

## **Table of Contents**

**State/Territory Name: PA**

**State Plan Amendment (SPA) #: 22-0021**

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



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**Financial Management Group**

December 21, 2022

M. Snead  
Acting Secretary of Human Services  
PA Department of Human Services  
Attn: Bureau of Policy Development and Communications Management  
P.O. Box 8025  
Harrisburg, PA 17105-8025

Reference: TN 22-0021

Dear Acting Secretary of Human Services:

We have reviewed the proposed amendment to Attachment 4.19-D of your Medicaid State plan submitted under transmittal number (TN) 22-0021. This amendment proposes to continue to make Medical Assistance Day One Incentive (MDOI) payments to nonpublic nursing facilities.

We conducted our review of your submittal according to the statutory requirements at sections 1902(a)(2), 1902(a)(13), 1902(a)(30), 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-22-0021 is approved effective October 1, 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 617-565-1225 or [Kristina.Mack-Webb@cms.hhs.gov](mailto: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 <u>2 2</u> — <u>0 0</u> <u>2 1</u>	2. STATE <u>PA</u>
3. PROGRAM IDENTIFICATION: TITLE OF THE SOCIAL SECURITY ACT <input checked="" type="radio"/> XIX <input type="radio"/> XXI	

TO: CENTER DIRECTOR  
CENTERS FOR MEDICAID & CHIP SERVICES  
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE  
**October 1, 2022**

5. FEDERAL STATUTE/REGULATION CITATION  
**42 CFR 447.250**

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)  
a. FFY 2023 \$ 22,277,512  
b. FFY 2024 \$ 0

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT  
**Attachment 4.19D, Part I, pages 12i3 12i4 12i5 and 12i6**

8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable)  
**Attachment 4.19D, Part I, pages 12i3 12i4 12i5 and 12i6**

9. SUBJECT OF AMENDMENT

**Medical Assistance Day One Incentive payments to nonpublic nursing facilities and funding levels for Fiscal Year 2022-2023.**

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:

12. TYPED NAME  
**M. Snead**

13. TITLE  
**Acting Secretary of Human Services**

14. DATE SUBMITTED  
**November 4, 2022**

15. RETURN TO  
PA Department of Human Services  
Office of Long-Term Living/Forum Place 6th Fl.  
Attention: Bureau of Policy Development and Communications Management  
P.O. Box 8025  
Harrisburg, Pennsylvania 17105-8025

**FOR CMS USE ONLY**

16. DATE RECEIVED  
**November 8, 2022**

17. DATE APPROVED  
**December 21, 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**

21. TITLE OF APPROVING OFFICIAL  
**Director, Financial Management Group**

22. REMARKS  
**12/13/22: Pen and ink change to box 8 authorized by the State.**

5b. *MA Day One Incentive Payments for Nonpublic Nursing Facilities*

- (a) MA Day One Incentive payment for FYs 2018-2019, 2019-2020, 2020-2021, 2021-2022 and 2022-2023. 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 the following subsections.
- (ii) To qualify for a MDOI payment, the facility must:
- 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 the following subsections.
  - Meet the definition of a nursing facility as defined in 55 Pa. Code § 1187.2 for the entire applicable Resident Day Quarter.
  - Have an overall occupancy rate of at least 85% during the applicable Resident Day Quarter.
  - 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

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- (b) For FY 2018-2019, qualifying nursing facilities in the southwest Community HealthChoices (CHC) 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.
- (c) For FY 2019-2020, qualifying nursing facilities in the southwest CHC zone, the Department will use the nursing facility assessment quarterly resident day reporting forms available on October 31, 2019 for the July 1, 2017 – September 30, 2017 Resident Day Quarter for the first payment and January 31, 2020 for the October 1, 2017 – December 31, 2017 Resident Day Quarter for the second payment. For qualifying nursing facilities in the southeast CHC zone, the Department will use the nursing facility assessment quarterly resident day reporting forms available on October 31, 2019 for the July 1, 2018 – September 30, 2018 Resident Day Quarter for the first payment and January 31, 2020 for the October 1, 2018 – December 31, 2018 Resident Day Quarter for the second payment. For qualifying nursing facilities in the Lehigh/Capital, northwest and northeast CHC zone, the Department will use the nursing facility assessment quarterly resident day reporting forms available on October 31, 2019 for the April 1, 2019 – June 30, 2019 Resident Day Quarter for the first payment and January 31, 2020 for the July 1, 2019 – September 30, 2019 Resident Day Quarter for the second payment.
- (d) For FY 2020-2021, for qualifying nursing facilities in the southwest CHC zone, the Department will use the nursing facility assessment quarterly resident day reporting forms available on October 31, 2020 for the July 1, 2017 – September 30, 2017 Resident Day Quarter for the first payment and January 31, 2021 for the October 1, 2017 – December 31, 2017 Resident Day Quarter for the second payment. For qualifying nursing facilities in the southeast CHC zone, the Department will use the nursing facility assessment quarterly resident day reporting forms available on October 31, 2020 for the July 1, 2018 – September 30, 2018 Resident Day Quarter for the first payment and January 31, 2021 for the October 1, 2018 – December 31, 2018 Resident Day Quarter for the second payment. For qualifying nursing facilities in the Lehigh/Capital, northwest and northeast CHC zone, the Department will use the nursing facility assessment quarterly resident day reporting forms available on October 31, 2020 for the July 1, 2019 – September 30, 2019 Resident Day Quarter for the first payment and will use the nursing facility assessment quarterly resident day reporting forms available on January 31, 2021 for the October 1, 2019 – December 31, 2019 Resident Day Quarter for the second payment.

- (e) For FY 2021-2022, for qualifying nursing facilities in the southwest CHC zone, the Department will use the nursing facility assessment quarterly resident day reporting forms available on October 31, 2021 for the July 1, 2017 – September 30, 2017 Resident Day Quarter for the first payment and January 31, 2022 for the October 1, 2017 – December 31, 2017 Resident Day Quarter for the second payment. For qualifying nursing facilities in the southeast CHC zone, the Department will use the nursing facility assessment quarterly resident day reporting forms available on October 31, 2021 for the July 1, 2018 – September 30, 2018 Resident Day Quarter for the first payment and January 31, 2022 for the October 1, 2018 – December 31, 2018 Resident Day Quarter for the second payment. For qualifying nursing facilities in the Lehigh/Capital, northwest and northeast CHC zone, the Department will use the nursing facility assessment quarterly resident day reporting forms available on October 31, 2021 for the July 1, 2019 – September 30, 2019 Resident Day Quarter for the first payment and will use the nursing facility assessment quarterly resident day reporting forms available on January 31, 2022 for the October 1, 2019 – December 31, 2019 Resident Day Quarter for the second payment.
- (f) For FY 2022-2023, qualifying nursing facilities in the southwest Community HealthChoices (CHC) zone, the Department will use the nursing facility assessment quarterly resident day reporting forms available on October 31, 2022 for the July 1, 2017 – September 30, 2017 Resident Day Quarter for the first payment and will use the nursing facility assessment quarterly resident day reporting forms available on January 31, 2023 for the October 1, 2017 – December 31, 2017 Resident Day Quarter for the second payment. For qualifying nursing facilities in the southeast CHC zone, the Department will use the nursing facility assessment quarterly resident day reporting forms available on October 31, 2022 for the July 1, 2018 – September 30, 2018 Resident Day Quarter for the first payment and will use the nursing facility assessment quarterly resident day reporting forms available on January 31, 2023 for the October 1, 2018 – December 31, 2018 Resident Day Quarter for the second payment. For qualifying nursing facilities in the Lehigh/Capital, northwest and northeast CHC zone, the Department will use the nursing facility assessment quarterly resident day reporting forms available on October 31, 2022 for the July 1, 2019 – September 30, 2019 Resident Day Quarter for the first payment and will use the nursing facility assessment quarterly resident day reporting forms available on January 31, 2023 for the October 1, 2019 – December 31, 2019 Resident Day Quarter for the second payment.
- (g) 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 nonpublic nursing facilities for a Fiscal Year is as follows:

FY 2018-2019 is \$8,000,000.

FY 2019-2020 is \$16,000,000.

FY 2020-2021 is \$16,000,000.

FY 2021-2022 is \$16,000,000.

FY 2022-2023 is \$16,000,000.