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State/Territory Name: PA

State Plan Amendment (SPA) #: 22-0018

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

August 2, 2022

M. Snead, Acting Secretary of Human Services
Department of Human Services
P.O. Box 2675
Harrisburg, Pennsylvania 17105-2675

Reference: TN 22-0018

Dear Acting Secretary of Human Services:

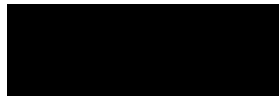
We have reviewed the proposed amendment to Attachment 4.19-A of your Medicaid State plan submitted under transmittal number (TN) 22-0018. This amendment proposes to establish a new class of supplemental payments to acute care general hospitals.

We conducted our review of your submittal according to the statutory requirements at sections 1902(a)(2), 1902(a)(13), 1902(a)(30), 1923 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 22-0018 is approved effective May 29, 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 1-617-565-1225 or Kristina.Mack-Webb@cms.hhs.gov.

Sincerely,



Rory Howe
Director

Enclosures

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL
FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES**

1. TRANSMITTAL NUMBER

2 2 — 0 0 1 8

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

May 29, 2022

5. FEDERAL STATUTE/REGULATION CITATION

42 CFR 447 Subpart C

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)

a. FFY 2022 \$ 41,216,000
b. FFY 2023 \$ 0

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

Attachment 4.19A, Page 2100

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 PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable)

New

9. SUBJECT OF AMENDMENT

Additional Class of Supplemental Payments to Qualifying Hospitals

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

June 28, 2022

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

June 28, 2022

17. DATE APPROVED

August 2, 2022

PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL

19. SIGNATURE OF APPROVING OFFICIAL

[Redacted Signature]

20. TYPED NAME OF APPROVING OFFICIAL

Rory Howe

APPROVING OFFICIAL

Director, Financial Management Group

22. REMARKS

ADDITIONAL CLASS OF SUPPLEMENTAL PAYMENTS TO QUALIFYING HOSPITALS

The Department of Human Services (Department) will make supplemental payments to qualifying acute care general hospitals to promote the continuation of quality medical services to individuals enrolled in the Pennsylvania (PA) Medical Assistance (MA) Program and provide financial relief to hospitals during the coronavirus pandemic.

All acute care general, medical rehabilitation, and drug and alcohol rehabilitation hospitals enrolled in the PA MA Program that have submitted a Fiscal Year (FY) 2016-2017 MA-336 Hospital Cost Report available to the Department as of October 29, 2019, are eligible for these payments.

Payments will be divided proportionately among qualifying hospitals based on each qualifying hospital's day ratio multiplied by the total annualized amount of funding available for these payments. For purposes of these payments, each hospital's day ratio is as follows: the numerator is the hospital's PA MA fee-for-service (FFS) acute care inpatient days plus the hospital's PA MA FFS rehabilitation days (medical & drug and alcohol), and the denominator is the total PA MA FFS acute care inpatient days plus the total PA MA FFS rehabilitation days (medical & drug and alcohol) of all qualifying hospitals.

Supplemental payments are subject to the regulations at 42 CFR 447.272 and the application of upper payment limits for inpatient services.

For FY 2021-2022, the Department will allocate an annualized amount of \$70.000 million in total funds (State and Federal) for these supplemental payments.

TN# 22-0018

Supersedes

TN# New

Approval Date August 2, 2022

Effective Date: May 29, 2022