The hospital provides in excess of 40,000 patient days of service.
- c) The hospital has an occupancy ratio (total patient days used divided by total bed days available) of at least 70 percent.
- d) The hospital is located in a census tract (United State Census 2010) designated by the Bureau of Primary Health Care and the Health Resources and Services Administration as a Medically Underserved Area.
- e) The hospital has a government dependency ratio, comprised of MA Percentage of Net Patient Revenue plus Medicare Percentage of Net Patient Revenue, both as reported in the Pennsylvania Health Care Cost Containment Council's 2015 Financial Analysis, Volume One, in the excess of the 95<sup>th</sup> percentile for all Commonwealth acute care hospitals.

Payments will be divided proportionately between qualifying hospitals based on the percentage of each qualifying hospital's MA inpatient days to total MA inpatient days of all qualifying facilities.

The FY 2018-2019 impact, as a result of the funding allocation for these payments, is \$3.142 million (\$1.500 million in State general funds and \$1.642 million in Federal funds).

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TN# 18-0050  
Supersedes  
TN# 18-0017

Approval Date: JAN 28 2019

Effective Date: December 23, 2018