

## **Table of Contents**

**State/Territory Name: PA**

**State Plan Amendment (SPA) #: 24-0015**

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**

July 17, 2024

Valerie A. Arkoosh, MD, MPH  
Secretary of Human Services  
Commonwealth of Pennsylvania  
Department of Human Services/Office of Medical Assistance Programs  
PO Box 2675  
Harrisburg, Pennsylvania 17105-2675

RE: TN 24-0015

Dear Secretary of Human Services:

The Centers for Medicare & Medicaid Services (CMS) has reviewed the proposed Pennsylvania state plan amendment (SPA) to Attachment 4.19-A PA 24-0015, which was submitted to CMS on May 21, 2024. This plan amendment authorizes the Department to increase the funding for supplemental payments to qualifying acute care general hospitals.

We reviewed your SPA submission for compliance with statutory requirements, including in sections 1902(a)(2), 1902(a)(13), 1902(a)(30), 1903 as it relates to the identification of an adequate source for the non-federal share of expenditures under the plan, as required by 1902(a)(2) of the Social Security Act and the applicable implementing Federal regulations.

Based upon the information provided by the state, we have approved the amendment with an effective date of May 19, 2024. We are enclosing the approved CMS-179 and a copy of the new state plan pages.

If you have any additional questions or need further assistance, please contact Kristina Mack at 617-565-1225 or via email at [Kristina.Mack-Webb@cms.hhs.gov](mailto:Kristina.Mack-Webb@cms.hhs.gov).

Sincerely,



Rory Howe  
Director  
Financial Management Group

Enclosures

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

1. TRANSMITTAL NUMBER <u>2 4</u> — <u>0 0 1 5</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  
**May 19, 2024**

5. FEDERAL STATUTE/REGULATION CITATION  
**42 CFR 447 Subpart C**

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)  
a. FFY 2024 \$ 1,295,640  
b. FFY 2025 \$ \_\_\_\_\_

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT  
**Attachment 4.19A, Page 21s**

8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable)  
**Attachment 4.19A, Page 21s**

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]

12. TYPED NAME  
Valerie A. Arkoosh, MD, MPH

13. TITLE  
Secretary of Human Services

14. DATE SUBMITTED  
May 21, 2024

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  
May 21, 2024

17. DATE APPROVED  
July 17, 2024

**PLAN APPROVED - ONE COPY ATTACHED**

18. EFFECTIVE DATE OF APPROVED MATERIAL  
May 19, 2024

19. SIGNATURE OF APPROVING OFFICIAL  
[Redacted]

20. TYPED NAME OF APPROVING OFFICIAL  
Rory Howe

21. TITLE OF APPROVING OFFICIAL  
Director, Financial Management Group

22. REMARKS

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

The Department of Human Services (Department) provides additional funding to hospitals enrolled in Pennsylvania (PA) Medical Assistance (MA) as an acute care general hospital that provide a substantial portion of their inpatient services to PA MA patients. To qualify for this additional class of supplemental payments, an acute care general hospital must provide at least 80% of its inpatient days of care (both Fee-for-Service and Managed Care) to PA MA patients as evidenced by the hospitals' Fiscal Year (FY) 2009-2010 MA-336 Hospital Cost Report.

A qualifying hospital's payment is determined by dividing the hospital's PA MA inpatient days of care as specified in its FY 2009-2010 MA-336 Hospital Cost Report by the total PA MA inpatient days for all qualifying hospitals to establish the hospital proportional payment percentage. The hospital's proportional payment percentage is then multiplied by the funds appropriated for these payments to establish the hospital's allocation amount for the FY.

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

For FY 2023-2024, the Department will allocate an annualized amount of \$1.800 million in total funds (State and Federal) for these supplemental payments.