The Department pays for inpatient hospital services provided by acute care general hospitals using prospective payment rates based on diagnosis related groups (DRGs). This payment system is described under the heading of Payments Under the Acute Care General Hospital Prospective Payment System.

The Department pays for inpatient hospital services provided by the following types of hospitals or hospital units using a prospective payment system: rehabilitation hospitals, distinct part drug and alcohol detoxification rehabilitation units of acute care general hospitals and distinct part medical rehabilitation units of acute care general hospitals. This payment system is described under the heading of Prospective Rehabilitation Payment System.

The Department pays for inpatient hospital services provided by distinct part psychiatric units of acute care general hospitals and private psychiatric hospitals using a prospective payment system. This payment system is described under the heading of Prospective Psychiatric Payment System.

The Department pays for public psychiatric hospitals on a cost-reimbursement basis, as described under the heading of State Operated Psychiatric Hospitals and Facilities.

The Department pays out-of-state hospitals as described under the heading of Out-of-State Hospital Payments.

## ACUTE CARE GENERAL HOSPITAL PROSPECTIVE PAYMENT SYSTEM

### General Policy

The Department pays for inpatient hospital services provided by acute care general hospitals in a hospital unit not excluded from the DRG prospective payment system using predetermined rates based on the DRG into which the patient is classified.

The DRG classification system the Department will use is the All Patient Refined Diagnosis Related Group (APR DRG) system for classification of inpatient hospital stays into APR DRGs. All compensable services provided to an inpatient are covered by the prospective payment rate, except for direct care services provided by practitioners who directly bill the Department for their services.

Prospective payment rates are developed from cost reports submitted by hospitals, and from each hospital's paid claims history. Costs are determined using Medicare principles unless specified otherwise.

Malpractice insurance costs. The Department does not follow the substance or retroactivity of the malpractice insurance cost rule established by 51 F.R. 11142 (April 1, 1986). Malpractice insurance costs are included in the administrative and general costs center and allocated according to established accounting procedures.

ACUTE CARE GENERAL HOSPITAL PROSPECTIVE PAYMENT SYSTEM

Prospective Payment System

The prospective payment rate for each beneficiary discharged from the hospital is established by multiplying the relative value of the All Patient Refined-Diagnosis Related Group (APR-DRG) into which the patient has been classified, by the hospital specific payment rate. Payment is made based on the rate effective on the date of discharge.

METHODS USED TO ESTABLISH PROSPECTIVE RATES

Computation of Relative Values

For each transition to a new version of the APR-DRG classification system for grouping outcomes, the Department will rebase Pennsylvania's (PA) Medical Assistance (MA) Fee-For-Service (FFS) relative values based on the national relative values relating to the new version of APR-DRG which is being adopted. To establish the rebased relative values, the Department applies an adjustment factor to each national relative value so that the PA MA statewide APR DRG Case Mix Index (CMI) is at a level that is consistent (budget-neutral) with the State Fiscal Year 2014-2015 relative weights and payment base rates.

Calculation of Hospital-Specific Payment Rates

Beginning July 1, 2010, payments for inpatient hospital services under the fee-for-service prospective payment system shall be determined as follows:

(a) The Department will establish a statewide average base rate for all general acute care hospitals, except for services in a hospital unit not covered under the acute care prospective payment system. That rate will then be adjusted for a hospital's regional labor costs, teaching status, MA dependency, and average capital costs to determine the hospital's base rate.

(1) The labor cost adjustment will be the area wage index effective October 1, 2009 and used by the Centers for Medicare & Medicaid Services (CMS) under Section 1886(d) of the Social Security Act to reflect the differences in local market prices for labor. If an area wage index is below 1, it will be adjusted to 1.

(2) The teaching adjustment will be provided for hospitals that have accredited medical education programs for physicians to account more fully for factors such as severity of illness or patients requiring the specialized services provided by teaching programs and the additional costs associated with the teaching of medical residents.

(3) The Medical Assistance dependency adjustment will be provided for hospitals that serve a high percentage or number of Medical Assistance inpatient days or discharges.

Calculation of Hospital-Specific Payment Rates

(b) The calculation of rates is as follows:

(1) Each hospital shall have a rate that is based on a statewide average of the state's fiscal year 2008 Medical Assistance inpatient fee-for-service cost per discharge standardized for case mix and multiplied by 90 percent. This cost per discharge excludes capital and medical education costs.

(2) For each hospital the statewide average rate calculated in (1) is divided into a labor and non-labor share using the same labor/non-labor proportions as used by the Medicare Program. The labor portion will be multiplied by the area wage index and then will be added to the non-labor portion to establish the labor-adjusted rate. If a hospital's wage index is lower than 1, the labor portion shall be multiplied by 1.

(3) If the hospital has a medical residency teaching program, the labor-adjusted rate shall be multiplied by 1.10 if the resident-to-bed ratio, according to the CMS 2010 Impact File, is greater than 0.2363 (the average for Pennsylvania teaching hospitals) or if the hospital is a children's hospital; if the resident-to-bed ratio is equal to or less than 0.2363, the labor-adjusted rate will be multiplied by 1.05.

(4) The labor-adjusted rate, adjusted for medical residency teaching programs, derived for each hospital will then be multiplied by 1.0592 for a capital costs adjustment.

(5) The Medical Assistance dependency adjustment will be determined as follows:

(i) For any hospital that ranks in the ninetieth percentile of:

(A) the number of MA acute care inpatient days; or

(B) the percentage of MA acute care inpatient days to total acute inpatient days; or

(C) the number of MA acute care inpatient discharges; or

(D) the percentage of MA acute care inpatient discharges to total acute care inpatient discharges;

the hospital shall be ranked using its highest qualifying percentile and assigned a high MA dependency value of between 1.15 and 1.20 proportionately. This value will then be applied to the rate calculated in (4).

(ii) For any hospital that does not rank in the ninetieth percentile in the above categories but has a number or percentage of MA acute care inpatient days that exceeds the statewide average (of 7,993 days or 13.3%), then the rate calculation in (4) is modified by a factor of 1.10 to adjust for MA dependency.

(c) A new hospital is defined as an in-state hospital that has enrolled in the Pennsylvania (PA) Medical Assistance (MA) Program on or after July 1, 2008. For a new hospital that has enrolled in the MA Program as an inpatient acute care general hospital, the hospital-specific payment rate for periods after July 13, 2013 will be determined as follows:

(1) For the initial state fiscal year in which the hospital was enrolled, an interim payment rate will be set at the statewide average rate calculated in (b)(1) adjusted by the following:
(i) The appropriate labor adjustment for the hospital's service location in accordance with (b)(2),
(ii) A medical residency adjustment consistent with (b)(3) will apply for newly enrolled children's hospitals only,
(iii) The capital cost adjustment in accordance with (b)(4),
(iv) A Medical Assistance dependency adjustment will not apply to newly enrolled hospitals for the initial year interim payment rate.

(2) For the newly enrolled hospital's second and subsequent fiscal years of enrollment:

A. If the hospital was in operation for less than 180 days in its initial state fiscal year of enrollment,
(I) the interim payment rate for the hospital's second fiscal year of enrollment will be determined in the same manner as determined for its initial state fiscal year of operation consistent with (c)(1).
(II) the interim payment rate for the hospital's subsequent fiscal years will be set as described in (c)(2)(B) below.

B. If the hospital was in operation in its initial state fiscal year of enrollment for at least 180 days, the Department will determine the hospital's interim payment rate in accordance with (a) and (b) using the following data collected by the Department in a form and manner specified by the Department:
(I) a teaching adjustment for the hospital if the hospital has a teaching program; and
(II) a MA dependency adjustment consistent with (b)(5).

(3) The hospital's interim payment rate determined in (c)(1) and (c)(2) will remain in effect until the hospital's MA hospital cost report for the first full state fiscal year of enrollment in PA MA is available through the annual cost reporting process. The hospital's final payment rate will be determined in accordance with (a) and (b) using the hospital's actual data relating to its first full state fiscal year of enrollment. Newly enrolled hospitals will be subject to cost settlement for a difference between the interim payment rates determined under (c)(1) and (c)(2) and the final payment rates.

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Payments for Direct Medical Education Costs

(a) The Department reimburses hospitals with medical education costs by using the methods described below.

(1) For hospitals that received medical education payments in Fiscal Year (FY) 2008-2009, the Department reimburses an eligible hospital the same amount that the hospital received for direct medical education payments in FY 2008-2009.

(2) The Department reimburses eligible hospitals the total medical assistance medical education costs for the hospital which is the sum of the MA fee-for-service medical education costs as reported on the hospital's FY 2007-2008 Medical Assistance cost report (MA 336) available to the Department as of July 2010 and the estimated MA managed care medical education costs as determined by calculating a ration of MA fee-for-service acute care days to MA managed care acute care days and applying this ratio to the MA fee-for-service medical education costs from this MA cost report. The medical education payment amount for the hospital will be 75% of the total MA medical education costs.

(3) For FY 2010-2011, hospitals eligible under both (a)(1) and (a)(2) will receive the higher of the payment amounts. Hospitals eligible only under (a)(2) will receive the payment amount calculated in (a)(2).

(4) For FY 2011-2012, hospitals eligible under both (a)(1) and (a)(2) will receive the payment amount under (a)(2) plus half of the difference between the payment amount of (a)(1) and (a)(2) if the payment amount under (a)(1) is greater than the payment amount under (a)(2). Hospitals eligible only under (a)(2) will receive the payment amount calculated in (a)(2).

(5) Beginning with FY 2012-2013, all eligible hospitals will receive the payment amount calculated under the method described in (a)(2).

(b) Payments

(1) For the period July 1, 1997 through December 31, 1997, eligible providers shall receive monthly payments equal to their monthly payments for the period January 1, 1997 through June 30, 1997.

(2) For the period January 1, 1998 through December 31, 1998, eligible providers shall receive quarterly payments based on the monthly payments set forth in (b)(1) converted to quarterly payments.

(3) For the period January 1, 1999 through December 31, 1999, eligible providers shall receive quarterly payments as set forth in (b)(2).

(4) For the period January 1, 2000 through June 30, 2000, payments set forth in (b)(3) will be increased by 4 percent.

(5) For State FY 2000-2001, eligible providers will receive quarterly payments which equal the aggregate amount paid for this period July 1, 1999 through June 30, 2000, increased by 2.4 percent and divided into four payments.

(6) For the period July 1, 2001, through December 31, 2001, eligible providers will receive two quarterly payments which equal the amount paid quarterly for the period July 1, 2000, through June 30, 2001.

(7) For the period January 1, 2002, through June 30, 2002, eligible providers will receive two quarterly payments, each of which equals the quarterly payment amount as of December 31, 2001, inflated by 7.231 percent.

(8) For the period July 1, 2002, through December 31, 2002, eligible providers will receive two quarterly payments, each of which equals the quarterly payment amount as of June 30, 2001, inflated by 3.1 percent, then inflated by 1.0 percent then inflated by 3.1 percent.

(9) For the period January 1, 2003, through December 31, 2004, eligible providers will receive quarterly payments, each of which equals the quarterly payment amount as of December 31, 2002, inflated by 1.0 percent.

(10) For the period January 1, 2005, through June 30, 2005, eligible providers will receive two quarterly payments, each of which equals the quarterly amount as of December 31, 2004, inflated by 3.0 percent.

(11) For the period July 1, 2005, through December 31, 2005, eligible providers will receive two quarterly payments, each of which equals the quarterly payment amount as of December 31, 2004, inflated by 3.0 percent.

(12) For the period January 1, 2006 through January 13, 2007, eligible providers will receive four quarterly payments, each of which equal the quarterly payment amount as of December 31, 2005, inflated by 3.5 percent as adjusted under the Hospital Quality Incentive Pilot Program described in (e).

(13) For the period January 14, 2007 through June 30, 2007, eligible providers will receive two quarterly payments, each of which equals the quarterly payment amount as of December 31, 2006 inflated by 4 percent as adjusted in the Hospital Quality Incentive Pilot Program described in (e).

(14) For the period July 1, 2007 through December 31, 2007, eligible providers will receive two quarterly payments, each of which equals the quarterly payment amount as of December 31, 2006, inflated by 4 percent as adjusted in the Hospital Quality Incentive Pilot Program described in (e).

(15) For the period January 1, 2008 through June 30, 2008, eligible providers will receive two quarterly payments, each of which equals the quarterly payment amount as of December 31, 2007, inflated by 2 percent as adjusted in the Hospital Quality Incentive Pilot Program described in (e).

(16) For the period beginning July 1, 2010, eligible providers will receive quarterly payments calculated in accordance with subsection (a) above adjusted to reflect the aggregate annual amount described in Part V.

(c) Direct medical education payments shall be adjusted as necessary in accordance with the limitations set forth in Part V.

(d) Direct medical education payments shall be considered final and prospective and are not subject to cost settlement.

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SPECIAL PAYMENT PROVISIONS

Transfers

If a patient is transferred between two hospitals both of which are paid under the prospective payment system the Department pays the transferring hospital the lesser of:

(1) A per diem rate for each day of inpatient care determined by dividing the hospital's appropriate DRG payment for the case by the Statewide average length of stay for the DRG; or

Upon discharge of the patient, the hospital receiving the transferred patient will be paid the DRG payment for the case. In addition, the hospital may receive an outlier payment to the extent it qualifies for an outlier payment as described on page 9a.

The transfer pricing described above does not apply to cases categorized into either the ‘burns’ or ‘newborns and other neonates (perinatal period)’ major diagnostic categories.

Readmissions

Effective July 1, 2011, when an eligible recipient is readmitted to a hospital within 30 days of the date of discharge, payment will be made as follows:

(1) If the readmission is for the treatment of conditions that could or should have been treated during the previous admission, the Department will make no payment in addition to the original DRG payment. If the combined hospital stay qualifies as an outlier, an outlier payment will be made.

(2) If the readmission is due to complications from the original diagnosis that result in a different DRG with a higher payment, the Department will pay the higher DRG payment rather than the original DRG payment.

(3) If the readmission is due to conditions unrelated to the previous admission, the Department will consider the readmission as a new admission for payment purposes.

Outliers

The Department makes cost outlier payment adjustments to the APR DRG payment in the following situations.

(a) High Cost

The Department makes payment in addition to the APR DRG payment as described below:

(1) 100 percent of allowable costs beyond the fixed threshold for burn, transplant and neonate cases.

(2) 80 percent of allowable costs beyond the fixed threshold for all other cases.

(b) Low Cost

The Department determines the APR DRG price of the claim and compares it to the sum of the cost of claim and the universal low cost outlier threshold. If the sum of the cost of the claim and the universal low cost outlier threshold is less than the price of the claim, the Department makes a payment that includes the cost of the claim, the amount of the universal low cost outlier threshold and 20% of the amount exceeding the sum of the cost of the claim and the amount of the universal low cost outlier threshold up to the APR DRG price of the claim.

Services in Non-distinct Part Psychiatric Units

If a hospital does not have a psychiatric unit that is excluded from the acute care general hospital prospective payment system and provides inpatient services to a recipient with a psychiatric principle diagnosis, the Department pays a two day per diem amount for the hospital stay. The two day per diem amount is determined by dividing the APR DRG payment rate by the statewide average length of stay for the APR DRG and multiplying the result by two.

Non-distinct Part Drug and Alcohol Rehabilitation Units

If a hospital does not have a distinct part drug and alcohol rehabilitation unit approved by the Department of Health, Office of Drug and Alcohol Programs, and provides services to a recipient with a drug or alcohol principle diagnosis, the Department pays a maximum two day per diem amount for the hospital stay. The two day per diem amount is determined by dividing the APR DRG payment rate by the statewide average length of stay for the APR DRG and multiplying the result by two.

If a hospital is approved to provide drug and alcohol services by the Department of Health, Office of Drug and Alcohol Programs, but the services are not provided in a distinct part unit, the Department pays the full DRG rate for inpatient hospital stay.

Medical Rehabilitation Services

The Department will pay an acute care hospital for medical rehabilitation services only if they are provided in conjunction with an acute care service. Payment for rehabilitation services will be made only to an enrolled distinct part medical rehabilitation unit or freestanding rehabilitation hospital.

THE OUT-OF-STATE HOSPITAL PAYMENTS

General Hospitals

Except as otherwise provided in the State Plan, for inpatient hospital services provided by an out-of-State acute care general hospital, the Department pays the lower of:

(1) The amount of charges billed by the hospital; or

(2) The Statewide average DRG payment rate, including the Statewide prospective capital add-on amount.

An out-of-State acute care general hospital that treats in any one fiscal year more than 400 Pennsylvania medical assistance inpatient cases shall be paid in accordance with methods and standards applied to in-State inpatient hospitals for acute care services. For purposes of determining eligibility for the disproportionate share payment adjustment, the Department will utilize all of the Medicaid eligible days reported by a hospital.

An out-of-State acute care general hospital located in a state contiguous to Pennsylvania shall be paid in accordance with methods and standards applied to in-State inpatient hospitals, subject to all of the following conditions:

(1) The hospital must be licensed as a hospital and enrolled as a provider in the Medicaid program in the state in which it is located.

(2) The hospital must be enrolled as a provider type 11 in Pennsylvania's Medical Assistance Program.

(3) For Fiscal Years 1992-93, 1993-94 and 1994-95, the hospital must have had at least 100 inpatient admissions of Pennsylvania medical assistance recipients, and a minimum of 95 percent of that total number must be recipients under 31 years of age.

In no case with the Department's payment rate be based on costs which are precluded from recognition by the Social Security Act.

The State regulation adopted at 55 Pa. Code 1163.65 published in the Pennsylvania Bulletin, Vol. 20, No. 22, June 2, 1990, shall not apply to West Virginia University Hospitals, Inc.

Pursuant to court orders issued in the U.S. District for the Middle District of Pennsylvania Case No. C.A.1:CV-86-0955, West Virginia University Hospitals, Inc. v. Robert Casey, et. al., the Department incorporates into Attachment 4.19A of the state plan at Supplement 1, a court order issued June 14, 1990, a letter from David D. Ulsh, Director of Inpatient Programs, Bureau of Hospital and Outpatient Programs, dated January 4, 1990, and paragraphs 1 and 2 of a court order issued on October 18, 1990.

Psychiatric Hospitals

For inpatient hospital services provided by out-of-state psychiatric hospitals the Department pays the lowest of:

(1) The hospital's interim per diem rate, if one is established by the Medicaid agency in the hospital's state;

(2) The projected average prospective per diem rate for Pennsylvania psychiatric hospitals as established annually by the Department; or

(3) The amount of the charges billed by the hospital.

In no case will the Department's payment rate be based on costs which are precluded from recognition by the Social Security Act.

Rehabilitation Hospitals

For inpatient hospital services provided by out-of-state rehabilitation hospitals the Department pays the lowest of:

(1) The hospital's interim per diem rate, if one is established by the Medicaid agency in the hospital's state;

(2) The average per diem rate for Pennsylvania rehabilitation hospitals as established annually by the Department; or

(3) The amount of the charges billed by the hospital.

In no case will the Department's payment rate be based on costs which are precluded from recognition by the Social Security Act.

PROSPECTIVE REHABILITATION PAYMENT SYSTEM

Rehabilitation Hospitals, Distinct part Drug and Alcohol Detoxification
Rehabilitation Units of General Hospitals and Distinct Part Medical
Rehabilitation Units of General Hospitals

General Policy

The Department pays for inpatient rehabilitation services under a prospective payment system. Payment is made on a per diem basis. The prospective per diem rate for each provider is established using that provider's base year per diem costs trended forward by inflation factors.

All compensable services provided to an inpatient are covered by the prospective per diem rate except for direct care services provided by salaried practitioners who must bill the Medical Assistance Program directly.

Costs are determined using Medicare principles unless otherwise specified. The Department does not follow the substance or retroactivity of the malpractice insurance costs rule established by 51 F.R 11142 (April 1, 1986). Malpractice insurance costs are included in the administrative and general cost center and allocated according to established accounting procedures.

Payment Limits

The Department's payment for inpatient services (including acute care general hospitals and their distinct part units, private psychiatric hospitals, and freestanding rehabilitation hospitals) may not exceed in the aggregate the amount that would be paid for those services under Medicare principles of reimbursement.

The Department's payment, exclusive of any disproportionate share payment adjustment, may not exceed the hospital's customary charges to the general public for the services.

The Department limits the prospective per diem to rehabilitation providers for the period January 1, 2002, through June 30, 2002, to $1,101.18. For the period July 1, 2002, through December 31, 2002, the Department limits the prospective per diem to $1,112.19. For the period January 1, 2003, through June 30, 2003, the Department limits the prospective per diem to $1,146.67. For the period July 1, 2003, through December 31, 2004, the Department limits the prospective per diem to $1,158.14. For the period January 1, 2005, through June 30, 2005, the Department limits the prospective per diem to $1,187.10. For the period of July 1, 2005 through December 31, 2005, the Department limits the prospective per diem to $1,187.10. For the period of January 1, 2006 through January 13, 2007, the Department limits the prospective per diem to $1,210.84. For the period beginning January 14, 2007 the Department limits the prospective per diem to $1,261.21. For the period beginning January 1, 2008 the Department limits the prospective per diem to $1,284.46.

Calculation of Prospective Per Diem Rate

The prospective per diem rate of each rehabilitation provider will be determined as follows:

(a) For a provider enrolled in the Medical Assistance (MA) Program, as of December 31, 2001, its prospective base per diem rate will be its per diem rate as of December 31, 2001.

(b) The base per diem rate as of December 31, 2001 will be inflated by the following inflation factors.

(1) Effective January 1, 2002, the December 31, 2001, base per diem rate will be increased by 4 percent.
(2) Effective July 1, 2002, the amount determined under (1) will be increased by 1 percent.
(3) Effective January 1, 2003, the amount determined under (2) will be increased by 3.1 percent.
(4) Effective July 1, 2003, the amount determined under (3) will be increased by 1 percent.
(5) Effective January 1, 2005, the amount determined under (4) will be increased by 2.5 percent.
(6) Effective January 1, 2006, the amount determined under (5) will be increased by 2.0 percent.
(7) Effective January 14, 2007, the amount determined under (6) will be increased by 4.16 percent.
(8) Effective January 1, 2008, the amount determined under (6) will be increased by 4.0 percent and then by 2.0 percent.

(c) For an inpatient rehabilitation provider whose first full fiscal year of operation under the Medical Assistance Program is subsequent to December 31, 2001, the first full fiscal year of operation under the Medical Assistance Program will serve as the base year. Payment for subsequent years will be the audited per diem cost trended forward from the base year, increased by applicable inflation factors.

Limits to Payments

The Department’s payment for inpatient hospital services (including acute care general hospitals and their distinct part units, private psychiatric hospitals, and freestanding rehabilitation hospitals) may not exceed in the aggregate, the amount that would be paid for those services under Medicare principles of reimbursement.

The Department’s payment, exclusive of any disproportionate share payment adjustment, may not exceed the hospital’s customary charges to the general public for the services.

Nonallowable Depreciation and Interest Costs

The following limitations will apply except in cases in which the Department finds it necessary to take measures to assure the availability of rehabilitation services to Medicaid recipients. In such cases the Department may reimburse rehabilitation facilities solely under Medicare cost reimbursement principles.

Capital costs for new or additional beds, are not allowable under the Medical Assistance Program unless they meet the applicable conditions specified below.

(1) For rehabilitation hospitals, capital costs are nonallowable unless the hospital was constructed prior to July 1, 1983, or was issued a Section 1122 approval letter, a Certificate of Need, or a letter of nonreviewability by the Department of Health prior to July 1, 1983.

(2) For distinct part drug and alcohol rehabilitation units of general hospitals and rehabilitation hospitals not covered under (1), capital costs are nonallowable unless a Certification of Need for the new or additional beds or a letter of nonreviewability had been issued by the Department of Health prior to July 1, 1986.

(3) For distinct part medical rehabilitation units of general hospitals, capital costs are nonallowable unless:

(i) the new or additional beds were placed in service prior to July 1, 1988, and are located in a medical rehabilitation unit which was enrolled in the Medical Assistance Program with an effective date no later than July 1, 1988; or

(ii) a Section 1122 approval letter, a Certificate of Need, or a letter of nonreviewability for the beds was issued by the Department of Health prior to July 1, 1988.

Capital costs related to replacement beds are not allowable unless the facility received a Certificate of Need or letter of nonreviewability for the replacement beds. To be allowable, the replacement beds must physically replace beds in the same facility and the capital costs related to the beds being replaced must have been recognized as allowable.

In addition to the above criteria, to receive payment for capital costs related to new, additional or replacement beds, the project must have been substantially implemented within the effective period of the original Section 1122 approval or the original Certificate of Need, including one six-month extension.

State-Operated Psychiatric Hospitals and Facilities

The Department of Public Welfare claims the Federal Share of reimbursement for:

1. Inpatient psychiatric hospital services for individuals age 65 and older, and;
2. Inpatient psychiatric facility services for individuals under 21.

The claim for the Federal Share for each eligible patient is based on the established per diem rate subject to an annual adjustment to costs.

Cost Finding

All state-operated psychiatric hospitals and facilities participating in the Medical Assistance program are required to use the direct allocation method of cost finding. The facility distributes costs to either direct service level of care or shared service cost categories. A multi-level care facility will further allocate shared service costs to direct level of care based upon statistical data. The allocated portion of shared costs are added to the costs which can be directly identified with each level of care to arrive at a total cost of operations. Allowable depreciation and interest on capital indebtedness is identified by the facility and is also allocated based upon specified statistical data. Specific details related to the use of statistical data are outlined in Section 8, Apportionment Bases, of the Cost Apportionment Manual for State Mental Hospitals, Intellectual Disability Centers, and Veteran Homes.

Indirect costs represent those costs incurred for the administration and support services provided by field and central offices, as well as other Commonwealth agencies. Such costs are allocated based on the Department's cost allocation plan to each facility.

Allowable costs and the result of the cost finding process are reported electronically on the MA Cost Apportionment Report. All facilities are required to maintain records for a minimum of four years.

Allowable Cost Standards

In identifying items of allowable costs for state-operated psychiatric facilities, Pennsylvania's "Cost Apportionment Manual for State Mental Hospitals, Intellectual Disability Centers, and Veteran Homes" (Manual) will be used where applicable. If the manual does not address a particular cost, the federally approved Departmental Indirect Cost Allocation Plan/Statewide Indirect Cost Allocation Plan (DICAP/SWICAP) will be followed. If none of these addresses a particular cost, Medicare full cost principles will be used.

Cost Reports

All state-operated psychiatric hospitals and facilities must complete an MA Cost Apportionment Report each year. Each facility submits a year end cost report, with all supporting schedules, to the Bureau of Financial Reporting by September 30th. The report provides a detailed listing of direct charge items and where applicable, distributes shared costs to various levels of care.

The MA Cost Apportionment Reports for state-operated psychiatric hospitals and facilities are prepared using the cash basis of accounting. Expenditures are accumulated throughout the year in the SAP system and downloaded directly to the MA Cost Apportionment Report.

In conjunction with the MA Cost Apportionment Report, the facility prepares a Building Utilization Report every year. This report is due to the Bureau of Financial Reporting by July 31st. The report categorizes the square footage of each building as facility space, space that is vacant or space that is leased to outside sources. Costs that are not patient related are deemed unallowable.

A worksheet of adjustments allows the facility to deduct any unallowable costs and add in any additional allowable expenses that may not have been captured in the SAP download of expenses.

The Bureau of Financial Operations, Reimbursement Operations Section, provides each facility with information related to total patient days, MA patient days and patient pay figures.

Once the report is completed, the CEO at each facility signs and dates the report. By signing the report the CEO certifies that information contained in the report is correct and expenditures reported have been stated according to the procedures manual developed by the Department of Public Welfare and Generally Accepted Accounting Principles.

The end result of completing the MA Cost Apportionment Report is calculating the actual MA per diem for the year and determining an interim settlement of actual MA allowable costs eligible for federal reimbursement versus the federal dollars that were drawn down during the year.

Specific details of the MA Cost Apportionment Report are detailed in the Cost Apportionment Manual for State Mental Hospitals, Intellectual Disability Centers, and Veteran Homes.

Rate Setting

Separate rates of reimbursement are established for each state-operated psychiatric hospital and facility based on the cost finding performed for each facility on a yearly basis. Based on the final submission of the MA Cost Apportionment Report, the data available to calculate the rates is two years prior. State-operated psychiatric hospitals and facilities employ a single rate based on the actual Medicaid allowable costs. An interim per diem rate is used until the cost report for that year is finalized and a cost settlement can be performed.

A base per diem rate for the year of the applicable MA Cost Apportionment Report is calculated by taking all allowable Net MA reported facility costs and dividing by total facility MA patient days. An inflation factor, consisting of the percent increase in personnel costs, is applied to this base per diem rate to trend it forward to the payment year.

Payments

Payments are made to each state-operated psychiatric facility based on an interim Medicaid per diem rate multiplied by the number of Medicaid days of care provided to eligible clients. At the close of the fiscal year, payments are adjusted to reflect allowable costs as established for state-operated psychiatric facilities, and an interim settlement is calculated.

Interim Settlement

Federal funding is obtained for each facility via interim claiming. The claiming is based on the amount of MA days that are processed at the appropriate interim per diem rate.

After the cost report determines the actual per diem rate it is multiplied by the MA days to arrive at a Gross MA Cost.

Income received from patients and third party insurance carriers, including gross adjustments, is deducted from Gross MA Cost to arrive at Net MA Cost.

Net MA Cost is multiplied by the FFP rate applicable to each quarter to arrive at the Reimbursement Due based on actual costs for the fiscal year.

The Reimbursement Due is compared to the actual federal funds that were received during the interim claiming process. This results in an over/under claim of funds and an adjustment is submitted for inclusion on the CMS-64 Report.

Auditing and Final Settlement

The financial and statistical records for state-operated psychiatric hospitals and facilities are audited annually in accordance with Governmental Auditing Standards by the Comptroller's Office, and allowable financial costs relating to medical assistance are adjusted accordingly. Should an audit finding result in a dollar value discrepancy, a final settlement adjustment is submitted for inclusion on the CMS-64 report.

Disproportionate Share Payment Adjustment

Effective July 1, 1994, the Department's method for establishing disproportionate share payments for State operated psychiatric hospitals is as follows:

(a) A State operated psychiatric hospital is eligible for a disproportionate share payment if its low income utilization rate exceeds 25 percent. The low income utilization rate refers to services provided during the year to persons who were eligible for Medicaid under the State plan or who received uncompensated or publicly funded care. At least 1% of the hospital's total days must be Medicaid days to be eligible for disproportionate share hospital payment adjustments.

(b) Payment for the State psychiatric facilities that qualify for disproportionate share payments will be equal to 100% of the uncompensated costs as defined by Section 1923(g)(1)(A) for care provided to low-income clients within each facility for the state fiscal year (i.e., July 1 through June 30).

(c) For State fiscal year 1994/1995 (the transition year as defined in Section 1923(g)(1)(B)), those facilities which qualify as a high disproportionate share hospital will receive payments equal to 200% of the cost specified in (b) above.

Section 1923(g)(2)(A) defines a high disproportionate share hospital as one that has a Medicaid utilization rate at least one standard deviation above the mean Medicaid utilization rate of all hospitals receiving Medicaid payment in the State. Those facilities which do not meet the high disproportionate share test will receive payments as specified in (b) above.

(d) The Commonwealth's aggregate disproportionate share hospital payments will not exceed its disproportionate share base allotment computed by CMS.

(e) Disproportionate share payments for state-operated psychiatric hospitals shall be determined quarterly.

(f) Excess or overpayments will be redistributed to state-operated psychiatric hospitals that have not reached their hospital-specific DSH limit. Redistribution will be calculated based on proportional DSH payments. Additional levels of redistribution will occur until either all facilities have reached their respective individual DSH limit or until all funds available for redistribution have been exhausted. Excess payments will only be redistributed to state-operated psychiatric hospitals. In the event that all facilities have reached their hospital-specific DSH limit, the excess will be returned to CMS.

DISPROPORTIONATE SHARE PAYMENTS

Part 1. General Policy

The Department provides additional funding for in-state inpatient hospital providers which service a disproportionate share of Medical Assistance (MA) recipients or Title XIX or low-income patients, according to the provisions of Section 1923 of the Social Security Act. Hospitals and units which can qualify for disproportionate share hospital (DSH) payments under this part are acute care general hospitals; psychiatric, medical rehabilitation and drug and alcohol rehabilitation units of acute care general hospitals; freestanding rehabilitation hospitals; and private psychiatric hospitals.

The Department will determine, effective July 1, 1998, the hospitals that qualify for DSH payments and the amounts of such payments, according to the standards described in this section. Days of care included in the eligibility determination include MA managed care days of care, Medicaid administrative days and days of care provided to recipients from other states' Medicaid programs.

No hospital may be defined as eligible for DSH payments unless it has a Title XIX utilization rate of one percent or greater. In conformity with OBRA '93, effective July 1, 1995, the Department will establish DSH payments no greater than each hospitals' unreimbursed costs for services rendered to Title XIX patients and uninsured patients. DSH payments to a qualifying hospital shall not exceed the amount permitted under the hospital's OBRA '93 hospital specific limit. DSH payments to qualifying hospitals may be adjusted so that payments do not exceed the Commonwealth's aggregate annual DSH allotment.

If the Department determines there was an overpayment to a provider, the Department will recover the overpayment from the provider.

(a) To qualify as a disproportionate share hospital, the hospital must meet one of the conditions set under subsection (b) and meet any one of the following conditions:

(1) Have a percentage of Title XIX MA days to total days equal to or greater than one standard deviation above the mean for all in-state hospitals;

(2) Have a low-income utilization rate exceeding 25%, as defined under 42 U.S.C. § 13969r-4(b)(3), under one of the following methods:

(i) The hospital's low income utilization rate as reported on its MA cost report (MA 336) computation of low income utilization rate worksheet exceeds 25%.

(ii) The hospital's low income utilization rate as determined by its ratio of Title XIX and General Assistance inpatient days to total inpatient days exceeds 25%. To determine the ratio for an acute care general hospital, the Department will include inpatient days for drug and alcohol rehabilitation units and medical rehabilitation units of acute care general hospitals, inpatient psychiatric facilities, as well as days for acute care general hospitals. The Department will include in the calculation MA administrative days, days of care provided to recipients in other states' Medicaid programs and managed care days.

(3) Be an acute care general hospital defined by Medicare as a rural hospital or sole community hospital and be at or above the 75th percentile in the ratio of Medical Assistance (MA) acute care cases to total acute care cases in a ranking of all in-state hospitals.

(4) Be an acute care general hospital that has rendered a total number of MA inpatient days (including Fee-for-Service, managed care, administrative and out-of-state days and including days from units) greater than two standard deviations above the mean of the total number of MA days rendered by all acute care general hospitals.

(5) Be an MA enrolled acute care general hospital located in a county ranked above the 96 percentile for all counties in Pennsylvania as determined using the data contained in the Department's December 2009 report of Unduplicated Number of Persons Eligible for MA by County based on either the percentile rank of the county's percent of population eligible for MA, or the percentile rank of the county's total number of persons eligible for MA; and the hospital has a ratio of total MA acute inpatient days to total acute inpatient days which exceeds the average ratio of MA acute inpatient days to total hospital acute inpatient days of all hospitals within that county based on date from the FY 2007-2008 MA hospital cost report (MA 336) available to the Department as of July 2010.

(b) To qualify as a disproportionate share hospital, the hospital must meet at least one of the following conditions:

(1) Be identified as a children's hospital;

(2) Have at least two physicians with staff privileges at the hospital who have agreed to provide obstetric services to individuals who are entitled to such services under the MA Program; or

(3) Be identified as a hospital that did not offer nonemergency obstetric services to the general population on or after December 21, 1987.

Part II. Disproportionate Share Payments to Acute Care General Hospitals

(a) Acute care hospitals that meet the conditions in Part I (a)(1), (a)(2), (a)(4) or (a)(5), are assigned a disproportionate share percentage ranging from 1 percent to 15 percent. Qualifying hospitals are ranked from high to low based on their ratio of total Title XIX days to total days. The qualifying hospital with the highest ratio of Title XIX days to total days is assigned a disproportionate share percentage of 15 percent. For each other hospital qualifying under this section, the disproportionate share percentage is

(1) 1 percent, plus

(2) 13 percent multiplied by a fraction: the numerator of which is the ratio of Title XIX days to total days of the qualifying hospital minus the ratio of Title XIX days to total days of the lowest hospital on the list of all such qualifying hospitals; and the denominator of which is the ratio of Title XIX days to total days of the second highest hospital on the list of all such qualifying hospitals, minus the ratio of Title XIX days to total days of the lowest hospital on the list of all such qualifying hospitals.

(b) Acute care hospitals that meet the conditions in Part I (a)(3) receive a rural disproportionate share percentage ranging from 1 percent to 10 percent. Qualifying hospitals are ranked from high to low based on their ratio of Title XIX days to total days. The qualifying hospital with the highest ratio of Title XIX days to total days is assigned a disproportionate share percentage of 10 percent. For each other hospital qualifying under this section, the disproportionate share percentage is

(1) 1 percent, plus

(2) 8 percent multiplied by a fraction: the numerator of which is the ratio of Title XIX days to total days of the qualifying hospital minus the ratio of Title XIX days to total days of the lowest hospital on the list of all such qualifying hospitals; and the denominator of which is the ratio of Title XIX days to total days of the second highest hospital on the list of all such qualifying hospitals, minus the ratio of Title XIX days to total days of the lowest hospital on the list of all such qualifying hospitals.

(c) Hospitals that qualify under both section (a) and section (b) will receive the higher of the percentages, but will not receive both percentages.

Part II. Disproportionate Share Payments to Acute Care General Hospitals

(d) The Department prospectively calculates the annual DSH payment amount for qualifying acute care general hospitals by multiplying the disproportionate share percentage determined under sections (a)-(c) by the hospital's projected Title XIX and general assistance income for acute care cases during the fiscal year.

(1) The Department will use the FY 2007-2008 MA hospital cost report data available to the Department as of July 2010 to calculate an inpatient DSH payment amount for each qualifying hospital.

(2) For FY 2010-2011, a qualifying hospital's inpatient DSH payment amount will be the higher of:

(i) The payment amount calculated under (1) above; or

(ii) The inpatient DSH payment amount the hospital received for FY 2009-2010

(3) For FY 2011-2012, unless a qualifying hospital meets the conditions specified in (5) below, the hospital's inpatient DSH payment amount will be the higher of:

(i) The payment amount calculated under (1) above; or

(ii) The payment amount calculated under (1) above plus one half of the difference between the inpatient DSH payment amount the hospital was allocated to receive for FY 2009-2010 and payment amount calculated under (1) above, if the FY 2009-2010 payment amount is greater than the amount calculated under (1) above.

(4) Beginning with FY 2012-2013, unless a qualifying hospital meets the conditions specified in (5) below, the hospital's inpatient DSH payment amount will equal the payment amount calculated under (1).

(5) Beginning with FY 2011-2012, using the FY 2007-2008 MA hospital cost report available to the Department as of July 2010, if a qualifying acute care general hospital has a ratio of MA days to total days (fee-for-service and MCO days) that exceeds 40% as calculated by determining its ratio of Title XIX and General Assistance inpatient days to total inpatient days; and has greater than 20,000 MA days total (fee-for-service and MCO days) as calculated by determining its ratio of Title XIX and General Assistance inpatient days to total inpatient days; and has a low-income utilization rate that exceeds 40% as reported on its MA hospital cost report computation of low income utilization rate worksheet, the hospital's inpatient DSH payment will be the higher of:

(i) The payment amount calculated under (1) above or

(ii) The inpatient DSH payment amount the hospital received for FY 2009-2010.

(e) Annual payments are distributed to qualifying hospitals in quarterly payments adjusted to reflect the total amount allocated for the fiscal year.

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Part III. Disproportionate Share Payments for Rehabilitation Hospitals and Rehabilitation Units

(a) Inpatient rehabilitation hospitals and distinct part rehabilitation units of acute care general hospitals that meet the conditions in Part 1 are assigned a disproportionate share percentage ranging from 1 percent to 10 percent as follows:

(1) Array the qualifying hospitals and hospital units from high to low based on total facility ratio of Title XIX days to total days.

(2) Subtract from the qualifying provider's Title XIX days to total days percentage, the Title XIX days to total days percentage of the lowest qualifying hospital;

(3) Divide the amount by the difference between the Title XIX days to total days percentages of the highest and lowest qualifying hospitals;

(4) Multiply the amount determined in (3) by 0.09;

(5) Add 0.01 to the amount determined in (4).

(b) The Department prospectively calculates the annual disproportionate share payment amount for qualifying rehabilitation hospitals and rehabilitation units by multiplying the disproportionate share payment percentage determined in (a) by the provider's projected Title XIX and general assistance income for rehabilitation days during the Fiscal Year (FY) based on Pennsylvania Medical Assistance (PA MA) Fee-for-Service and Managed Care days as reported in the hospital's FY 2007-2008 MA hospital cost report (MA 336).

(c) For FY 2010-2011, a qualifying hospital or unit's inpatient disproportionate share hospital (DSH) payment amount is the higher of:

(1) The payment amount calculated under (b) above; or

(2) The inpatient DSH payment amount the hospital received for FY 2009-2010

(d) For FY 2011-2012, the hospital's or unit's inpatient DSH amount is the higher of:

(1) The payment amount calculated under (b) above; or

(2) The payment amount calculated under (b) above plus one half of the difference between the inpatient DSH payment amount the hospital or unit was allocated to receive for FY 2009-2010 and the payment amount calculated under (b) above. If the FY 2009-2010 payment amount is greater than the amount calculated under (b) above.

(e) Beginning with FY 2012-2013, the hospital or unit's inpatient DSH payment amount will equal the payment amount calculated under (b).

Inpatient disproportionate share payments for rehabilitation hospitals and rehabilitation units paid under the prospective rehabilitation payment system are subject to the limitations set forth under Part V and Part VI.

Part IV. Inpatient disproportionate Share Payments for Psychiatric Hospitals and Psychiatric Units

(a) Inpatient psychiatric hospitals and distinct part psychiatric units of acute care general hospitals that meet the conditions in Part I are assigned a disproportionate share percentage ranging from 1 percent to 10 percent. Qualifying providers are ranked from high to low based on total facility ratio of Title XIX days to total days. The qualifying provider with the highest ratio of Title XIX days to total days is assigned a disproportionate share percentage of 10 percent. For each other provider qualifying under this section, the disproportionate share percentage is:

(1) 1 percent, plus

(2) 8 percent multiplied by a fraction: the numerator of which is the ratio of Title XIX days to total days of the qualifying provider minus the ratio of Title XIX days to total days of the lowest provider on the list of all such qualifying providers; and the denominator of which is the ratio of the Title XIX days to total days of the second to highest provider on the list of all such qualifying providers, minus the ratio of Title XIX to total days of the lowest provider on the list of all such qualifying providers.

(b) The Department prospectively calculates the annual disproportionate share payment amount for the qualifying psychiatric providers and psychiatric units by multiplying the disproportionate share percentage determined in (a) by the provider's projected Title XIX and general assistance income for psychiatric days during the fiscal year based on days as reported on the hospital's FY 2007-2008 MA hospital cost report (MA 336).

(c) For FY 2010-2011, a qualifying hospital or unit's inpatient DSH payment amount is the higher of:

(1) The payment amount calculated under (b) above; or

(2) The inpatient DSH payment amount the hospital received for FY 2009-2010.

(d) For FY 2011-2012, the hospital's or unit's inpatient DSH amount is the higher of:

(1) The payment amount calculated under (b) above; or

(2) The payment amount calculated under (b) above plus one half of the difference between the inpatient DSH payment amount the hospital or unit was allocated to receive for FY 2009-2010 and the payment amount calculated under (b) above, if the FY 2009-2010 payment amount is greater than the amount calculated under (b) above.

(e) Beginning with FY 2012-2013, the hospital or unit's inpatient DSH payment amount will equal the payment amount calculated under (b).

Inpatient disproportionate share payments for psychiatric hospitals and psychiatric units paid under the prospective psychiatric payment system are subject to the limitations set forth under Part V and Part VI.

Part V. Aggregate Limits to Inpatient Disproportionate Share, Outpatient Disproportionate Share and Direct Medical Education

For the period July 1, 1998 through June 30, 1999, the Department shall distribute to providers that are eligible for direct medical education payments and/or disproportionate share payments including outpatient disproportionate share, the aggregate annualized amount of $175 million.

For the period July 1, 1999 through December 31, 1999, the Department shall distribute to providers that are eligible for direct medical education payments and/or disproportionate share payments, including outpatient disproportionate share, the aggregate amount of $87.5 million.

For the period January 1, 2000 through June 30, 2000, the Department shall distribute to providers that are eligible for direct medical education and/or disproportionate share payments, including outpatient disproportionate share, the aggregate amount of $91 million.

For the period July 1, 2000 through June 30, 2001, the Department shall distribute to providers that are eligible for direct medical education and/or disproportionate share payments, including outpatient disproportionate share, the aggregate annualized amount of $182.784 million.

For the period July 1, 2001 through December 31, 2001, the Department shall distribute to providers that are eligible for direct medical education and/or disproportionate share payments, including outpatient disproportionate share, the aggregate amount of $91.392 million.

For the period January 1, 2002, through June 30, 2002, the Department shall distribute to providers that are eligible for direct medical education and/or disproportionate share payments, including outpatient disproportionate share, the aggregate amount of $98.000 million.

For the period July 1, 2002, through June 30, 2003, the Department shall distribute to providers that are eligible for direct medical education and/or disproportionate share payments, including outpatient disproportionate share, the aggregate annualized amount of $197.217 million.

For the period July 1, 2003 through June 30, 2004, the Department shall distribute to providers that are eligible for direct medical education and/or disproportionate share payments, including outpatient disproportionate share, the aggregate annualized amounts of $194.818 million.

For the period July 1, 2004 through June 30, 2005, the Department shall distribute to providers that are eligible for direct medical education and/or disproportionate share payments, including outpatient disproportionate share, the aggregate annualized amounts of $204.709 million.

For the period July 1, 2005 through December 31, 2005, the Department shall distribute to providers that are eligible for direct medical education and/or disproportionate share payments, including outpatient disproportionate share, the aggregate annualized amounts of $103.87 million.

For the period January 1, 2006 through June 30, 2006, the Department shall distribute to providers that are eligible for direct medical education and/or disproportionate share payments, including outpatient disproportionate share, the aggregate annualized amount of $107.516 million, except any additional amount resulting from the Hospital Quality Incentive Pilot Program.

For the period July 1, 2006 through January 13, 2007, the Department shall distribute to providers that are eligible for direct medical education and/or disproportionate share payments, including outpatient disproportionate share, the aggregate annualized amount of $108.034 million. This includes amounts resulting from the Hospital Quality Incentive Pilot Program.

Part V. Aggregate Limits to Inpatient Disproportionate Share, Outpatient Supplemental and Direct Medical Education

For the period January 14, 2007 through December 31, 2007, the Department shall distribute to providers that are eligible for direct medical education and/or disproportionate share payments, including outpatient supplemental, the aggregate annualized amount of $223.608 million, except any additional amount resulting from the Hospital Quality Incentive Pilot Program.

For the period beginning January 1, 2008, the Department shall distribute to providers that are eligible for direct medical education and/or disproportionate share payments, including outpatient supplemental, the aggregate annualized amount of $228.08 million, except any additional amount resulting from the Hospital Quality Incentive Pilot Program.

For State Fiscal Year 2009-2010, the Department shall distribute to providers that are eligible for direct medical education and/or inpatient disproportionate share and outpatient supplemental payments an aggregate annualized amount not to exceed $193.010 million, except any additional amount resulting from the Hospital Quality Incentive Pilot Program.

For State Fiscal Year 2010-2011, the Department shall distribute to providers that are eligible for direct medical education and/or inpatient disproportionate share and outpatient supplemental payments an aggregate annualized amount of $287.832 million, as adjusted to reflect the reconciliation factor described in Part VI.

For State Fiscal Year 2011-2012, the Department shall distribute to providers that are eligible for direct medical education and/or inpatient disproportionate share and outpatient supplemental payments an aggregate annualized amount of $270.740 million, as adjusted to reflect the reconciliation factor described in Part VI.

For State Fiscal Year 2012-2013, the Department shall distribute to providers that are eligible for direct medical education and/or inpatient disproportionate share and outpatient supplemental payments an aggregate annualized amount of $270.740 million, as adjusted to reflect the reconciliation factor described in Part VI.

For State Fiscal Year 2013-2014, the Department shall distribute to providers that are eligible for direct medical education and/or inpatient disproportionate share and outpatient supplemental payments an aggregate annualized amount of $262.341 million, as adjusted to reflect the reconciliation factor described in Part VI.

For State Fiscal Year 2014-2015, the Department shall distribute to providers that are eligible for direct medical education and/or inpatient disproportionate share and outpatient supplemental payments an aggregate annualized amount of $263.661 million, as adjusted to reflect the reconciliation factor described in Part VI.

For State Fiscal Year 2015-2016, the Department shall distribute to providers that are eligible for direct medical education, inpatient disproportionate share and outpatient supplemental payments an aggregate annualized amount of $262.341 million, as adjusted to reflect the reconciliation factor described in Part VI.

For State Fiscal Year 2016-2017, the Department shall distribute to providers that are eligible for direct medical education, inpatient disproportionate share and outpatient supplemental payments an aggregate annualized amount of $256.520 million, as adjusted to reflect the reconciliation factor described in Part VI.

For State Fiscal Year 2017-2018, the Department shall distribute to providers that are eligible for direct medical education, inpatient disproportionate share and outpatient supplemental payments an aggregate annualized amount of $256.520 million, as adjusted to reflect the reconciliation factor described in Part VI.

For State Fiscal Year 2018-2019, the Department shall distribute to providers that are eligible for direct medical education, inpatient disproportionate share and outpatient supplemental payments an aggregate annualized amount of $256.564 million, as adjusted to reflect the reconciliation factor described in Part VI.

For State Fiscal Year 2019-2020, the Department shall distribute to providers that are eligible for direct medical education, inpatient disproportionate share and outpatient supplemental payments an aggregate annualized amount of $256.360 million, as adjusted to reflect the reconciliation factor described in Part VI.

For State Fiscal Year 2020-2021, the Department shall distribute to providers that are eligible for direct medical education, inpatient disproportionate share and outpatient supplemental payments an aggregate annualized amount of $255.730 million, as adjusted to reflect the reconciliation factor described in Part VI.

For State Fiscal Year 2021-2022, the Department shall distribute to providers that are eligible for direct medical education, inpatient disproportionate share and outpatient supplemental payments an aggregate annualized amount of $255.556 million, as adjusted to reflect the reconciliation factor described in Part VI.

For State Fiscal Year 2022-2023, the Department shall distribute to providers that are eligible for direct medical education, inpatient disproportionate share and outpatient supplemental payments an aggregate annualized amount of $255.655 million, as adjusted to reflect the reconciliation factor described in Part VI.

For State Fiscal Year 2023-2024, the Department shall distribute to providers that are eligible for direct medical education, inpatient disproportionate share and outpatient supplemental payments an aggregate annualized amount of $255.655 million, as adjusted to reflect the reconciliation factor described in Part VI.

For State Fiscal Year 2024-2025, the Department shall distribute to providers that are eligible for direct medical education, inpatient disproportionate share and outpatient supplemental payments an aggregate annualized amount of $255.655 million, as adjusted to reflect the reconciliation factor described in Part VI.

Part VI. Disproportionate Share and Supplemental Payment Reconciliation

(a) The following payments are subject to reconciliation under this Part:
  (1) A portion of the inpatient disproportionate share payments and direct medical education payments made under Part I and Part V in a fiscal year, up to the amount specified in subsection (f);
  (2) Medical Assistance (MA) Stability Payments (applies to FY 2020-2021 and prior reconciliations);
  (3) MA Dependency Payments;
  (4) MA Rehabilitation Adjustment Payments;
  (5) Disproportionate Share Hospital Payments to Small and Sole Community Hospitals;
  (6) Enhanced Payments to Disproportionate Share Hospitals;
  (7) High MA Graduate Medical Education Payments

(b) The Department will determine if a payment reconciliation is needed as follows:
  (1) The Department will determine the amount of funds allocated from an approved provider assessment on licensed hospitals at the beginning of the fiscal year for the following items:
    (i) increased expenditures for inpatient hospital services resulting from rebasing Fee For Service (FFS) inpatient hospital rates and implementing a revised patient classification system based on APR DRGs and for FFS observation services;
    (ii) increased capitated rates to Managed Care Organizations (MCOs) for inpatient hospital services related to the rebasing of FFS inpatient hospital rates and the APR DRG classification system, for observation services related to implementation of a FFS observation policy, for outpatient hospital services, and for the Hospital Quality Incentive Program;
    (iii) additional funds to restore inpatient DSH payments, outpatient supplemental payments, Medical Education payments and Community Access Fund payments to their FY 2009 levels;
    (iv) additional funds of $6.2 million to increase obstetrical/neonatal intensive care unit and Critical Access payments,
    (v) COVID-Relief DSH payments as described within page 21kk of this Attachment 4.19A, and
    (vi) funds allocated for other purposes approved by the Secretary of Human Services.

(c) The Department will calculate a reconciliation factor as follows:
  (1) The available funding amount listed in (f) will be adjusted, as necessary, to reflect any anticipated reduction to the assessment receipts from the approved statewide provider assessment on licensed hospitals. If no adjustment is necessary, the available funding amount listed in (f) will be used.
  (2) The amount of the difference determined in (b)(3) will be subtracted from the available funding amount determined in (c)(1) to establish an aggregate adjusted amount for the payments listed in (a) is equal to the available funding amount determined in (c)(1).
  (3) If a hospital has reached its OBRA ’93 hospital specific limit due to payments received from (a) or (b)(1)(i), (ii), (iii), (iv) or (v), any unspent amount that otherwise would have been paid to the hospital will be added to the amount in (c)(2) so that the total may equal but not exceed the available funding amount determined in (c)(1).
  (4) The amount calculated in (c)(3) will be divided by the state portion of the amount in (f). If the result is equal to or less than one, the result will equal the reconciliation factor. If the result is greater than one, the reconciliation factor will equal one.

(d) The reconciliation factor from (c)(4) will be applied to the payments identified in (a) that are made during that fiscal year unless the Department is unable to make the adjustment during the fiscal year due to the timing of the payments. In that case, the payments for the subsequent fiscal year will be adjusted by the difference between the amounts from (f) and (c)(3).

(e) The Department may make interim reconciliation adjustments to the payments listed in (a) at any time during the fiscal year in accordance with the method described in (c) and (d) above. A final reconciliation of the payments listed in (a) will be made at the end of each fiscal year.

(f) Beginning with FY 2021-2022 reconciliations, available funding for payments identified in (a) is $201.847 million. Of this amount, the portion attributable to the inpatient disproportionate share payments and direct medical education payments in (a)(1) is $40.959 million.

## ADDITIONAL DISPROPORTIONATE SHARE PAYMENTS

Effective March 1, 1998, the Department will make an additional disproportionate share payment to certain hospitals which render a high volume of uncompensated care or charity care and which the Department has determined have experienced a significant reduction in revenue as a result of changes to the Medical Assistance Program eligibility regulations.

In addition to meeting the criteria set forth in Part I of this state plan, for a hospital to qualify for an enhanced disproportionate share payment, the hospital must meet one of the following criteria:

1. Based on the Department's analysis of the effect of changes to GA/MNO eligibility, the hospital lost in excess of $3.2 million in annual net patient revenue and the hospital received less than $1.8 million in annual direct medical education payments in Fiscal Year 1996-97; or

2. Based on the Department's analysis of the effect of changes to GA/MNO eligibility, the hospital lost in excess of $3.2 million in annual net patient revenue, the hospital received annual direct medical education payments of over $1.8 million in Fiscal Year 1996-97 and the hospital's loss of total annual medical assistance revenue is less than 15 percent; or

3. Based on the Department's analysis of the effect of changes to GA/MNO eligibility, the hospital lost in excess of $2.5 million in annual net patient revenue with a percentage loss of net patient revenue exceeding 6 percent; or

4. The hospital was eligible for disproportionate share as a rural hospital in Calendar Year 1997 as defined under the Department's disproportionate share payment policy (Page 16 of Attachment 4.19A).

Payment will be made to qualifying hospitals based on the ratio of their revenue reduction to the total revenue reduction of all qualifying hospitals. This ratio is then multiplied by the total amount of funds available under this enhanced disproportionate share payment policy.

Effective January 15, 1999, the Department will make an additional disproportionate share payment to certain hospitals which render charity care in excess of the average inpatient charity care cost. In addition to meeting the criteria set forth in Part I of this state plan, for a hospital to qualify for the charity care component, the hospital must meet the following:

- the hospital must be enrolled in the MA Program as an Acute Care General Hospital; and
- the hospital's inpatient charity care costs exceeds $698,501, the Fiscal Year 1995-96 Statewide average inpatient charity care cost. The charity care cost is derived from the Fiscal Year 1995-96 Financial Report for Hospitals and Hospital-Health Care Complex under the Medical Assistance Program (MA 336) as submitted by the hospitals and reviewed by the Department.

Payment will be made to qualifying hospitals based on each hospital's percentage of charity care cost to the total charity care costs of all qualifying hospitals. Payment is determined by multiplying the hospital-specific percentage by the total funds available under the charity care component with a maximum payment per hospital of $750,000.

**ADDITIONAL CLASS OF DISPROPORTIONATE SHARE PAYMENTS TO QUALIFYING HOSPITALS**

The Department of Human Services (Department) will make an additional class of disproportionate share hospital (DSH) payments to certain qualifying hospitals that advance the Department's goal of enhanced access to multiple types of medical care in economically distressed areas of the Commonwealth.

A hospital is eligible for this additional class of DSH payments, provided it is an acute care general hospital that meets all the following criteria:

(a) The hospital provides in excess of 100,000 inpatient days to Medical Assistance (MA) eligible individuals as reported on its Fiscal Year (FY) 2004-2005 MA-336 Hospital Cost Report;

(b) The hospital has a Low-Income Utilization Rate in excess of the 95th percentile of the Low-Income Utilization Rate for all enrolled acute care general hospitals as reported on its FY 2004-2005 MA-336 Hospital Cost Report;

(c) The hospital's ratio of MA revenue to net patient revenue exceeds the 98th percentile for all Commonwealth acute care general hospitals as reported in the Pennsylvania Health Care Cost Containment Council's 2006 Financial Analysis, Volume One;

(d) The dollar value of the hospital's uncompensated care equals or exceeds the 94th percentile of the value to uncompensated care for all acute care general hospitals as reported in the Pennsylvania Health Care Cost Containment Council's 2006 Financial Analysis, Volume One;

(e) The hospital is located in a Census tract designated by the Bureau of Primary Health Care of the Health Resource and Services Administration as a Medically Underserved Area.

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

All payment limitations are still applicable, including those limitations that the Commonwealth may not exceed its aggregate annual DSH allotment and that no hospital may receive DSH payments in excess of its hospital-specific limit. The Department will not redistribute DSH payments made under this additional class of DSH payments to qualifying hospitals as a result of a qualifying hospital exceeding its hospital-specific DSH limit.

The FY 2024-2025 impact, as a result of the funding allocation for these payments is $16.281 million in total funds.

**ADDITIONAL CLASS OF DISPROPORTIONATE SHARE PAYMENTS TO QUALIFYING HOSPITALS**

The Department of Human Services (Department) will make disproportionate share hospital (DSH) payments to qualifying Medical Assistance (MA) enrolled acute care general hospitals that have a low commercial-payer ratio, a negative trend in their net patient revenue and are located in an area of the Commonwealth with a disproportionate need for MA services.

A hospital is eligible for this additional class of DSH 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 the Fiscal Year (FY) 2013-2014 MA-336 Hospital Cost Report.

(1) The hospital is located in a city of the first class, as defined in the *Pennsylvania Manual* (Volume 121).

(2) The hospital's 3-year average change in net patient revenue for FYs 2012-2015 is negative according to the Pennsylvania Health Care Cost Containment Council's FY 2015 Financial Analysis.

(3) The hospital's commercial payer ratio, defined as 100 percent minus the hospital's Medicare share of net patient revenue for FY 2015 (expressed as a percent) minus the hospital's MA share of net patient revenue for FY 2015 (expressed as a percent), is more than one standard deviation lower than the mean for all acute care hospitals in the Pennsylvania Health Care Cost Containment Council's FY 2015 Financial Analysis.

(4) The hospital does not qualify for payment under State Plan Amendment 4.19A, page 21z.

Payments will be divided proportionally among qualifying hospitals based on the percentage of each qualifying hospital's inpatient MA days to the total inpatient MA days of all qualifying hospitals. All payment limitations are still applicable, including those limitations that the Commonwealth may not exceed its aggregate annual DSH allotment and that no hospital may receive DSH payments in excess of its hospital-specific DSH limit. The Department will not redistribute DSH payments made under this additional class of DSH payments to qualifying hospitals as a result of a qualifying hospital exceeding its hospitals-specific DSH limit.

The FY 2022-2023 impact, as a result of the funding allocation for these payments, is $1.458 million in total funds.

## Additional Disproportionate Share Payments

Effective July 1, 2001, the Department will make an additional disproportionate share payment to hospitals, licensed by the state of Pennsylvania, that incur significant uncompensated care costs or that experience a high volume of inpatient cases, the cost of which exceeds twice the hospital's average cost per stay for all patients.

**Hospital Uncompensated Care Payment**

The Department will annually compensate facilities, licensed by the state of Pennsylvania, which provide a disproportionate share of uncompensated care. A facility qualifies for this payment if the facility's total percentage of the factors listed below is at or above the median for all facilities.

- The facility's uncompensated care as a percentage of net patient revenue as reported to the Pennsylvania Health Care Cost Containment Council (PHC4) over the three most recent fiscal year period.
- The facility's percentage of SSI days to total inpatient days over the three most recent fiscal year period.
- The facility's percentage of MA days to total inpatient days over the three most recent fiscal year period.

The Department will annually determine a payment percentage for each individual qualifying facility by comparing it to all qualifying facilities.

**Hospital Extraordinary Expense Payment**

A facility, licensed by the state of Pennsylvania, qualifies for this payment if they do not qualify for a Hospital Uncompensated Care payment or have elected to receive this payment in lieu of the Hospital Uncompensated Care payment and the facility provided uncompensated care to a patient with extraordinary expenses in the most recent fiscal year for which data is available. Extraordinary expenses are those that exceed twice the hospital's average cost per stay for all patients.

Payment to the facility shall equal the lesser of the cost of:

- The extraordinary expense claim; or
- The prorated amount of each facility's percentage extraordinary expense costs, as applied to the total funds available for these payments.

**ADDITIONAL CLASS OF DISPROPORTIONATE SHARE PAYMENTS TO QUALIFYING HOSPITALS**

The Department of Human Services (Department) will make disproportionate share hospital (DSH) payments to qualifying Medical Assistance (MA) enrolled acute care general hospitals to promote access to acute care services for MA eligible persons in less urban areas of the Commonwealth.

A hospital is eligible for this additional class of DSH payments if the hospital meets all criteria listed below. Unless otherwise stated, the source of the information is the Fiscal Year (FY) 2013-2014 MA-336 Hospital Cost Report available to the Department as of October 2016.

(a) The hospital is enrolled in the MA Program as a general acute care hospital.

(b) The hospital is located in a city of the third class, as defined in the *Pennsylvania Manual* (Volume 121) with a population of at least 25,000 persons, based on the 2010 Census.

(c) The hospital has at least 150 beds.

(d) The hospital reported an Inpatient Low-Income Utilization Rate of at least 20.0%.

(e) The hospital's ratio of uncompensated care to net patient revenue was higher than 3.75%, based on the Pennsylvania Health Care Cost Containment Council *Financial Analysis 2015, Volume One*.

A hospital's payment amount for this additional class of DSH payments will be determined as follows:

1) Divide the hospital's MA inpatient days by the total MA inpatient days for all qualifying hospitals; and,

2) Multiply that percentage by the total amount allocated for these payments.

The data used for purposes of this determination will be from the FY 2013-2014 MA-336 Hospital Cost Report.

All payment limitations are still applicable, including those limitations that the Commonwealth may not exceed its aggregate annual DSH allotment and that no hospital may receive DSH payments in excess of its hospital-specific limit. The Department will not redistribute DSH payments made under this additional class of DSH payments to qualifying hospitals as a result of a qualifying hospital exceeding its hospitals-specific DSH limit.

The FY 2024-2025 impact, as a result of the funding allocation for these payments, is $1.336 million in total funds.

The Department of Human Services (Department) will make a disproportionate share hospital (DSH) payment ("Trauma DSH payment") to hospitals that qualify as a trauma center for the purpose of improving access to readily available and coordinated trauma care for the citizens of Pennsylvania.

Unless otherwise stated, the source of information for this payment is the most recent available Pennsylvania Trauma Outcome Study (PTOS) prepared by the Pennsylvania Trauma Systems Foundation (Foundation). For purposes of calculating the hospital-specific portion of the payment, the Department shall count all medical assistance days, uninsured PTOS trauma visits and patient days, irrespective of the home state of the patient. To determine eligibility for newly accredited trauma centers and hospitals seeking trauma center accreditation for which PTOS data is not available, the Department will use Pennsylvania Health Care Cost Containment Council claims data from the same period as the PTOS report.

A hospital shall qualify as a trauma center ("qualified trauma center") if it meets one of the criteria below:

1) Is located in Pennsylvania and is accredited by the Foundation as a Level I, Level II, or Level III trauma center;

2) Is located in Pennsylvania and has submitted an application to the Foundation seeking Level III accreditation and has documented evidence or progression towards accreditation and achievement of benchmarks as verified and established by the Foundation in collaboration with the Department for up to four years. In addition to the established standards, a hospital applying for Level III certification qualifies as a Level III trauma center if it meets all the following criteria:
   a. Provides comprehensive emergency services;
   b. Has at least 4,000 inpatient admissions from its emergency department on an annual basis;
   c. Is located in a county of the third, fourth, fifth, sixth, seventh, or eighth class; and,
   d. Is located more than 25 miles travel distance from a Level I, Level II or Level III trauma center unless the hospital can demonstrate that other trauma centers in the catchment area have a volume of excess cases which is twice the amount needed for reaccreditation for the three preceding years.

3) Is located in a rural county of Pennsylvania, as defined by the Center for Rural Pennsylvania, and is accredited by the Foundation as a Level IV trauma center; or,

4) Is an "out-of-state qualified trauma center for purposes of eligibility for this additional class of DSH payment. The term out-of-state qualified trauma center means West Virginia University Hospital, or an out-of-state trauma center that meets all of the following requirements:
   a. Is accredited as a Level I or Level II trauma center by the Foundation; or has obtained verification from the American College of Surgeons as Level I or Level II trauma center; and is formally designated as a Level I or Level II trauma center by its home state;
   b. Pays to the Foundation the annual participation fee the out-of-state hospital would be charged were it accredited by the Foundation as a Level I or Level II trauma center; and,
   c. Annually discharges more than 30 trauma patients under the PTOS for 2 of the preceding 4 years.

Out-of-state qualified trauma centers shall submit to the Foundation on an annual basis both:

(i) a copy of the clinical patient data the hospital submits to the National Trauma Database regarding Pennsylvania residents who receive trauma services from the hospital; and,
(ii) the total and Pennsylvania resident-specific number of PTOS trauma visits and patient days for individuals who are Medical Assistance beneficiaries and those who are uninsured. The definition of what constitutes a PTOS trauma case shall be the same for both Pennsylvania and out-of-state hospitals.

The Department may use any funds available for Trauma DSH payments to make Trauma DSH payments to eligible out-of-state hospitals. The Department will make Trauma DSH payments to qualified trauma centers using the following payment methodology: For newly accredited trauma centers and hospitals seeking trauma center accreditation, the Department will calculate partial year payments using the number of trauma cases and patient days reflecting the hospital's months of accreditation, or months in which it was seeking accreditation during the fiscal year.

1) 90% of the total available funds will be paid to hospitals with qualified Level I and Level II trauma centers, including out-of-state qualified trauma centers as follows:
   a. 50% of the amount available for Level I and Level II trauma centers will be distributed equally among Level I and Level II trauma centers.
   b. 50% of the total amount available for Level I and Level II trauma centers will be distributed on the basis of each qualified trauma center's percentage of MA and uninsured PTOS trauma visits and patient days compared to the Pennsylvania statewide total number of MA and uninsured PTOS trauma visits and patient days for Level I and Level II trauma centers.
2) 10% of the total available funds will be paid to hospitals with qualified Level III trauma centers and qualified trauma centers seeking accreditation as Level II as follows:
   a. 50% of the amount available for Level III trauma centers will be distributed equally amount Level III trauma centers.
   b. 50% of the total amount available for Level III trauma centers will be distributed on the basis of each trauma center's percentage of MA and uninsured PTOS trauma cases and patient days compared to the Pennsylvania statewide total number of MA and uninsured PTOS trauma cases and patient days for Level III trauma centers.
   c. Payment to each qualifying Level III trauma center may not be greater than 50% of the average statewide annual payment to a Level I or Level II trauma center.
3) Funds not distributed to Level I, II, or III qualified trauma centers will be paid to hospitals with qualified Level IV trauma centers as follows:
   a. 50% of the amount available for Level IV trauma centers will be distributed equally among Level IV trauma centers.
   b. 50% of the total amount available for Level IV trauma centers will be distributed on the basis of each trauma center's percentage of MA and uninsured PTOS trauma cases and patient days compared to the Pennsylvania statewide total number of MA and uninsured PTOS trauma cases and patient days for Level IV trauma centers.
   c. Payment to each qualifying Level IV trauma center may not be greater than 50% of the average statewide annual payment to a Level I or Level II trauma center.
4) Funds unspent after distribution to Level IV qualified trauma centers will be paid to hospitals with qualified Level I and Level II trauma centers as follows:
   a. 50% of unspent funds shall be distributed equally among qualified Level I and Level II trauma centers.
   b. 50% of unspent funds shall be distributed on the basis of each qualified Level I and Level II trauma center's percentage of MA and uninsured PTOS trauma visits and patient days compared to the Pennsylvania statewide total number of MA and uninsured PTOS trauma visits and patient days for Level I and Level II trauma centers.

All payment limitations are still applicable, including those limitations that the Commonwealth may not exceed its aggregate annual DSH allotment and that no hospital may receive DSH payments in excess of its hospital-specific limit. The Department will not redistribute DSH payments made under this additional class of DSH payments to qualifying hospitals as a result of a qualifying hospital exceeding its hospital-specific DSH limit.

The Fiscal Year 2024-2025 impact, as a result of the funding allocation for these payments, is 19.276 million in total funds.

**ADDITIONAL CLASS OF DISPROPORTIONATE SHARE PAYMENTS TO QUALIFYING HOSPITALS**

The Department of Human Services (Department) will make an additional class of disproportionate share hospital (DSH) payments to qualifying Medical Assistance (MA) hospitals to promote access to comprehensive inpatient services for MA eligible persons by assuring an adequate supply of health care professionals, who have been trained in high volume MA enrolled hospital settings.

A hospital is eligible for this additional class of DSH payments if the hospital meets all criteria listed below. Unless otherwise stated, the source of the information is the Fiscal Year (FY) 2013-2014 MA-336 Hospital Cost Report available to the Department as of October 2016.

a) The hospital is enrolled in the Pennsylvania MA Program as a general acute care hospital.

b) The hospital provides acute, psychiatric and medical rehabilitation services to MA eligible individuals.

c) The total number of MA inpatient days provided by the hospital in FY ending 2014 exceeded the 99th percentile for all acute care hospitals in the Commonwealth.

d) The hospital had more than 700 full-time equivalent residents in programs approved by the Accreditation Council for Graduate Medical Education.

A hospital's payment amount for these disproportionate share payments will be determined by dividing the hospital's MA inpatient days by the total MA inpatient days for all qualifying hospitals and multiplying that percentage by the total amount allocated for these payments. The data used for purposes of this determination will be from the FY 2013-2014 MA-336 Hospital Cost Report.

All payment limitations are still applicable, including those limitations that the Commonwealth may not exceed its aggregate annual DSH allotment and that no hospital may receive DSH payments in excess of its hospital-specific limit. The Department will not redistribute DSH payments made under this additional class of DSH payments to qualifying hospitals as a result of a qualifying hospital exceeding its hospital-specific DSH limit.

The FY 2024-2025 impact, as a result of the funding allocation for these payments, is $11.135 million in total funds.

**ADDITIONAL CLASS OF DISPROPORTIONATE SHARE PAYMENTS**

Effective September 26, 2004, the Department established an additional class of disproportionate share payments to certain qualifying hospitals which the Department has determined provide a high volume of services to Medical Assistance (MA) eligible and low income populations in medically underserved areas. This payment is intended to ensure the hospitals' continued participation in the MA Program.

The Department intends to consider a hospital eligible for this additional class of disproportionate share payments if the hospital is an acute care hospital that met all of the following criteria in State Fiscal Year 1999-2000:

a) The ratio of MA days to total hospital patient days exceeds 35 percent.

b) The hospital provides in excess of 50,000 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 has a Low-Income Utilization Rate of at least 40 percent.

e) The hospital is located in a census tract designated by the Bureau of Primary Health Care of the Health Resources and Services Administration as a Medically Underserved Area and serves a market area that is at least 95 percent minority-based.

f) The hospital has a government dependency ratio, comprised of MA Percentage of Net Patient Revenue plus Medicare Percentage of Net Patient Revenue, in excess of the 95$^{th}$ percentile for all Commonwealth acute care hospitals.

The Department intends to allocate $1.5 million in State Fiscal Year 2004-2005 from the State General Fund for this additional class of payments. 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. All payment limitations are still applicable, including those limitations that the Commonwealth may not exceed its aggregate annual disproportionate share allotment, and that no hospital may receive disproportionate share payments in excess of its hospital-specific limit.

**HIGH MEDICAL ASSISTANCE GME SUPPLEMENTAL PAYMENT**

The Department will make a High Medical Assistance (MA) Graduate Medical Education (GME) payment to qualifying acute care general hospitals that the Department has determined provide a high volume of services to MA beneficiaries to improve access to quality healthcare across the Commonwealth of Pennsylvania (Commonwealth) by encouraging high MA hospitals to promote and expand GME programs.

A hospital is eligible for the GME payment if the hospital meets all of the criteria listed below. Unless otherwise stated, the source of the information is the State Fiscal Year (FY) 2014-2015 MA-336 Hospital Cost Report available to the Department as of July 2017.

a) The hospital is enrolled in the Commonwealth MA Program as a general acute care hospital;

b) The hospital's MA Dependency ratio exceeds either 20% or the statewide average MA Dependency ratio among all Commonwealth acute care general hospitals. For purposes of this payment, the MA Dependency ratio is defined as the hospital's total inpatient acute care days (Fee-for-Service (FFS) and managed care) for Commonwealth MA beneficiaries divided by the hospital's total inpatient acute care days; and,

c) The hospital has at least 120 Full Time Equivalent (FTE) interns and residents.

A qualifying hospital's annual payment amount is calculated by multiplying the hospital's Commonwealth MA managed care acute care inpatient days as identified in the FY 2014-2015 MA-336 Hospital Cost Report available to the Department as of July 2017 by one of the following:

a) $200.00 for hospitals with at least 550 intern and resident FTEs and a MA Dependency ratio above 20%; or,

b) $25.00 for other qualifying hospitals.

Beginning with FY 2018-2019, the Department will allocate an annualized amount of $23.669 million in total funds for these GME payments adjusted to reflect the reconciliation factor described in Part VI.

RESERVED

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

The Department of Human Services (Department) will make supplemental payments to qualifying hospitals that provide medical and surgical services for disease and injuries related to the eye to ensure that Medical Assistance (MA) beneficiaries continue to have access to these critical services.

A hospital is eligible for this additional class of supplemental payments if the hospital meets all criteria listed below:

a) The hospital is enrolled in the MA Program as an acute care general hospital;

b) The hospital is located in a city of the first class;

c) The hospital does not qualify as a children's hospital, as defined by 42 CFR 495.302; and,

d) The hospital has net patient revenue of less than $30 million for Fiscal Year (FY) 2016-2017 as reflected in the Pennsylvania Health Care Cost Containment Council 2017 financial report.

Payments will be divided proportionately among qualified hospitals based on each hospital's fee-for-service (FFS) Pennsylvania MA inpatient acute care days of service to total FFS Pennsylvania MA inpatient acute care days for 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 2024-2025, the Department will allocate an annualized amount of $9.998 million in total funds (State and Federal) for these supplemental payments.

**ADDITIONAL CLASS OF DISPROPORTIONATE SHARE PAYMENTS**

Effective during the quarter ending September 30, 2006, the Department will make a disproportionate share hospital (DSH) payment to qualifying acute care general hospitals that are anticipated to experience an increase in uncompensated care due to the Department's Implementation of a limit on admissions of General Assistance (GA) recipients to one acute care general hospital admission per state fiscal year.

The Department will consider an acute care general hospital eligible for this one-time additional DSH payment if the acute care general hospital meets one of the following criteria:

a) The acute care general hospital's calculated cost of care for projected additional GA admissions is greater than the 75$^{th}$ percentile of the calculated cost for projected additional GA admissions for all acute care general hospitals.
b) The acute care general hospital is located in a rural area as designated by the Federal Office of Management and Budget and the acute care general hospital's calculated cost of care for projected additional GA admissions exceeds the 70$^{th}$ percentile of the calculated cost of care for projected additional GA admissions for all rural acute care general hospitals.
c) The hospital is eligible to receive a DSH payment pursuant to the provisions of the Department's Medicaid State Plan relating to:

    (1) Augmented Payments for Certain High Medical Assistance Hospitals;
    (2) Additional Class of Disproportionate Share Payments for hospitals which advance access to multiple types of medical care in economically distressed areas;
    (3) Additional Class of DSH Payments for hospitals that provide a high volume of services to MA eligible recipients and low income populations in medically underserved areas; or
    (4) Additional Class of DSH Payments for general acute care hospitals that provide high volume of MA acute care and psychiatric services that incur significant uncompensated care costs (pending CMS approval).

The Department has allocated $10 million from the State General Fund for this one-time additional DSH payment during fiscal year 2006-2007. For Fiscal Year 2006-2007, the fiscal impact as a result of this one-time additional class of DSH payments is $22.247 million in total funds ($10 million in State General Funds and $12.247 million in Federal funds). Specific DSH payments to eligible acute care general hospitals will be made as follows:

a) Except for Academic Medical Centers (as defined in SPA 05-014), acute care general hospitals that are eligible for a payment under criterion (c) above will be paid 75% of their calculated cost of care for projected additional GA admissions. Academic medical centers (as defined in SPA 05-014) eligible for payment under criterion (c) above will be paid 50% of their calculated cost of care for projected additional GA admissions.
b) All remaining eligible acute care general hospitals will be paid their proportionate share of the available funds on the basis of the proportion of each acute care general hospital's calculated cost of care for projected additional GA admissions compared to the calculated cost of care for projected additional GA admissions of all remaining eligible acute care general hospitals.

In making these payments, the Department will ensure that no acute care general hospital will receive any DSH payment that is in excess of its hospital-specific DSH upper limit and the Commonwealth will not exceed its aggregate annual DSH allotment.

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

The Department of Human Services (Department) will make supplemental payments to qualifying hospitals that are affiliated with state-related university medical schools and provide basic and essential services to the Medical Assistance (MA) population.

A hospital is eligible for this additional class of supplemental payments if the hospital meets all criteria below, and, unless otherwise stated, the source of the Information is the Fiscal Year (FY) 2015-2016 MA-336 Hospital Cost Report available to the Department as of October 2018:

a) The hospital is enrolled in the MA Program as an acute care general hospital;

b) The hospital is located in a city of the first class;

c) The hospital has less than 160 beds;

d) The hospital provided at least 600 days of MA Fee-for-Service acute inpatient care; and,

e) The hospital does not have an inpatient psychiatric unit as, evidenced by no psychiatric unit inpatient beds being reported in its FY 2015-2016 MA-336 Hospital Cost Report.

Payments will be divided proportionately among qualified hospitals based on each hospital's MA inpatient days to total MA inpatient days for all hospitals.

For FY 2018-2019, the Department will allocate 4.188 million ($2.000 million in State general funds and $2.188 million in Federal funds) for these supplemental payments.

ADDITIONAL CLASS OF DISPROPORTIONATE SHARE PAYMENTS

The Department made one-time disproportionate share payments during Fiscal Year 2006-2007 to acute care general hospitals enrolled in the Medical Assistance (MA) Program that provide a high volume of MA births to ensure the continued access to obstetrical services for MA patients. For a hospital to qualify for such payments, the hospital must meet all of the following criteria, based on the Fiscal Year 2003-2004 MA Cost Report:

1. The hospital's ratio of MA nursery days to total nursery days is equal to or greater than the 95th percentile of the ratio of MA nursery days to total hospital nursery days provided by all enrolled acute care general hospitals that provide obstetrical services;

2. The hospital's ratio of MA discharges to total discharges exceeds the 99th percentile of the ratio of MA discharges to total hospital discharges of all enrolled acute care general hospitals that provide obstetrical services; and

3. The hospital's combined MA revenue plus uncompensated care costs as a percentage of net patient revenue exceeds the 99th percentile of this percentage of all enrolled acute care general hospitals that provide obstetrical services. For this criterion, the uncompensated care costs are derived from the Pennsylvania Health Care Cost Containment Council's *Financial Analysis 2005.*

For Fiscal Year 2007-2008, the fiscal impact as a result of a one-time payment for this additional class of disproportionate share payments is $2,722,125 million in total funds ($1.25 million in State General funds and $1,472,125 in Federal funds).

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

All payment limitations apply, including the limitation that the Commonwealth may not exceed its aggregate annual disproportionate share allotment and that no hospital may receive disproportionate share payments in excess of its hospital-specific limit.

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

RESERVED

RESERVED

The Department of Human Services (Department) will make disproportionate share hospital payments to certain qualifying Medical Assistance (MA) enrolled acute care general hospital burn centers (burn centers) to assure readily available and coordinated burn care of the highest quality to the MA population.

A burn center is eligible for this additional class of DSH payments if it meets one of the criteria listed below. Unless otherwise stated, the source of the information is the most recent data available from the Pennsylvania Trauma Systems Foundation (PTSF) at the time of calculation.

(1) Is recognized by the American Burn Association and participates in the American Burn Association's, "Burn Center Verification Program," or,

(2) Is certified and accredited as a Level I or Level II Trauma Center by PTSF and has a minimum of 70 annual patient admissions of individuals requiring burn care.

Payments to qualified burn centers will be allocated according to the following:

(1) 50% of the total amount available for qualifying burn centers will be allocated equally among qualified burn centers.
(2) 50% of the total amount available for qualified burn centers will be allocated on the basis of each qualified burn center's percentage of MA and uninsured burn cases and patient days compared to the Statewide total number of MA and uninsured burn cases and patient days for all qualified burn centers. Each qualified burn center will use both In-State and Out-of-State cases and patient days. The percentage is calculated as follows:
    a) Determine each burn center's percentage of MA and uninsured burn cases by dividing the burn center's total MA and uninsured burn cases by the total number of MA and uninsured burn cases for all qualified burn centers;
    b) Multiply the result of (a) by the percentage of MA and uninsured burn cases for all qualified burn centers divided by the total of MA and uninsured burn cases and burn patient days for all qualified burn centers;
    c) Determine each burn center's percentage of burn patient days by dividing the burn center's total burn patient days by the total number of burn patient days for all qualified burn centers;
    d) Multiply the result of (c) by the percentage of burn patient days for all qualified burn centers divided by the total of MA and uninsured burn cases and burn patient days for all qualified burn centers;
    e) Add the results of (b) and (d) for each burn center and multiply by the available funding.
(3) Any eligible burn center that has reached its DSH limit as pursuant to Title XIX of the Social Security Act shall receive its share of the State fund available under this act.

All payment limitations are still applicable, including those limitations that the Commonwealth may not exceed its aggregate annual DSH allotment and that no hospital may receive DSH payments in excess of its hospital-specific limit. The Department will not redistribute DSH payments made under this additional class of DSH payments to qualifying hospitals as a result of a qualifying hospital exceeding its hospital-specific DSH limit.

The Fiscal Year 2024-2025 impact, as a result of the funding allocation for these payments, is $9.882 million in total funds.

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

The Department of Human Services (Department) will make supplemental payments to qualifying hospitals that operate nursing school programs to promote their continued participation in the Medical Assistance (MA) Program and promote the availability of health care professionals to treat the MA population.

A hospital is eligible for these supplemental payments if the hospital meets all the criteria below. Unless otherwise stated, the source of the information is the Fiscal Year (FY) 2016-17 MA-336 Hospital Cost Report, as available to the Department on October 29, 2019.

a) The hospital is enrolled in the PA MA Program as an acute care general hospital, licensed by Pennsylvania's Department of Health;
b) The hospital provided at least 130,000 days of fee-for-service and managed care inpatient acute care days;
c) The hospital provided greater than 31,000 of the days in subsection b) to PA MA beneficiaries; and,
d) The hospital's ratio of PA MA acute care nursing school medical education costs to the statewide PA MA acute care nursing school medical education costs for all hospitals in PA exceeds twenty-five percent.

Payments will be divided proportionately among qualified hospitals based on each hospital's fee for service PA MA inpatient acute care days to total fee-for-service PA MA inpatient acute care days for all qualifying hospitals.

For FY 2019-2020, the Department will allocate an annualized amount of $18.000 million in total funds for these supplemental payments.

**ADDITIONAL CLASS OF DISPROPORTIONATE SHARE PAYMENTS FOR OBSTETRICAL AND NEONATAL SERVICES**

The Commonwealth of Pennsylvania is dedicated to ensuring the availability of quality care to low-income pregnant women and children. Access to obstetrical and neonatal health care services across the Commonwealth is necessary for all Medical Assistance (MA) beneficiaries and is crucial to ensure a positive prenatal experience for the mother and the best outcome for the infant. In order to maintain the system for obstetrical and neonatal health care services, the Department of Human Services (Department) will make disproportionate share hospital (DSH) payments to hospitals that are enrolled in the Pennsylvania MA Program and that meet certain qualifying criteria.

For the purposes of this payment, a rural hospital is defined as being located in a county outside a Metropolitan Statistical Area established by the United States Office of Management and Budget or as the only hospital licensed by the Department of Health to provide obstetrical services located in a county of the 6th, 7th or 8th class. Rural hospitals may be eligible for DSH payments for providing obstetrical services, neonatal services, or both, as follows:

a) In order to be eligible for DSH payment related to obstetrical services, a rural hospital must be licensed to provide obstetrical services and must meet one of the following qualifying criteria:
   - (i) The hospital ranks in the top 1/3 of rural hospitals in terms of volume of obstetrical cases for Pennsylvania MA beneficiaries during the most recent Fiscal Year (FY) with available data;
   - (ii) The hospital has greater than 50% of all of its obstetrical cases for Pennsylvania MA beneficiaries during the most recent FY with available data; or,
   - (iii) The hospital is the only hospital licensed to provide obstetrical services within the county.

b) In order to be eligible for DSH payment related to neonatal services, a rural hospital must be licensed to provide neonatal intensive care services.

"Nonrural" hospitals (those that do not meet the definition of "rural" above) may be eligible for DSH payment for providing obstetrical services, neonatal services, or both, as follows:

a) In order to be eligible for DSH payment related to obstetric services, a nonrural hospital must be licensed to provide obstetrical services and must meet one of the following qualifying criteria:
   - (i) The hospital ranks in the top 1/3 of nonrural hospitals in terms of volume of obstetrical cases for Pennsylvania MA beneficiaries during the most recent FY with available data;
   - (ii) The hospital has greater than 50% of all of its obstetrical cases for Pennsylvania MA beneficiaries during the most recent FY with available data; or
   - (iii) The hospital provides obstetrical care services and is located within five miles of any hospital that closed its obstetrical service during the previous three years.

b) In order to be eligible for DSH payment related to neonatal services, a nonrural hospital must be licensed to provide neonatal intensive care services and must meet one of the following qualifying criteria:
   - (i) The hospital ranks in the top 1/3 of nonrural hospitals in terms of volume of neonatal intensive care cases for Commonwealth MA beneficiaries during the most recent FY with available data;
   - (ii) The hospital has greater than 50% of all of its neonatal intensive care cases for Commonwealth MA beneficiaries during the most recent FY with available data; or
   - (iii) A children's hospital with greater than 40% of all of its cases for Commonwealth MA beneficiaries during the most recent FY with available data.

The Department will make DSH payments to those hospitals that meet the qualifying criteria using the following payment methodology.

a) 15% of the total amount available will be paid to qualified rural hospitals as follows:
   - (i) Of the amount available for distribution to rural hospitals, 75% will be distributed to hospitals that qualify under section (a) of the rural hospital eligibility criteria (related to obstetrical services) using the following formula:
     - (A) For each hospital, determine the ratio of the hospital's obstetrical cases for Pennsylvania MA beneficiaries to all obstetrical cases for the hospital.
     - (B) For each hospital, multiply the ratio under clause (A) by the number of the hospital's obstetrical cases for Pennsylvania MA beneficiaries.
     - (C) Add the products under clause (B) for all hospitals.
     - (D) Divide the amount available for distribution to rural hospitals by the sum under clause (C).
     - (E) Multiply the quotient under clause (D) by the product under clause (B).
     - (F) For rural hospitals located in counties whose ratio of MA eligible persons to total county population exceeds one standard deviation above the mean for all rural counties, but less than 1.3 standard deviations above the mean for all rural counties, multiply the product in clause (E) by 1.50. For rural hospitals located in counties whose ratio of MA eligible persons to total county population is equal to or greater than 1.3 standard deviations above the mean for all rural counties, but less than 1.6 standard deviations above the mean for all rural counties, multiply the product in clause (E) by 1.75. For rural hospitals located in counties whose ratio of ME eligible persons to total county population is equal to or greater than 1.6 standard deviations above the mean for all rural counties, multiply the product in clause (E) by 2.0.

(ii) Of the amount available for distribution for rural hospitals, 10% will be distributed to hospitals that qualify under section (b) of the rural hospital eligibility criteria (related to neonatal services) using the following formula:

(A) For each hospital, determine the ratio of the hospital's neonatal intensive-care cases for Pennsylvania MA beneficiaries to all neonatal intensive-care cases for the hospital.

(B) For each hospital, multiply the ratio under clause (A) by the number of the hospital's neonatal intensive-care cases for Pennsylvania MA beneficiaries.

(C) Add the products under clause (B) for all hospitals.

(D) Divide the amount available for distribution to rural hospitals by the sum under clause (C).

(E) Multiply the quotient under clause (D) by the product under clause (B).

(F) For rural hospitals located in counties whose ratio of MA eligible persons to total county population exceeds one standard deviation above the mean for all rural counties, but is less than 1.3 standard deviations above the mean for all rural counties, multiply the product in clause (E) by 1.50. For rural hospitals located in counties whose ratio of MA eligible persons to total county population is equal to or greater than 1.3 standard deviations above the mean for all rural counties, but less than 1.6 standard deviations above the mean for all rural counties, multiply the product in clause (E) by 1.75. For rural hospitals located in counties whose ratio of MA eligible persons to total county population is equal to or greater than 1.6 standard deviations above the mean for all rural counties, multiply the product in clause (E) by 2.0.

(iii) Of the amount available for distribution for rural hospitals, 15% will be distributed equally among hospitals that qualify under section (a) of the rural hospital eligibility criteria (related to obstetrical services).

(iv) To ensure that payments do not exceed available funds, the Department will adjust payments to each hospital using the following formula:

(A) The calculated total amount of payments for each hospital under steps (i), (ii), and (iii) in this section is divided by the total calculated amount for all hospitals to obtain a percentage, which is a ratio of each hospital's respective share of the calculated amount.

(B) The resulting percentage for each hospital in clause (A) is multiplied by the total available funds to obtain a proportional payment for each hospital.

(b) 85% of the total amount available will be paid to qualified nonrural hospitals as follows:

(i) Of the amount available for distribution to nonrural hospitals, 52.5% will be distributed to hospitals that qualify under section (a) of the nonrural hospital eligibility criteria (related to obstetrical services) using the following formula:

(A) For each hospital, determine the ratio of the hospital's obstetrical cases for Pennsylvania MA beneficiaries to all obstetrical cases for the hospital.

(B) For each hospital, multiply the ratio under clause (A) by the number of the hospital's obstetrical cases for Pennsylvania MA beneficiaries.

(C) Add the products under clause (B) for all hospitals.

(D) Divide the amount available for distribution to nonrural hospitals by the sum under clause (C).

(E) Multiply the quotient under clause (D) by the product under clause (B).

(ii) Of the amount available for distribution to nonrural hospitals, 32.5% will be distributed to hospitals that qualify under section (b) of the nonrural eligibility criteria (related to neonatal services) using the following formula:

(A) For each hospital, determine the ratio of the hospital's neonatal intensive-care cases for Pennsylvania MA beneficiaries to all neonatal intensive-care cases for the hospital.

(B) For each hospital, multiply the ratio under clause (A) by the number of the hospital's neonatal intensive-care cases for Pennsylvania MA beneficiaries.

(C) Add the products under clause (B) for all hospitals.

(D) Divide the 32.5% by the sum under clause (C).

(E) Multiply the quotient under clause (D) by the product under clause (B).

(iii) Of the amount available for distribution to nonrural hospitals, 15% will be distributed equally among hospitals that qualify under section (a) of the nonrural eligibility criteria (related to obstetrical services).

All payment limitations are still applicable, including those limitations that the Commonwealth may not exceed its aggregate annual DSH allotment and that no hospital may receive DSH payments in excess of its hospital-specific limit. The Department will not redistribute DSH payments made under this class of DSH payments to qualifying hospitals as a result of a qualifying hospital exceeding its hospital-specific DSH limit.

The FY 2024-2025 impact, as a result of the funding allocation for these payments, $30.465 million in total funds.

## ADDITIONAL CLASS OF DISPROPORTIONATE SHARE PAYMENTS TO QUALIFYING TEACHING HOSPITALS

The Department of Human Services (Department) will make disproportionate share hospital (DSH) payments to qualifying teaching hospitals that provide psychiatric services to Medical Assistance (MA) beneficiaries. Across the Commonwealth there is a shortage of psychiatrists, notably those involved in the public health sector. The Department is working to recruit and retain psychiatrists to work in underserved rural and urban areas throughout the Commonwealth. These payments are intended to help offset the medical education costs of psychiatrists which are incurred by the hospitals providing psychiatric services to MA beneficiaries and the uninsured.

The Department will consider any psychiatric unit of a general acute care hospital enrolled in the Pennsylvania (PA) MA Program, with psychiatric medical education costs that exceed $40,000 according to the Fiscal Year (FY) 2010-2011 MA-336 Hospital Cost Report, eligible for this additional class of DSH payments if it meets one of the following criteria:

1) The hospital provides at least 40,000 psychiatric days of service to PA MA beneficiaries as reported on the FY 2010-2011 MA-336 Hospital Cost Report.

2) The hospital's percentage of PA MA Fee-for-Service (FFS) inpatient psychiatric days to total PA MA FFS inpatient days exceeds 25% as reported on the FY 2010-2011 MA-336 Hospital Cost Report.

Two thirds of the amount appropriated for this payment will be distributed equally to teaching hospitals qualifying under criteria 1) above. One third of the amount appropriated for this payment will be distributed equally to teaching hospitals qualifying under criteria 2) above. Hospitals that qualify under both criteria will be eligible only for payments under criteria 1).

All payment limitations are still applicable, including those limitations that the Commonwealth may not exceed its aggregate annual DSH allotment and that no hospital may receive DSH payments in excess of its hospital-specific limit. The Department will not redistribute DSH payments made under this additional class of DSH payments to qualifying hospitals as a result of a qualifying hospital exceeding its hospital-specific DSH limit.

The FY 2024-2025 impact, as a result of the funding allocation for these payments, is $0.500 million in total funds.

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

The Department of Human Services (Department) will make supplemental payments to qualifying hospitals that treat a high volume of opioid use disorder (OUD) patients in their emergency rooms. These payments are intended to provide funding to expand research and treatment protocols for combating opioid addiction.

A hospital is eligible for these supplemental payments if the hospital meets all the criteria below. Unless otherwise stated, the source of the information is the Fiscal Year (FY) 2016-2017 MA-336 Hospital Cost Report, as available to the Department on October 29, 2019.

a) The hospital is enrolled in the Pennsylvania Medical Assistance (MA) Program as an acute care general hospital, licensed by Pennsylvania's Department of Health;

b) The hospital provided at least 150,000 total inpatient acute care days;

c) The hospital provided greater than 60,000 inpatient acute care days of care, both fee-for-service (FFS) and managed care combined, to MA beneficiaries; and,

d) The hospital treated at least 1,000 OUD patients in the emergency room in calendar year 2019, as determined for purposes of the OUD Quality Improvement Program, using encounter data compiled by the Department for the FY 2019-2020 OUD Quality Improvement Program as of December 10, 2020.

Payments will be divided proportionately among qualified hospitals based on each hospital's FFS Pennsylvania MA inpatient acute care days of service to total FFS Pennsylvania MA inpatient acute care days for all qualifying hospitals.

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

For FY 2024-2025, the Department will allocate an annualized amount of $85.777 million in total funds (State and Federal) for these supplemental payments.

**ADDITIONAL CLASS OF DISPROPORTIONATE SHARE PAYMENTS TO CRITICAL ACCESS AND QUALIFYING RURAL HOSPITALS**

The Department of Human Services (Department) will make disproportionate share hospital (DSH) payments to certain qualifying Medical Assistance (MA) enrolled acute care general hospitals based on designation as a Critical Access Hospital (CAH) and for qualifying rural hospitals, to ensure the availability of quality care to MA beneficiaries in rural areas across this Commonwealth.

The Department will consider hospitals that have been designated as a CAH to be eligible for this additional class of DSH payments. CAHs are defined as any hospital that has qualified under section 1861(mm)(1) of the Social Security Act (42 U.S.C. § 1395x(mm)(1) (relating to definitions) as a "critical access hospital" under Medicare. The Department will distribute payments to qualifying CAHs to reimburse at up to 101% of the allowable inpatient and outpatient MA costs for services provided to eligible MA beneficiaries, after deducting all other MA payments, including payments for services rendered, DSH payments or other supplemental payments.

After payment has been made to CAHs, as indicated above, any remaining funds will be distributed by the Department to rural hospitals that are acute care general hospitals licensed as hospitals under the Health Care Facilities Act (35 P.S. §§ 448.101 and 448.904(b)) and that meet all of the following:

(a) Located in a county of the 6th, 7th, or 8th class that has no more than two MA-enrolled acute care general hospitals.
(b) Located in a county that has greater than 17% of its population that are eligible for MA or has greater than 10,000 persons eligible for MA.
(c) Has no more than 200 licensed and staffed beds.
(d) Does not qualify as a CAH under section 1861(mm)(1) of the Social Security Act (42 U.S.C. § 1395x(mm)(1)).

The Department will distribute any remaining funds to qualifying rural hospitals as follows:

(a) 50% will be shared equally among the eligible hospitals.
(b) 50% will be distributed based on each hospital's percent of total MA Fee-for-Service discharges compared to all eligible hospitals total MA Fee-for-Service discharges.

All payment limitations are still applicable, including those limitations that the Commonwealth may not exceed its aggregate annual DSH allotment and that no hospital may receive DSH payments in excess of its hospital-specific limit. The Department will not redistribute DSH payments made under this additional class of DSH payments to qualifying hospitals as a result of a qualifying hospital exceeding its hospital-specific DSH limit.

The Fiscal Year 2024-2025 impact, as a result of the funding allocation for these payments, is $21.250 million in total funds.

**ADDITIONAL CLASS OF DISPROPORTIONATE SHARE PAYMENTS TO QUALIFYING HOSPITALS**

The Department of Human Services (Department) will make disproportionate share hospital (DSH) payments to qualifying Medical Assistance (MA) enrolled acute care general hospitals that provide inpatient services to MA beneficiaries. These payments are intended to provide financial relief to hospitals and promote access to acute care services for MA beneficiaries during the coronavirus pandemic.

A hospital is eligible for this additional class of DSH payments if the hospital is enrolled in the MA Program as an acute care general hospital, and the hospital submitted a Fiscal Year (FY) 2017-2018 MA-336 hospital cost report. The source of the information is the FY 2017-2018 MA-336 Hospital Cost Report, as available to the Department on April 7, 2020.

The Department will determine a qualifying hospital's annual payment amount by multiplying the hospital's number of Pennsylvania MA inpatient acute care days, both fee-for-service and managed care, by either:

a) $168.80 for qualifying hospitals with at least 90% MA dependence percent ranking; or,
b) $135.05 for qualifying hospitals with at least 75% but less than 90% MA dependence percent ranking; or,
c) $101.27 for qualifying hospitals with at least 50% but less than 75% MA dependence percent ranking; or,
d) $67.52 for qualifying hospitals with less than 50% MA dependence percent ranking.

For purposes of these DSH payments, the Department determines each hospital's MA dependence statistic by dividing the hospital's Pennsylvania MA inpatient acute care days, both fee-for-service and managed care, by the hospital's total hospital inpatient acute care days. The Department determines each hospital's MA dependence percent ranking using the hospital's MA dependence statistic in relation to all eligible hospitals.

All payment limitations are still applicable, including those limitations that the Commonwealth may not exceed its aggregate annual DSH allotment and that no hospital may receive DSH payments in excess of its hospital-specific limit. The Department will not redistribute DSH payments made under this class of DSH payments to qualifying hospitals as a result of a qualifying hospital exceeding its hospital-specific DSH limit.

For FY 2022-2023, the Department will allocate an annualized amount of $170.421 million in total funds (State and Federal) for these DSH payments, adjusted to reflect the reconciliation factor described in Part VI.

**ADDITIONAL CLASS OF DISPROPORTIONATE SHARE PAYMENTS TO QUALIFYING HOSPITALS**

The Department of Human Services will make disproportionate share hospital (DSH) payments to certain qualifying hospitals that provide a high volume of services to Medical Assistance (MA) eligible and low-income populations to promote the hospitals' continued participation in the MA Program.

A hospital is eligible for this additional class of DSH payments if the hospital is an acute care hospital that meets all criteria listed below.

a) The hospital is located in a county that exceeds the 96th percentile of the unduplicated number of persons eligible for MA, by county. (January 2010 MA unduplicated eligibility report).
b) The hospital provides more than 58,000 patient days of service as reported on its Fiscal Year (FY) 2007-2008 MA-336 Hospital Cost Report.
c) The hospital's ratio of PA MA days to total hospital days is more than 20.0% as reported on its FY 2007-2008 MA-336 Hospital Cost Report.
d) The hospital's FY 2008 Uncompensated Care percentage of Net Patient Revenue is greater than 2.4%, as reported in the Pennsylvania Health Care Cost Containment Council's FY 2008 Financial Analysis, Volume One, General Acute Care Hospitals.
e) The hospital's FY 2008 operating margin is less than -3.4%, as reported in the Pennsylvania Health Care Cost Containment Council's FY 2008 Financial Analysis, Volume One, General Acute Care Hospitals.

Payments will be divided proportionately among qualifying hospitals based on the percentage of each qualifying hospital's MA inpatient days to total MA inpatient days of all qualifying facilities. All payment limitations are still applicable, including those limitations that the Commonwealth may not exceed its aggregate annual DSH allotment, and that no hospital may receive DSH payments in excess of its hospital-specific limit. Any funds available due to the application of the hospital-specific DSH upper payment limit will be redistributed to other hospitals qualifying under this additional class of DSH payments on a proportionate basis.

The FY 2020-2021 impact, as a result of the funding allocation for these payments, is $1.658 million in total funds.

## ADDITIONAL CLASS OF SUPPLEMENTAL PAYMENTS TO QUALIFYING HOSPITALS

The Department of Human Services (Department) will make supplemental payments to qualifying acute care hospitals that treat a high percentage of Medical Assistance (MA) patients under the age of 18. These payments will enable the continuation of quality medical services for children enrolled in the MA program.

A hospital is eligible for this additional class of supplemental payments if the hospital meets all the criteria below. Unless otherwise stated, the source of the information is the Fiscal Year (FY) 2016-2017 MA-336 Hospital Cost Report, as available to the Department on October 29, 2019.

a) The hospital is enrolled in the Pennsylvania MA Program as an acute care hospital, licensed by Pennsylvania's Department of Health (DOH);
b) The hospital provides acute inpatient services to patient populations predominately under the age of 18. A hospital's patient population is predominately under the age of 18 if the hospital's number of discharges for "0-17 Years" is greater than 50% of the hospital's number of "Total" discharges. Discharges are determined from the calendar year 2019 Pennsylvania DOH Reports 3-A and 3-B;
c) The hospital is located in a city of the first class; and,
d) The hospital's ratio of combined MA acute care fee-for-service (FFS) and managed care days to total inpatient acute care days exceeds 70%.

Payments will be divided proportionately among qualified hospitals based on each hospital's FFS Pennsylvania MA inpatient acute care days to total FFS Pennsylvania MA inpatient acute care days for 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 2024-2025, the Department will allocate an annualized amount of $127.077 million in total funds (State and Federal) for these supplemental payments.

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

The Department of Human Services (Department) will make supplemental payments to qualifying acute care general hospitals located in a county with an estimated general population count of less than 1 million that serve a high percent of Medical Assistance (MA) patients. These payments will enable the continuation of quality medical services in these areas.

A hospital is eligible for this additional class of supplemental payments if the hospital meets all the following criteria. Unless otherwise stated, the source of the information is the Fiscal Year (FY) 2018-2019 MA-336 Hospital Cost Report, as available to the Department on June 22, 2021.

a) The hospital is enrolled in the Commonwealth's MA Program as an acute care general hospital and submitted a FY 2018-2019 MA-336 Hospital Cost Report to the Department available to the Department on June 22, 2021;
b) The hospital provides an array of inpatient services (acute, psychiatric and rehabilitation) to MA enrollees as evidenced by having provided at least one acute care day, one psychiatric day and one rehabilitation day to MA beneficiaries;
c) The hospital's main campus is located in a county with an Annual Estimate of the Resident Population for 2019 of less than 1 million according to the U.S. Census Bureau, Population Division (March 2020 release date);
d) The hospital's combined fee-for-service (FFS) and managed care Pennsylvania MA inpatient acute care days exceeds the statewide average combined FFS and managed care Pennsylvania MA inpatient acute care days for all hospitals enrolled in the MA Program as an acute care general hospital;
e) The hospital's Medicaid Inpatient Utilization Rate (MIUR) exceeds 30% (for purposes of this eligibility criterion a hospital's MIUR is equal to the hospital's total combined FFS and managed care MA inpatient days divided by the hospital's total inpatient days);
f) The hospital's inpatient Low Income Utilization Rate exceeds 30%; and,
g) The hospital's operating margin is less than 1.0% based on the Pennsylvania Health Care Cost Containment Council's *FY 2019 Financial Analysis*.

Payments will be divided proportionately among qualified hospitals based on each hospital's fee-for-service (FFS) Pennsylvania MA inpatient acute care days of service to total FFS Pennsylvania MA inpatient acute care days for all qualifying hospitals.

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

For FY 2024-2025, the Department will allocate an annualized amount of $4.998 million in total funds (State and Federal) for these supplemental payments.

Medical Assistance Dependency Payments

The Department of Human Services (Department) will make supplemental payments to qualifying hospitals that are highly dependent upon Medical Assistance (MA) payment.

To qualify for these supplemental payments, an acute care general hospital must provide at least 40,000 total (Fee-for-Service (FFS) and managed care) days of inpatient care to Pennsylvania MA beneficiaries as identified in the Fiscal Year (FY) 2014-2015 MA-336 Hospital Cost Report available to the Department as of July 2017.

The Department will determine a qualifying hospital's annual payment amount by multiplying the number of the hospital's Pennsylvania MA FFS acute care inpatient days, as identified in the FY 2014-2015 MA-336 Hospital Cost Report available to the Department as of July 2017 by either:

a) $850.00 for qualifying hospitals with greater than 50,000 Commonwealth MA (FFS and managed care) acute care inpatient days; or,
b) $370.00 for other qualifying hospitals.

The Department will distribute payments to qualifying hospitals adjusted to reflect the total amount allocated per FY for this payment.

The Department will allocate an annualized amount of $36.544 million in total funds for these supplemental payments adjusted to reflect the reconciliation factor described in Part VI.

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

The Department of Human Services (Department) will make supplemental payments to qualifying acute care general hospitals that provide a high volume of services to Medical Assistance (MA) eligible and low-income populations in non-rural medically underserved areas according to the Health Resources & Services Administration as of March 8, 2022. These payments will enable the continuation of quality medical services in these areas. These payments will enable the continuation of quality medical services in these areas.

A hospital is eligible for this additional class of supplemental payments if the hospital meets all the following criteria. Unless otherwise stated, the source of the information is the Fiscal Year (FY) 2018-2019 MA-336 Hospital Cost Report, available to the Department on June 22, 2021.

a) The hospital is enrolled in the Commonwealth's MA Program as an acute care general hospital;
b) The hospital submitted a FY 2018-2019 MA-336 Hospital Cost Report to the Department available to the Department on June 22, 2021;
c) The hospital's main campus is located in a county of the third class with a population between 360,000 and 370,000 under the 2010 federal decennial census (county class for purposes of this payment program as reflected in *Classification of Counties, 2010 Census* within Section 6 of The Pennsylvania Manual, Volume 121);
d) The hospital provided over 10,000 inpatient days of care to Commonwealth MA beneficiaries and offered an array of inpatient services to Commonwealth MA beneficiaries as evidenced by having provided at least 150 acute care days, 150 psychiatric days and 150 rehabilitation (medical and drug & alcohol) days to Commonwealth MA beneficiaries; and,
e) The hospital has less than 300 total available beds.

Payments will be divided proportionately among qualified hospitals based on each hospital's fee-for-service (FFS) Pennsylvania MA inpatient acute care days of service to total FFS Pennsylvania MA inpatient acute care days for all qualifying hospitals.

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

For FY 2023-2024, the Department will allocate an annualized amount of $0 million in total funds (State and Federal) for these supplemental payments.

Medical Assistance Rehabilitation Adjustment Payments

The Department will make supplemental payments to freestanding rehabilitation hospitals enrolled in the Medical Assistance (MA) Program as inpatient rehabilitation hospitals as of July 1, 2010.

The Department will calculate an annual payment amount for qualifying freestanding rehabilitation hospitals equal to 147% of the total inpatient Fee-for-Service MA revenue as reported in the hospital's Fiscal Year (FY) 2007-2008 MA hospital cost report available to the Department as of July 2010. The Department will distribute payments to qualifying hospitals adjusted to reflect the total amount allocated per fiscal year for this payment. The Department may adjust this payment amount to reflect the funding that is available for this payment.

The Department will allocate an annualized amount of $23.6 million in total funds for these supplemental payments adjusted to reflect the reconciliation factor described in Part VI.

**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 2022-2023, the Department will allocate an annualized amount of $70.000 million in total funds (State and Federal) for these supplemental payments.

Disproportionate Share Hospital Payments to Small and Sole Community Hospitals

The Department will make an additional class of disproportionate share hospital (DSH) payments to qualifying small hospitals and sole community hospitals participating in the Medical Assistance (MA) Program.

(a) The Department will consider a hospital eligible for this additional class of DSH payments if the hospital meets one of the following criteria:

(1) The hospital provides verification to the Department that it has been designated as a sole community hospital by Medicare or as of July 1, 2010, the hospital meets the Medicare definition of a sole community hospital (42 CFR § 412.92).

(2) As of July 1, 2010, the hospital only:

(i) Received a DSH payment for hospitals that incur significant uncompensated care costs or that experience a high volume of inpatient cases, the cost of which exceeds twice the hospital's average cost per stay for all patients as provided in page 21b of Attachment 4.19A; and/or

(ii) is scheduled to receive a DSH payment for hospitals that qualify as a trauma center for FY 2008-2009 a provided in page 21c of Attachment 4.19A.

(3) The hospital has 150 set up/staffed hospital beds or less as reported on the hospital's FY 2007-2008 MA hospital cost report available to the Department as of July 2010 and is identified by the Department as experiencing an estimated annual loss of over $1.0 million when the MA Program moves to a revised hospital payment system effective July 1, 2010.

(b) Hospitals eligible for this DSH payment will receive quarterly payments adjusted to reflect the aggregate amount equal to the payment amount determined using the following methodology:

(1) Hospitals that meet the criteria in (1) will receive a payment of $200,000 annually

(2) Hospitals that meet the criteria in (2) will receive a proportional amount of the remaining funds allocated to this payment after reducing the allocated amount by payments to be made under (b)(1) or (b)(3). A hospital's proportionate amount is determined by dividing the qualifying hospital's calculated DSH OBRA '93 limit by the total calculated DSH OBRA '93 limits for all hospitals meeting the criteria for (a)(2). For purposes of this calculation, the hospitals' DSH OBRA '93 limits will be those calculated using FY 2007-2008 MA cost report data available to the Department as of July 2010 as reduced by all MA payments the Department calculated the hospital to receive as of September 30, 2010.

(3) Hospitals that meet the criteria in (3) will receive a payment equal to 40% of the hospital's calculated DSH OBRA '93 limit (as estimated using the FY 2007-2008 MA cost report data available to the Department as of July 2010) as reduced by all MA payments the Department calculated the hospital to receive as of September 30, 2010.

(4) Hospitals that meet the criteria in both (1) and (2); or both (1) and (3) will receive the sum of those two payment amounts.

(5) In making these payments, the Department ensures that no acute care general hospital receives any DSH payment that is in excess of its hospital specific DSH upper payment limit and the Commonwealth does not exceed its aggregate annual DSH allotment.

The Department will allocate an annualized amount of $58.821 million in total funds for this additional class of DSH payments adjusted to reflect the reconciliation factor described in Part VI.

**INPATIENT INDIRECT MEDICAL EDUCATION (IME) PAYMENTS FOR QUALIFYING HOSPITALS**

The Department of Human Services (Department) will make inpatient IME payments to qualifying Medical Assistance (MA) enrolled acute care general hospitals that provide inpatient services to MA beneficiaries. These payments are intended to recognize the higher patient care costs of teaching hospitals.

A hospital is eligible for this inpatient IME payment program if it meets all of the following criteria:

(a) The hospital is an acute care general hospital enrolled in the Pennsylvania (PA) MA Program;
(b) The hospital is located in a city of the first class;
(c) The hospital submitted a Fiscal Year (FY) 2021-2022 MA-336 hospital cost report;
(d) The hospital's resident-to-bed ratio exceeds 0.0 as reported within CMS' *FY 2024 Final Rule Impact File, August 2023;*
(e) The hospital does not provide acute care inpatient services to patient populations predominately under the age of 18. A hospital's patient population is predominately under the age of 18 if the hospital's number of discharges for "0-17 Years" is greater than 50% of the hospital's number of "Total" discharges. Discharges are determined from the calendar year 2022 PA Department of Health Reports 3-A and 3-B; and
(f) The hospital is not a Medicare Prospective Payment System Exempt Cancer Hospital as of February 1, 2024.

The Department will determine each qualifying hospital's annual payment amount by multiplying the amount in 1) below by the IME Factor in 2) below and by the Adjustment Factor as determined in 3) below. Should the sum of the annual payment amounts for all qualifying hospitals exceed the total payment allocation, the Department will proportionally distribute payments to qualifying hospitals up to the total payment allocation based on the payment amounts determined in 1) through 3) below.

1) The hospital's Pennsylvania Medicaid (Title XIX) managed care inpatient revenues as specified within the hospital's FY 2021-2022 MA-336 Hospital Cost Report as available to the Department on December 11, 2023.
2) IME Factor = 1.35 x (((1+r)0.405)-1), where r is the eligible hospital's Resident to Bed ratio as reported within CMS' *FY- 2024 Final Rule Impact File, August 2023.*
3) Adjustment Factor
   - (i) For qualifying hospitals where the product of the amount in 1) above multiplied by the IME Factor in 2) does not exceed $800,000, the Adjustment Factor is 1.0.
   - (ii) For qualifying hospitals that do not meet the criteria in 3)(i) and where the product of the amount in 1) above multiplied by the IME Factor in 2) above exceeds 3% of the sum of the hospital's inpatient and outpatient net revenues earned less bad debt, charity care and contractual allowance expenses as filed on the FY 2021-2022 MA-336 Hospital Cost Report as available to the Department on December 11, 2023, the Adjustment Factor is as follows:
     - a. 0.5 for hospitals having a Resident to Bed ratio as reported within *CMS' FY 2024 Final Rule Impact File, August 2023* that exceeds 0.8;
     - b. 0.35 for all other hospitals.
   - (iii) For all other qualifying hospitals that do not meet the criteria in 3)(i) or 3)(ii), the Adjustment Factor is 1.0.

Beginning with FY 2024-2025, the Department will allocate an annualized amount of $184.719 million in total funds (State and Federal) for these inpatient IME payments.

**OUTPATIENT INDIRECT MEDICAL EDUCATION (IME) PAYMENTS FOR QUALIFYING HOSPITALS**

The Department of Human Services (Department) will make outpatient IME payments to qualifying Medical Assistance (MA) enrolled acute care general hospitals that provide outpatient hospital services to MA beneficiaries. These payments are intended to recognize the higher patient care costs of teaching hospitals.

A hospital is eligible for this outpatient IME payment program if it meets all of the following criteria:

a) The hospital is an acute care general hospital enrolled in the Pennsylvania (PA) MA program;
b) The hospital is located in a city of the first class;
c) The hospital submitted a Fiscal Year (FY) 2021-2022 MA-336 hospital cost report;
d) The hospital's resident-to-bed ratio exceeds 0.0 as reported within CMS' *FY 2024 Final Rule Impact File, August 2023*.
e) The hospital does not provide acute care inpatient services to patient populations predominately under the age of 18. A hospital's patient population is predominately under the age of 18 if the hospital's number of discharges for "0-17 Years" is greater than 50% of the hospital's number of "Total" discharges. Discharges are determined from the calendar year 2022 PA Department of Health Reports 3-A and 3-B; and
f) The hospital is not a Medicare Prospective Payment System Exempt Cancer Hospital as of February 1, 2024.

The Department will determine each qualifying hospital's annual payment amount by multiplying the amount in 1) below by the IME Factor in 2) below and by the Adjustment Factor as determined in 3) below. Should the sum of the annual payment amounts for all qualifying hospitals exceed the total payment allocation, the Department will proportionally distribute payments to qualifying hospitals up to the total payment allocation based on the payment amounts determined in 1) through 3) below.

1) The hospital's Pennsylvania Medicaid (Title XIX) managed care outpatient revenues as specified within the hospital's FY 2021-2022 MA-336 Hospital Cost Report as available to the Department on December 11, 2023.
2) IME Factor = $1.35 \times (((1+r)^{0.405})-1)$, where r is the eligible hospital's Resident to Bed ratio as reported within CMS' *FY 2024 Final Rule Impact File, August 2023.*
3) Adjustment Factor
   (i) For qualifying hospitals where the product of the amount in 1) above multiplied by the IME Factor in 2) does not exceed $400,000, the Adjustment Factor is 1.0.
   (ii) For qualifying hospitals that do not meet the criteria in 3)(i) and where the product of the amount in 1) above multiplied by the IME Factor in 2) above exceeds 1.5% of the sum of the hospital's inpatient and outpatient net revenues earned less bad debt, charity care and contractual allowance expenses as filed on the FY 2021-2022 MA-336 Hospital Cost Report as available to the Department on December 11, 2023, the Adjustment Factor is as follows:
      a. 0.5 for hospitals having a Resident to Bed ratio as reported within CMS' *FY 2024 Final Rule Impact File, August 2023* that exceeds 0.8;
      b. 0.35 for all other hospitals.
   (iii) For all other qualifying hospitals that do not meet the criteria in 3)(i) or 3)(ii), the Adjustment Factor is 1.0.

Beginning with FY 2024-2025, the Department will allocate an annualized amount of $77.186 million in total funds (State and Federal) for these outpatient IME payments.

Enhanced Payments to Certain Disproportionate Share Hospitals

(A) The Department makes an enhanced fee-for-service (FFS) disproportionate share hospital (DSH) payment to Medical Assistance (MA) acute care general hospitals that:

(1) Qualify for disproportionate share payments;

(2) Have a FY 2007-2008 MA hospital cost report available to the Department as of July 2010;

(3) Have a percentage of MA FFS and managed care outpatient charges to total hospital outpatient charges greater than the statewide average percentage of such charges as determined using data from all FY 2007-2008 MA acute care general hospital cost reports available to the Department as of July 2010; and

(4) Do not receive an enhanced payment under page 4 of Attachment 4.19B.

(B) The Department will calculate the enhanced payment amounts as follows:

(1) The Department will identify all MA acute care hospitals that meet the conditions specified in (A)(1)-(3) above. For each identified hospital, the Department will determine the ratio of the hospital's MA FFS and managed care outpatient revenue to the total MA outpatient revenue for all identified hospitals excluding revenue of new hospitals as defined on page 21t. The Department will then multiply each identified hospital's ratio by the sum of the outpatient FFS supplemental payments for FY 2008-2009 that were made to hospitals which were in operation as of July 1, 2010.

(2) The Department will pay the amount determined by (B)(1) to a MA acute care hospital that qualifies under (A) above.

The Department will allocate an annualized amount of $24.603 million in total funds for these DSH payments adjusted to reflect the reconciliation factor described in Part VI.

## ADDITIONAL CLASS OF SUPPLEMENTAL PAYMENTS TO QUALIFYING HOSPITALS

The Department of Human Services (Department) will make supplemental payments to qualifying acute care hospitals that are freestanding cancer treatment hospitals. These payments will promote the availability of cancer screening and treatment services to the Medical Assistance (MA) population in an area of the Commonwealth with the highest number of MA enrollees and the highest rate of MA enrollees per capita.

A hospital is eligible for this additional class of supplemental payment if the hospital meets all of the following criteria:

(a) The hospital is enrolled in the Pennsylvania (PA) MA Program as a general acute care hospital;
(b) The hospital is licensed by Pennsylvania's Department of Health as of February 1, 2024;
(c) The hospital is a Medicare Prospective Payment System-Exempt Cancer Hospital as of February 22, 2024; and
(d) The hospital is located in a city of the first class.

Payments will be divided proportionately among qualified hospitals based on each hospital's fee-for-service (FFS) PA MA inpatient acute care days to total FFS PA MA inpatient acute care days for all qualifying hospitals as reported on the Fiscal Year (FY) 2021-2022 MA-336 Medicaid Hospital Cost Report available to the Department as of December 11, 2023.

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

Beginning with FY 2024-2025, the Department will allocate an annualized amount of $7.500 million in total funds (State and Federal) for these supplemental payments.

**ADDITIONAL CLASS OF DISPROPORTIONATE SHARE PAYMENTS**

The Department will make an additional class of disproportionate share hospital (DSH) payments to certain qualifying acute care general hospitals that provide a high volume of Medical Assistance (MA) acute care and psychiatric services and incur significant uncompensated care costs. The Department intends for these payments to promote the hospitals' continued participation in the MA Program.

The Department considers a hospital eligible for this additional class of DSH payments if the hospital meets all of the following criteria, based on the Fiscal Year 2002-2003 MA Cost Report, unless otherwise specified:

(a) The hospital is enrolled in the MA Program as an acute care general hospital with an excluded psychiatric unit;

(b) The hospital provides MA inpatient days of care in excess of the 85th percentile of MA inpatient days provided by all enrolled acute care general hospitals with an excluded psychiatric unit;

(c) The hospital's number of MA admissions exceeds the 85th percentile of MA admissions of all enrolled acute care general hospitals with an excluded psychiatric unit;

(d) The hospital provides inpatient psychiatric days of care to Pennsylvania MA beneficiaries in excess of the 90th percentile of such days provided by all enrolled acute care general hospitals with an excluded psychiatric unit;

(e) The hospital's percentage of uncompensated care to net patient revenue exceeds the 90th percentile of this percentage for all enrolled acute care general hospitals with an excluded psychiatric unit according to the Pennsylvania Health Care Cost Containment Council (PHC4) Financial Analysis 2004; and

(f) The Hospital's operating margin is less than the 15th percentile of the operating margins of all enrolled acute care general hospitals with an excluded psychiatric unit according to the PHC4 Financial Analysis 2004.

The Department will proportionately divide payments among qualified hospitals based on the percentage of each qualifying hospital's MA inpatient days to total MA inpatient days of all qualifying hospitals. All payment limitations are still applicable, including those limitations that the Commonwealth may not exceed its aggregate annual DSH allotment and that no hospital may receive DSH payments in excess of its hospital-specific limit. Any funds available due to the application of the hospital-specific DSH upper payment limit will be redistributed to other hospitals qualifying under this class of disproportionate share payments on a proportionate basis.

For FY 2015-2016, the fiscal impact as a result of this additional class of DSH payments is $2.084 million ($1.000 million in State General Funds and $1.084 million in Federal Funds upon approval by the Centers for Medicare and Medicaid Services).

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

The Department of Human Services (Department) will make supplemental payments to qualifying acute care hospitals that are freestanding children's hospitals enrolled in the Pennsylvania Medical Assistance (MA) program and located in a city of the first class.

A hospital is eligible for this additional class of supplemental payments if the hospital meets all of the following criteria"

a) The hospital is enrolled in the Pennsylvania (PA) MA Program as an acute care hospital, licensed by Pennsylvania's Department of Health (DOH);
b) The hospital provides acute care inpatient services to patient populations predominately under the age of 18. A hospital's patient population is predominately under the age of 18 if the hospital's number of discharges for "0-17 Years" is greater than 50% of the hospital's number of "Total" discharges. Discharges are determined from the calendar year 2022 PA DOH Reports 3-A and 3-B; and
c) The hospital is located in a city of the first class.

The Department will calculate annual payment amounts for each qualifying hospital according to the methodology below. Unless otherwise stated, the source of the information is the Fiscal Year (FY) 2018-2019 MA-336 Hospital Cost Report, as available to the Department on June 22, 2021.

1) $300,000 will be divided equally among qualifying hospitals;
2) A per diem payment equal to $757.33 multiplied by the hospital's number of Total MA Fee-for-Service acute days;
3) The annual amount for each qualifying hospital is equal to the amount calculated in 1) plus the amount calculated in 2).

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

For FY 2024-2025, the Department will allocate an annualized amount of $23.661 million in total funds (State and Federal) for these supplemental payments.

**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 regulations at 42 CFR 447.272 and the application of upper payment limits for inpatient services.

For FY 2024-2025, the Department will allocate an annualized amount of $1.800 million in total funds (State and Federal) for these supplemental payments.

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

The Department of Human Services (Department) will make supplemental payments to qualifying hospitals located in a city of the first class that provide a high volume of service to Medical Assistance (MA) beneficiaries and reported a high number of births.

A hospital is eligible for this additional class of supplemental payments if the hospital meets all criteria below. Unless otherwise stated, the source of information is from the FY 2018-2019 MA-336 Hospital Cost Report on file with the Department as of June 22, 2021.

a) The hospital is located in a city of the first class and is enrolled in the Pennsylvania's (PA) MA Program as an acute care general hospital, licensed by PA's Department of Health (DOH);
b) The hospital reported at least 50,000 PA MA inpatient days (fee-for-service (FFS) and managed care combined); and
c) The hospital reported at least 4,000 live births for the period January 1, 2022 to December 31, 2022 according to utilization data available from PA DOH as of February 22, 2024.

Payments will be divided proportionately among qualified hospitals based on each hospital's FFS PA MA inpatient acute care days to total FFS PA MA inpatient acute care days for 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 2024-2025, the Department will allocate an annualized amount of $6.245 million in total funds (State and Federal) for these supplemental payments.

(A) Beginning with State Fiscal Year (FY) 2013-2014, the Department will make the following disproportionate share hospital (DSH) and supplemental payments to newly enrolled in-state hospitals (new hospitals) that qualify for payments as specified in the respective qualifying criteria for each payment in the state plan as modified in (B) below:

(1) MA Dependency Payment;

(2) MA Rehabilitation Adjustment Payment; and

(3) Enhanced Payments to Certain Disproportionate Share Hospitals

For purposes of this determination for (2) and (3) of this subsection, a new hospital is defined as a hospital that has enrolled in the Pennsylvania (PA) MA Program on or after July 1, 2008 and is not a long-term acute care general hospital as defined in 62 P.S. §801-G. For purposes of this determination for (1) of this subsection, a new hospital is defined as a hospital that has enrolled in the PA MA Program on or after July 1, 2015 and is not a long-term acute care general hospital as defined in 62 P.S. §801-G. To determine a hospital's eligibility and payment allocation for each of these DSH and supplemental payments, the Department collects data from new hospitals in a form and manner specified by the Department.

(B) Beginning with FY 2013-2014, the following provides eligibility and payment distribution methodologies for the payment programs listed in (A) for those newly enrolled hospitals enrolled in the PA MA Program for at least one full FY:

(1) For the MA Dependency Payment, the Department annualizes each new hospital's data for its initial FY of enrollment to determined if the new hospital qualifies for this payment in accordance with the qualifying criteria for the payment as provided in the state plan. For qualifying new hospitals enrolled as acute care general hospitals for which the Department does not have a FY 2014-2015 MA-336 Hospital Cost Report as of July 2017, the Department will determine the payment amount for the first full FY of enrollment by multiplying the number of PA MA FFS acute care inpatient days that were provided by the new hospital during its initial FY of enrollment by either:

I. $850.00 for qualifying hospitals with greater than 50,000 PA MA (FFS and managed care) acute care inpatient days during its initial FY of enrollment as provided by the new hospital; or,

II. $370.00 for other qualifying new hospitals.

III. New hospitals for which the Department has a FY 2014-2015 MA-336 Hospital Cost Report as of July 2017 will not qualify for the MA Dependency payment as a new hospital.

(2) For the MA Rehabilitation Adjustment Payment, the Department collects and annualizes the total Medicaid inpatient FFS amount paid to the new hospital enrolled as a freestanding rehabilitation hospital for the new hospital's initial FY of PA MA enrollment and deflates the annualized revenue to FY 2007-2008. The new hospital's payment amount for the first full FY of PA MA enrollment as a rehabilitation hospital is 147% of the deflated revenue amount, pro-rated according to the number of days of the new hospital's initial FY of PA MA enrollment.

(3) For the Enhanced Payments to Certain Disproportionate Share Hospitals Payment, a new hospital qualifies for this payment if the acute care general hospital qualifies for disproportionate share hospital (DSH) payments and its MA FFS and managed care outpatient charges to total hospital outpatient charges (as annualized from the new hospital's initial FY of PA MA enrollment) are greater than 12.90%. If the hospital qualifies, the hospital's payment amount for its first full FY of PA MA enrollment is determined in accordance with the payment method described in page 21q of the state plan using the hospital's annualized MA outpatient revenue amounts, then prorated according to the number of days of the new hospital's initial FY of PA enrollment. The outpatient revenue amounts for new hospitals will not be used in determining payment amounts for all other hospitals qualifying for enhanced payments to certain disproportionate share hospitals.

(C) Except as provided in (D), beginning in FY 2013-2014, for the second and subsequent full FY of PA MA enrollment of a new hospital that qualifies for one or more of these payments, the payments will be annualized if the first full FY payment had been prorated as described in (B)(2) and (B)(3), or the source data will be annualized prior to determining the annual payment allocation if the source data was not annualized as described in (B)(1).

(D) For each of the payments listed in (B) for new hospitals, the Department will determine a final payment amount using actual MA data relating to the new hospital's first full FY of enrollment once that data becomes available. The Department will reconcile payments made to final payment amounts subject to available funding.

For FY 2024-2025, the Department will allocate an annualized amount of $2.565 million for these DSH and supplemental payments adjusted to reflect the reconciliation factor described in Part VI.

**ADDITIONAL CLASS OF DISPROPORTIONATE SHARE PAYMENTS TO QUALIFYING HOSPITALS**

The Department of Human Services will make disproportionate share hospital (DSH) payments to certain Medical Assistance (MA) acute care general hospitals which, in partnership with an independent facility listed as a Cleft and Craniofacial Team by the American Cleft Palate-Craniofacial Association, provide surgical services to patients with cleft palate and craniofacial abnormalities. These payments are intended to promote access to inpatient hospital services for MA eligible and uninsured persons in the Commonwealth with cleft palate and craniofacial abnormalities.

A hospital is eligible for this additional class of DSH payments if the hospital meets all criteria listed below. Unless otherwise stated, the source of the information is the FY 2010-2011 MA-336 Hospital Cost Report.

a) The hospital is enrolled in the MA Program as a general acute care hospital and is licensed to provide obstetrical and neonatal services as reported by the Pennsylvania Department of Health for the period July 1, 2010, through June 30, 2011.

b) The hospital has a partnership with a facility listed as of January 2013 as both a cleft palate team (CPT) and a craniofacial team (CFT) by the American Cleft Palate-Craniofacial Association and Cleft Palate Foundation.

c) As of March 2013, the hospital is accredited as a Level I Adult Trauma Center and a Level I Pediatric Trauma Center by the Pennsylvania Trauma System Foundation.

d) The hospital provided more than 135,000 total acute inpatient days of care.

e) The hospital ranked at or above the 90$^{th}$ percentile for all enrolled acute care hospitals based on the total number of MA inpatient days of care.

f) The hospital's ratio of uncompensated care to net patient revenue is at least 3.30%, based on the Pennsylvania Health Care Cost Containment Council's *Financial Analysis 2012, Volume One*.

Payments will be divided proportionally among qualified hospitals based on each hospital's total MA inpatient days to total MA inpatient days for all qualified hospitals. All payment limitations are still applicable, including those limitations that the Commonwealth may not exceed its aggregate annual DSH allotment and that no hospital may receive DSH payments in excess of its hospital-specific limit. Any funds available due to the application of the hospital-specific DSH upper payment limit will be redistributed to other hospitals qualifying under this additional class of DSH payments on a proportionate basis.

The FY 2024-2025 impact, as a result of the funding allocation for these payments, is $0.902 million in total funds.

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

The Department of Human Services (Department) will make supplemental payments to qualifying hospitals located in a city of the first class with greater than the statewide average of uncompensated care, Medicare share of net patient revenue (NPR), and Medical Assistance (MA) share of NPR.

A hospital is eligible for this additional class of supplemental payments if the hospital meets all criteria below. Unless otherwise stated, the source of information is from the Pennsylvania Health Care Cost Containment Council's (PHC4) Financial Analysis 2022 (Volume 1).

a) The hospital is located in a city of the first class and is enrolled in Pennsylvania's (PA) MA Program as an acute care general hospital, licensed by PA's Department of Health;
b) The hospital has at least 450 acute care beds available according to the Fiscal Year (FY) 2018-2019 MA-336 Hospital Cost Report on file with the Department as of June 22, 2021;
c) The hospital's percent of uncompensated care FY 2022 is greater than the statewide percent of uncompensated care for FY 2022;
d) The hospital's Medicare share of NPR FY 2022 is greater than the statewide Medicare share of NPR for FY 2022; and
e) The hospital's MA share of NPR FY 2022 is greater than the statewide MA share of NPR for FY 2022.

Payments will be divided proportionately among qualified hospitals based on each hospital's fee-for-service (FFS) PA MA inpatient acute care days to total FFS PA MA inpatient acute care days for all qualifying hospitals as reported on the FY 2018-2019 MA-336 Hospital Cost Report on file with the Department as of June 22, 2021.

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

For FY 2024-2025, the Department will allocate an annualized amount of $7.292 million in total funds (State and Federal) for these supplemental payments.

**ADDITIONAL CLASS OF DISPROPORTIONATE SHARE PAYMENTS TO QUALIFYING HOSPITALS**

The Department of Human Services (Department) will make disproportionate share hospital (DSH) payments for qualifying acute care general hospitals that serve the indigent population of cities with a per capita income significantly below the statewide average for the Commonwealth.

For a hospital to qualify for this additional class of DSH payment, it must meet all of the following criteria, based on the Fiscal Year (FY) 2011-2012 MA-336 Hospital Cost Report, unless otherwise specified.

(a) The hospital is enrolled in Pennsylvania (PA) Medical Assistance (MA) as an acute care general hospital;

(b) The hospital provides at least 20,000 inpatient days of care to MA beneficiaries;

(c) The hospital has an MA inpatient utilization rate (MIUR) of at least 25% as determined by dividing the hospital's MA inpatient days by its total inpatient days of care;

(d) The hospital has a negative 3-year average change in net patient revenue according to the Pennsylvania Health Care Cost Containment Council's FY 2012 Financial Analysis, Volume One, General Acute Care Hospitals; and,

(e) The hospital is located in a PA county which contains a city with a population of 30,000 or more and that city has a per capita income below 60 percent of the average per capita income for the Commonwealth as documented in the 2010 U.S. census data.

A hospital's payment amount for this additional class of DSH payments is determined by dividing the hospital's MA inpatient days by the total MA inpatient days for all qualifying hospitals and multiplying that percentage by the total amount allocated for these payments. The data used for purposes of this determination will be from the FY 2011-2012 MA-336 Hospital Cost Report.

All payment limitations are still applicable, including those limitations that the Commonwealth may not exceed its aggregate annual DSH allotment and that no hospital may receive DSH payments in excess of its hospital-specific limit. The Department will not redistribute DSH payments made under this additional class of DSH payments to qualifying hospitals as a result of a qualifying hospital exceeding its hospital-specific DSH limit.

The FY 2024-2025 impact, as a result of the funding allocation for these payments, is $15.562 million in total funds.

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

The Department of Human Services (Department) will make supplemental payments to qualifying hospitals enrolled in Pennsylvania's Medical Assistance (MA) program as an acute care general hospital that have a low commercial-payer ratio, have a negative trend in their net patient revenue (NPR), and are located in an area of the Commonwealth with a disproportionate need for MA services.

A hospital is eligible for this additional class of supplemental payments if the hospital meets all criteria listed below. Unless otherwise stated, the source of information is the Fiscal Year (FY) 2018-19 MA-336 Hospital Cost Report available to the Department as of June 22, 2021.

a) The hospital is an acute care general hospital enrolled in the Pennsylvania (PA) MA Program;
b) The hospital is located in a city of the first class;
c) The hospital's 3-year average change in NPR for FYs 2019-2022 is negative according to the Pennsylvania Health Care Cost Containment Council's FY 2022 Financial Analysis;
d) The hospital's commercial payer ratio, defined as 100 percent minus the hospital's MA share of NPR for FY 2022 (expressed as a percent) minus the hospital's MA share of NPR for FY 2022 (expressed as a percent), is less than 25% according to the Pennsylvania Health Care Cost Containment Council's FY 2022 Financial Analysis;
e) The hospital does not qualify for payment under the State Plan Amendment 4.19A page 21s.

Payments will be divided proportionally among qualifying hospitals based on the percentage of each qualifying hospital's fee-for-service (FFS) PA MA inpatient acute care days to the total FFS PA MA inpatient acute care days for 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.

Beginning with FY 2024-2025, the Department will allocate an annualized amount of $0.725 million in total funds (State and Federal) for these supplemental payments.

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

The Department of Human Services (Department) will make supplemental payments to qualifying Medical Assistance (MA) enrolled acute care general hospitals that have a negative operating margin, high MA share of net patient revenue (NPR), low commercial NPR, and are located in an area of the Commonwealth with a disproportionate need for MA services.

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 general hospital and meets all criteria listed below. Unless otherwise stated, the source of the information is the Fiscal Year (FY) 2021-2022 MA-336 Hospital Cost Report available to the Department as of July 10, 2024.

(1) The hospital is located in a city of the first class;
(2) The hospital provides acute inpatient services to patient populations predominantly 18 years of age or older. A hospital's patient population is predominantly 18 years of age or older if the hospital's number of discharges for "0-17 Years" is less than 50% of the hospital's number of "Total" discharges. Discharges are determined from the calendar year 2022 Pennsylvania Department of Health Reports 3-A and 3-B;
(3) The hospital's FY23 operating margin is negative according to the Pennsylvania Health Care Cost Containment Council's FY 2023 Financial Analysis, Volume 1;
(4) The hospital's MA share of NPR for FY23 is greater than 25%. The source of this information is the Pennsylvania Health Care Cost Containment Council's FY 2023 Financial Analysis, Volume 1;
(5) The hospital's commercial payer ratio, defined as 100 percent minus the sum of the hospital's Medicare share of NPR for FY 2023 (expressed as a percent) and the hospital's MA share of NPR for FY 2023 (expressed as a percent), is less than 25%. The source of this information is the Pennsylvania Health Care Cost Containment Council's FY 2023 Financial Analysis, Volume 1;
(6) The hospital does not qualify for payment under State Plan Attachment 4.19A, page 21y; and
(7) The hospital does not qualify for payment under State Plan Attachment 4.19A, page 21s.

Payments will be divided proportionally among qualifying hospitals based on the percentage of each qualifying hospital's inpatient Fee-for-Service (FFS) Pennsylvania MA days to the total inpatient FFS Pennsylvania MA days 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.

Beginning with FY 2024-25, the Department will allocate an annualized amount of $0.400 million in total funds (State and Federal) for these supplemental payments

**ADDITIONAL CLASS OF DISPROPORTIONATE SHARE PAYMENTS TO QUALIFYING HOSPITALS**

The Department of Human Services (Department) will make disproportionate share hospital (DSH) payments to qualifying Medical Assistance (MA) enrolled acute care general hospitals that provide a high volume of inpatient services to MA eligible and low-income populations.

A hospital is eligible for this additional class of DSH payments if the hospital meets all criteria listed below. Unless otherwise stated, the source of the information is the Fiscal Year (FY) 2011-2012 MA-336 Hospital Cost Report.

a) The hospital is enrolled in the MA Program as an acute care general hospital.

b) The hospital is located in a county with a total population of less than 500,000 residents, based on the 2010 Federal decennial census.

c) The hospital has at least 400 total beds available.

d) The hospital ranked at or above the 90$^{th}$ percentile, among MA enrolled acute care hospitals located in counties with a total population of less than 500,000 residents, on the total number of MA inpatient days of care provided.

e) The hospital ranked in excess of one standard deviation above the mean among MA enrolled acute care hospitals located in counties with a total population of less than 500,000 residents, on the ratio of MA psychiatric inpatient days provided to total psychiatric inpatient days.

f) The hospital's ratio of uncompensated care to net patient revenue, based on the Pennsylvania Health Care Cost Containment Council *Financial Analysis 2013*, exceeded 3.40%.

Payments will be divided proportionally among qualified hospitals based on each hospital's total MA inpatient days to total MA inpatient days for all qualified hospitals. All payment limitations are still applicable, including those limitations that the Commonwealth may not exceed its aggregate annual DSH allotment and that no hospital may receive DSH payments in excess of its hospital-specific limit. The Department will not redistribute DSH payments made under this additional class of DSH payments to qualifying hospitals as a result of a qualifying hospital exceeding its hospital-specific DSH limit.

The FY 2024-2025 impact, as a result of the funding allocation for these payments, is $0.776 million in total funds.

**ADDITIONAL CLASS OF DISPROPORTIONATE SHARE PAYMENTS TO QUALIFYING HOSPITALS**

A hospital is eligible for this additional class of disproportionate share hospital (DSH) payments if the hospital is a general acute care hospital that meets all criteria listed below. Unless otherwise stated, the source of the information is the Fiscal Year (FY) 2011-2012 MA-336 Hospital Cost Report.

a) The hospital is enrolled in the Medical Assistance (MA) Program as a general acute care hospital and provides a comprehensive array of inpatient services (acute, psychiatric and rehabilitation), including inpatient obstetrical and neonatal services to MA beneficiaries.

b) The hospital is accredited as an adult Level I Trauma Center according to the Pennsylvania Trauma Systems Foundation 2013 Annual Report.

c) The hospital ranked at least three standard deviations above the mean for the total number of inpatient days provided to MA beneficiaries.

d) The hospital ranked above the 99$^{th}$ percentile of all acute care hospitals for the total number of MA discharges.

e) The hospital is an independent academic medical center and a member of the Alliance of Independent Academic Medical Centers.

Payments will be divided proportionally among all qualified hospitals based on each hospital's total MA inpatient days to total MA inpatient days for all qualified hospitals. All payment limitations are still applicable, including those limitations that the Commonwealth may not exceed its aggregate annual DSH allotment and that no hospital may receive DSH payments in excess of its hospital-specific limit. The Department of Human Services will not redistribute DSH payments made under this additional class of DSH payments to qualifying hospitals as a result of a qualifying hospital exceeding its hospital-specific DSH limit.

The FY 2024-2025 impact, as a result of the funding allocation for these payments, is $5.678 million in total funds.

**ADDITIONAL CLASS OF DISPROPORTIONATE SHARE PAYMENTS TO QUALIFYING HOSPITALS**

The Department of Human Services (Department) will make disproportionate share hospital (DSH) payments to qualifying Medical Assistance (MA) enrolled acute care hospitals to promote access to comprehensive inpatient services for MA eligible persons by assuring an adequate supply of healthcare professionals who have been trained in rural hospital settings.

A hospital is eligible for this additional class of DSH payment if the hospital meets all the following criteria:

a) The hospital is enrolled in the Pennsylvania MA Program as a general acute care hospital;
b) The hospital is licensed by Pennsylvania's Department of Health;
c) The hospital is located in a county of the fourth class;
d) The hospital is associated with a state-related institution, as defined in the Pennsylvania Procurement Code (62 Pa.C.S §103) as of September 1, 2024, that has a campus in the same 4th class county;
e) The hospital had at least 220 beds available based on its Fiscal Year (FY) 2021-2022 MA- 336 Hospital Cost Report available to the Department as of July 10, 2024; and
f) The hospital qualified for DSH Payment to Small and Sole Community Hospitals under page 21p of State Plan Attachment 4.19A in FY 2023-2024.

Payments will be divided proportionately among qualified hospitals based on each hospital's fee- for-service (FFS) Pennsylvania MA inpatient discharges to total FFS Pennsylvania MA inpatient discharges for all qualifying hospitals as reported on the FY 2018-2019 MA-336 Medicaid Hospital Cost Report (available to the Department as of June 22, 2021).

All payment limitations are applicable, including those limitations that the Commonwealth may not exceed its aggregate annual DSH allotment and that no hospital may receive DSH payment in excess of its hospital-specific limit. The Department will not redistribute DSH payments made under this additional class of DSH payments to qualifying hospitals as a result of a qualifying hospital exceeding its hospital- specific DSH limit.

For FY 2024-2025, the Department will allocate $7.905 million in total funds for these DSH payments, effective January 19, 2025.

**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 95th 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 2020-2021 impact, as a result of the funding allocation for these payments, is $3.139 million in total funds.

PROSPECTIVE PSYCHIATRIC PAYMENT SYSTEM

Private Psychiatric Hospitals and Distinct part Psychiatric Units of Acute Care General Hospitals

General Policy

The Department pays for inpatient psychiatric services under a prospective payment system. Payment is made on a per diem basis. The prospective per diem rate for each provider is established using that provider's base year per diem costs trended forward by inflation factors.

All compensable service provided to an inpatient are covered by the prospective per diem rate except for direct care services provided by salaried practitioners who bill the Medical Assistance Program directly.

Costs are determined using Medicare principles unless otherwise specified. The Department does not follow the substance or retroactivity of the malpractice insurance cost rule established by 51 F.R 11142 (April 1, 1986). Malpractice insurance costs are included in the administrative and general cost center and allocated according to established accounting procedures.

Payment Limits

The Department's payment for inpatient services (including acute care general hospitals and their distinct part units, private psychiatric hospitals, and freestanding rehabilitation hospitals) may not exceed in the aggregate the amount that would be paid for those services under Medicare principles of reimbursement.

The Department's payment, exclusive of any disproportionate share payment adjustment, may not exceed the hospital's customary charges to the general public for the services.

The Department limits the prospective per diem to psychiatric providers for the period January 1, 2002, through June 30, 2002, to $1,101.18. For the period July 1, 2002, through December 31, 2002, the Department limits the prospective per diem to $1,112.19. For the period January 1, 2003, through June 30, 2003, the Department limits the prospective per diem to $1,146.67. For the period July 1, 2003, through December 31, 2004, the Department limits the prospective per diem to $1,158.14. For the period January 1, 2005 through December 31, 2005, the Department limits the prospective per diem to $1,187.10. For the period of January 1, 2006 through January 13, 2007, the Department limits the prospective per diem to $1,210.84. For the period beginning January 14, 2007 the Department limits the prospective per diem to $1,259.27. For the period beginning January 1, 2008, the Department limits the prospective per diem to $1,284.46.

Nonallowable Capital Costs

Capital costs for new or additional inpatient psychiatric beds are not allowable under the Medical Assistance Program unless a Section 1122 approval letter, a Certificate of Need, or letter of nonreviewability had been issued for the additional beds by the Department of Health prior to July 1, 1991.

Capital costs related to replacement beds are not allowable unless the facility received a Certificate of need or letter of nonreviewability for the replacement beds. To be allowable, the replacement beds must physically replace beds in the same facility and the capital costs related to the beds being replaced must have been recognized as allowable.

In addition to the above criteria, to receive payment for capital costs related to new, additional or replacement beds, the project must have been substantially implemented within the effective period of the original Section 1122 approval or the original Certificate of Need, including one six-month extension.

Calculation of Prospective per Diem Rate

The prospective per diem rate of each private psychiatric hospital and distinct part psychiatric unit of and acute care general hospital will be determined as follows:

(a) The hospital or unit's reported Medical Assistance allowable inpatient costs from its Fiscal year 1989-90 Cost Report (MA-336) are divided by it's reported Medical Assistance inpatient psychiatric days.

(b) The amount determined under (a) is reduced by 1.69 percent overreporting factor.

(c) The per diem cost determined in (b) will be inflated to the year for which the rate is being set using the following inflation factors:

(1) 5.3 percent to account for Fiscal Year 1990-91 inflation.
(2) 5.2 percent to account for Fiscal Year 1991-92 inflation.
(3) 4.6 percent to account for Fiscal Year 1992-93 inflation.
(4) 4.3 percent to account for Fiscal Year 1993-94 inflation. This inflation factor is applied effective July 1, 1993, for all inpatient psychiatric facilities which qualified for a disproportionate share rate enhancement in Fiscal Year 1992-1993. The inflation factor is applied effective January 1, 1994, for other inpatient facilities.
(5) Effective January 1, 1995, the amount determined under (c)(4) will be increased by 3.7 percent.
(6) Effective January 1, 1996, the amount determined under (c)(5) will be increased by .95.
(7) Effective January 1, 1997, the amount determined under (c)(6) will be increased by 2 percent.
(8) Effective January 1, 1998, the amount determined under (c)(7) will be increased by 2.7 percent.
(9) Effective January 1, 1999, the amount determined under (c)(8) will be increased by 2 percent.
(10) Effective January 1, 2000, the amount determined under (c)(9) will be increased by 2.8 percent.
(11) Effective January 1, 2001, the amount determined under (c)(10) will be increased by 3 percent.
(12) Effective January 1, 2002, the amount determined under (c)(11) will be increased by 4 percent.
(13) Effective July 1, 2002, the amount determined under (c)(12) will be increased by 1 percent.
(14) Effective January 1, 2003, the amount determined under (c)(13) will be increased by 3.1 percent.
(15) Effective July 1, 2003, the amount determined under (c)(14) will be increased by 1 percent.
(16) Effective January 1, 2005, the amount determined under (c)(15) will be increased by 2.5 percent.
(17) Effective January 1, 2006, the amount determined under (c)(16) will be increased by 2.0 percent.
(18) Effective January 14, 2007, the amount determined under (c)(17) will be increased by 4.16 percent.
(19) Effective January 1, 2008, the amount determined under (c)(17) will be increased by 4.0 percent and by 2.0 percent.

(d) For an inpatient psychiatric provider whose first full fiscal year of operation under the Medical Assistance Program is subsequent to Fiscal Year 1989-90, the first full fiscal year of operation under the Medical Assistance Program will service as its base year. The Department will pay full allowable Medical Assistance costs in the base year. Payment for subsequent years will be the audited per diem cost trended forward from the base year using the inflation factors described under (c).

RESERVED

(e) For the period January 1, 2001, through December 31, 2001, the Department limits the prospective per diem rate to $1,058.83. For the period January 1, 2002, through June 30, 2002, the Department limits the prospective per diem rate to $1, 101.18. For the period July 1, 2002, through December 31, 2002, the Department limits the prospective per diem to $1,112.19. For the period January 1, 2003, through June 30, 2003, the Department limits the prospective per diem to $1,146.67. For the period July 1, 2003, through December 31, 2004, the Department limits the prospective per diem to $1,158.14. For the period January 1, 2005, through June 30, 2005, the Department limits the prospective per diem to $1,187.10. For the period July 1, 2005, through December 31, 2005, the Department limits the prospective per diem to $1,187.10. For the period January 1, 2006, through January 13, 2007, the Department limits the prospective per diem to $1,210.84. For the period beginning January 14, 2007, the Department limits the prospective per diem to $1,261.21. For the period beginning January 1, 2008, the Department limits the prospective per diem to $1,284.46.

Exclusions From the Prospective Psychiatric Payment System

(a) Inpatient psychiatric facilities which place a new capital project into service after the base year are entitled to a payment for certain capital costs, provided the qualifying criteria are met:

(1) The costs related to the capital project must represent increases in the inpatient psychiatric facility's allowable depreciation and interest costs for a fixed asset that was entered in the inpatient psychiatric facility's fixed asset ledger in the year being audited.

(2) The costs must be attributable to a fixed asset that is:

(i) approved for Certificate of Need on or before June 30, 1991, in accordance with 28 Pa. Code Chapter 301 (Relating to limitations on Federal participation for capital expenditures) or 28 Pa. Code Chapter 401 (Relating to Certificate of Need program), or not subject to review for Certificate of Need as evidenced by a letter of nonreviewability dated on or before June 30, 1991; and

(ii) related to patient care in accordance with Medicare standards.

(b) In order for an inpatient psychiatric facility to qualify for an additional capital payment set forth in this section, the following criteria must be met.

(1) The inpatient psychiatric facility's rate of increase in overall audited costs must exceed 15 percent.

(2) The inpatient psychiatric facility's rate of increase for allowable depreciation and interest must exceed its rate of increase for net operating costs.

(c) Effective July 1, 1993, for each inpatient psychiatric facility which requests an additional capital payment, the Department will audit its Medical Assistance cost reports for the fiscal year for which the request is made, the prior fiscal year and all subsequent fiscal years for which additional capital payment is requested. To the extent that the facility is determined eligible to receive an additional capital payment under this section, the following applies.

(1) For each fiscal year the Department will compare the total Medical Assistance payments for inpatient psychiatric services paid to the inpatient psychiatric facility for that fiscal year (the "total payment") with the inpatient psychiatric facility's actual Medical Assistance costs for inpatient psychiatric services as determined at audit, including the allowable capital costs eligible under this section (the "actual costs").

(2) If the amount of actual costs exceeds the total payment, the Department pays the inpatient psychiatric facility the difference between the actual costs and the total payment, not to exceed the amount of allowable capital costs.

(3) If the amount of actual costs does not exceed the total payment, the Department does not pay the inpatient psychiatric facility any additional capital payment.

(4) The Department will not recoup or offset any additional capital payment made under this section.

ADDITIONAL DISPROPORTIONATE SHARE PAYMENT

The methodology used by the Commonwealth to take into account the situation of disproportionate share hospitals also includes additional payments to meet the needs of those facilities which serve a large number of Medicaid and medical assistance eligible, low income patients, including those eligible for general assistance, who other providers view as financially undesirable. These payments are available to hospitals on behalf of certain low-income persons who are described below and are made in addition to, and not as a substitute for, disproportionate share payments described in other portions of this state plan.

These additional payment adjustments are made by either the Commonwealth directly or through an intermediary. The additional payment adjustments are paid to disproportionate share hospitals which have provided services to persons determined to be low-income by reason of their having met the income and resource standards for the State's General Assistance Program. These persons must demonstrate to the Department that their household income and resources do not exceed the income and resource standards established by the Department such standards being equal to or more restrictive than those for the Aid to Families with Dependent Children (AFDC) program.

Medical assistance recipients 21 years of age or older but under 65 years of age who receive services in Institutions for Mental Diseases (IMD), who have been determined eligible for Supplemental Security Income (SSI) benefits, and who are not otherwise eligible for Federal financial participation for the IMD services, also qualify as low income individuals subject to the provisions of the Federal disproportionate share statute, Section 1923 of the Social Security Act (42 U.S.C. § 1396r-4), and payments made to an IMD on their behalf are disproportionate share payment adjustments.

Each hospital will determine those patients who qualify as low-income persons eligible for additional payments by a verifiable process subject to the eligibility conditions set forth above. Each hospital must maintain documentation of the patients' eligibility for additional payments and must document the amounts claimed for additional payments.

A disproportionate share hospital for purposes of receiving additional disproportionate share payments under this provision is any hospital which furnishes medical care to a qualified low-income person without expectation of payment from the person due to the patient's inability to pay as documented by his or her having met the income and resource standards as set forth above. Notwithstanding this, no hospital shall be deemed to be a disproportionate share hospital unless it has a Medicaid inpatient

utilization rate of not less than one percent. In addition, a disproportionate share hospital (except hospitals serving an inpatient population predominately comprised of persons under 18 years of age and hospitals which did not offer non-emergency obstetrical care on or before December 21, 1987) must have at least two obstetricians with staff privileges who have agreed to provide obstetrical care in services to Medicaid-eligible patients on a non-emergency basis.

The amount of the disproportionate share adjustment varies by hospital and reflects the dollar amount of payments by either the State directly or an intermediary to the hospital for services provided to low-income patients. For each hospital, such adjustment shall be paid in the normal medical assistance or intermediary payment process and according to rates or fees established by the Commonwealth for fee-for-service program services or by the intermediary for its services. To receive payment of this adjustment, each hospital must submit a claim in the form and manner specified by the Commonwealth or the intermediary, as appropriate.

Disproportionate share payments under this plan cannot exceed the State disproportionate share allotment calculated in accordance with the provisions of the Medicaid Voluntary Contribution and Provider-Specific Tax Amendments of 1991 (P.L. 102-234), as set forth at 42 CFR Sections 447.296 through 447.299.

AUGMENTED PAYMENTS FOR CERTAIN HIGH MEDICAL ASSISTANCE HOSPITALS

Effective July 1, 1993, the Department may make payments to certain high Medical Assistance hospitals to assure their participation in the Medical Assistance Program. For a hospital to qualify for such payments, the hospital must meet all of the following criteria:

1. At least 60 percent of the hospital's days of care must be provided to Medical Assistance recipients as reported in the hospital's FY 1991-92 Medical Assistance cost report.

2. The hospital must provide a broad spectrum of inpatient services as evidenced by its enrollment in the Medical Assistance Program as of June 30, 1993, as an acute care general hospital with at least two of the following types of excluded units enrolled:

   a. an excluded psychiatric unit;
   b. an excluded drug and alcohol detox/rehabilitation unit; or
   c. an excluded medical rehabilitation unit.

3. The hospital's liabilities exceed its assets as verified by the hospital's independently audited financial statements for FY 1991-92.

Hospitals qualifying under these criteria may be eligible for payments at a level adequate to assure the hospital's continued participation in the Medical Assistance Program and the continued availability of these services to the Medical Assistance population.

CHANGES OF OWNERSHIP

Effective July 1, 1993, no provider may have its rates rebased solely due to change of ownership.

**ADDITIONAL CLASS OF DISPROPORTIONATE SHARE PAYMENTS TO CERTAIN ACADEMIC MEDICAL CENTERS**

The Department of Human Services (Department) will make disproportionate share hospital (DSH) payments to certain academic medical centers to assure that the critical services they provide to the Medical Assistance (MA) population will continue. These payments are also intended to help offset the MA share of the medical education costs incurred by these hospitals to assure the continued availability of professional medical services to the Medical Assistance population.

To qualify for this additional class of DSH payments, the academic medical center must meet the following criteria as documented on the hospitals' Fiscal Year (FY) 2002-2003 MA-336 Hospital Cost Report:

1. Have total medical education costs of at least $25 million.

2. Have Pennsylvania MA Education costs of at least $1.5 million; and

3. Provide over 50,000 Pennsylvania MA days of care or have less than 500 set-up and staffed beds.

The Department will distribute payments to qualifying hospitals based on the hospitals' FY 2002-2003 MA-336 Hospital Cost Report as follows:

1. 47.191453% of available funding to a large hospital, defined as having 750 set up and staffed beds; and

2. 26.4042735% of available funding to each of the other qualifying hospitals.

3. To ensure that payments do not exceed available funds, the Department will adjust payments to each hospital using the following formula:

    a. The calculated total amount of payments for each hospital under steps (1) and (2) in this section is divided by the total calculated amount for all hospitals to obtain a percentage, which is a ratio of each hospital's respective share of the calculated amount.

    b. The resulting percentage for each hospital in clause (a) is multiplied by the total available funds to obtain a proportional payment for each hospital.

All payment limitations are still applicable, including those limitations that the Commonwealth may not exceed its aggregate annual DSH allotment and that no hospital may receive DSH payments in excess of its hospital-specific limit. The Department will not redistribute DSH payments made under this additional class of DSH payments to qualifying hospitals as a result of a qualifying hospital exceeding its hospital-specific DSH limit.

The FY 2024-2025 impact, as a result of the funding allocation for these payments, is $25.230 million in total funds.

## ADDITIONAL CLASS OF DISPROPORTIONATE SHARE PAYMENTS TO QUALIFYING HOSPITALS

The Department of Human Services (Department) will make disproportionate share hospital (DSH) payments to certain Medical Assistance (MA) acute care general hospitals to ensure their participation in the MA Program. This payment promotes access to inpatient hospital specialty services for MA eligible persons in the Commonwealth. These funds will be used to support the medical education and operation of an academic medical program, which will foster the supply of health care professionals to treat the MA population.

A hospital is eligible for this additional class of DSH payments if the hospital meets all criteria listed below.

a) The hospital is enrolled in the MA Program as an acute care general hospital and is licensed to provide inpatient obstetrical and neonatal services as reported by the Pennsylvania Department of Health for the period from July 1, 2014 through June 30, 2015.

b) The hospital is located in a county with a population of less than 100,000 persons, based on the 2010 Census.

c) The hospital is accredited as an adult Level I Trauma Center by the Pennsylvania Trauma System Foundation during the Fiscal Year (FY) 2016-2017.

d) The hospital's ratio of total MA inpatient discharges to total inpatient discharges exceeds 20.0%, based on its FY 2013-2014 MA-336 Hospital Cost Report available to the Department as of March 2018.

e) The hospital's ratio of MA revenue to net patient revenue exceeds 13.0%, based on the Pennsylvania Health Care Cost Containment Council *Financial Analysis 2015, Volume One*.

A hospital's payment amount for this additional class of DSH payments will be determined as follows:

1) Divide the hospital's MA inpatient discharges by the total MA inpatient discharges for all qualifying hospitals; and

2) Multiply that share by the total amount allocated for these payments.

The data used for purposes of this determination will be obtained from the FY 2013-2014 MA-336 Hospital Cost Report.

All payment limitations are still applicable, including those limitations that the Commonwealth may not exceed its aggregate annual DSH allotment and that no hospital may receive DSH payments in excess of its hospital-specific limit. The Department will not redistribute DSH payments made under this additional class of DSH payments to qualifying hospitals as a result of a qualifying hospital exceeding its hospital-specific DSH limit.

The FY 2024-2025 impact, as a result of the funding allocation for these payments, is $7.793 million in total funds.

**ADDITIONAL CLASS OF DISPROPORTIONATE SHARE PAYMENTS TO QUALIFYING HOSPITALS**

The Department of Human Services will make disproportionate share hospital (DSH) payments to qualifying hospitals to promote additional access to inpatient and ancillary outpatient services and to support academic medical programs for integrated patient centered medical services.

A hospital is eligible for this additional class of DSH payments if the hospital meets all criteria listed below. Unless otherwise stated, the source of the information is the Fiscal Year (FY) 2010-2011 MA-336 Hospital Cost Report.

a) The hospital is enrolled in the Pennsylvania (PA) Medical Assistance (MA) Program as a general acute care hospital.

b) The hospital is ranked at or above the 92nd percentile of all acute care hospitals on the total acute care inpatient days provided to MA beneficiaries.

c) The hospital is ranked at or above the 94th percentile of all acute care hospitals on net PA MA Outpatient Revenues.

d) The hospital is accredited as an Adult Level I Trauma Center and a Pediatric Level I Trauma Center according to the Pennsylvania Trauma Systems Foundation's *2012 Annual Report*.

e) The hospital is part of an academic medical center that includes a regional medical campus in a county of the fourth class.

Payments will be divided proportionally among all qualifying hospitals based on each hospital's total MA acute care inpatient days to total MA acute care inpatient days for all qualified hospitals. All payment limitations are still applicable, including those limitations that the Commonwealth may not exceed its aggregate annual DSH allotment and that no hospital may receive DSH payments in excess of its hospital-specific limit. Any funds available due to the application of the hospital-specific DSH upper payment limit will be redistributed to other hospitals qualifying under this additional class of disproportionate share payments on a proportionate basis.

The FY 2024-2025 impact, as a result of the funding allocation for these payments, is $10.198 million in total funds.

**ADDITIONAL CLASS OF DISPROPORTIONATE SHARE PAYMENTS TO QUALIFYING HOSPITALS**

The Department of Human Services (Department) will make disproportionate share hospital (DSH) payments to qualifying acute care general hospitals to promote the availability of professional medical services to the Medical Assistance (MA) population in less urbanized areas of the Commonwealth.

A hospital is eligible for this additional class of DSH payments if the hospital meets all criteria listed below. Unless otherwise stated, the source of the information is the Fiscal Year (FY) 2010-2011 MA-336 Hospital Cost Report.

1) The hospital is enrolled in the Pennsylvania (PA) MA Program as an acute care general hospital.

2) The hospital is located in a county of the third class with a population between 279,000 and 282,000 under the 2010 federal decennial census.

3) The hospital's PA MA Fee-for-Service Medical Education costs exceed $500,000.

Payments to qualifying hospitals will be divided equally among all qualifying hospitals. All payment limitations are still applicable, including those limitations that the Commonwealth may not exceed its aggregate annual DSH allotment and that no hospital may receive DSH payments in excess of its hospital-specific limit. The Department will not redistribute DSH payments made under this additional class of DSH payments to qualifying hospitals as a result of a qualifying hospital exceeding its hospital-specific DSH limit.

The FY 2024-2025 impact, as a result of the funding allocation for these payments, is $6.235 million in total funds.

RESERVED

The State has in place a public process which complies with the requirements of Section 1902(a)(13)(A) of the Social Security Act.

ADDITIONAL CLASS OF DISPROPORTIONATE SHARE PAYMENTS

Effective June 30, 2007, the Department of Public Welfare (Department) will make this one-time disproportionate share payment during Fiscal Year (FY) 2006-2007 to certain qualifying acute care general hospitals enrolled in the Medical Assistance (MA) Program to assure continued access to services for MA recipients. Acute care general hospitals that meet all of the following criteria will be eligible for these payments:

1. The hospital is “state related” as defined by the Institutions of Purely Public Charity Act (Act No. 1997-55).
2. The hospital’s liabilities exceed assets on its filed cost report for FY 2003-2004.
3. The hospital’s ratio of MA days to total days is two standard deviations above the mean ratio of MA days to total days for hospitals receiving Medicaid payments in the state in FY 2003-2004.

A one-time allocation of $250,000 from the Department of Health is available for this additional class of payments. Payments will be made to all qualifying hospitals. Payment for each hospital will be determined by multiplying the total available funds by the hospital’s percentage of inpatient MA days to the total inpatient MA days of all qualifying hospitals.

For FY 2006-2007, the fiscal impact as a result of this additional class of disproportionate share payments is $548,125 in total funds ($250,000 in State General available funds and $298,125 in Federal funds). The State share of this payment is provided under the Department of Health – Health Research and Services appropriation, and the Federal share is provided under the Department of Public Welfare MA Inpatient Programs.

**Citation**

42 CFR 447, 434, 438, and 1902(a)(4), 1902(a)(6), and 1903

**Payment Adjustment for Provider Preventable Conditions (PPCs)**

The Medicaid Agency meets the requirements of 42 CFR Part 447, Subpart A, and Sections 1902(a)(4), 1902(a)(6), and 1903 with respect to non-payment for provider-preventable conditions.

**Health Care-Acquired Conditions (HCACs)**

The Department identifies the following HCACs for non-payment under Section 4.19A.

__X__ Hospital-Acquired Conditions as identified by Medicare other than Deep Vein Thrombosis (DVT)/Pulmonary Embolism (PE) following total knee replacement or hip replacement surgery in pediatric and obstetric patients.

**Other Provider Preventable Conditions (OPPCs)**

The Department identifies the following OPPCs for non-payment under Section 4.19A

__X__ Wrong surgical or other invasive procedure performed on a patient; surgical or other invasive procedure performed on the wrong body part; surgical or other invasive procedure performed on the wrong patient.

_____ Additional Other Provider-Preventable Conditions identified below (please indicate the section(s) of the plan and specific service type and provider type to which the provision will be applied).

Payments for provider-preventable conditions (PPCs) will be adjusted in the following manner:

Acute Care General Hospitals Paid Under the Prospective Payment System Methodology

1. Providers are mandatorily required to report HCACs to the Department using the applicable Present on Admission (POA) indicators on claims. Any HCAC diagnosis, as identified with the appropriate POA indicator, will be excluded from grouping of the inpatient claim. This will allow the Department to reasonably isolate costs associated with HCACs and thereby ensure that hospitals receive no payment for services for HCACs.
2. Providers are mandatorily required to report OPPCs to the Department via the OPPC Self Reporting Form as an attachment to hospital claims. The Department will manually review the claim to determine whether the OPPC will result in a higher paying APR-DRG or increased severity level associated with the APR-DRG. If so, the payment will be reduced to the appropriate APR-DRG and severity level and payment will be made to the hospital accordingly.
3. If the hospitalization is solely the result of an OPPC that occurs upon admission, no APR-DRG payment will be made to the hospital.

Hospitals Paid Under the Per Diem Payment System Methodology – Psychiatric Hospitals/Units, Medical Rehabilitation Hospitals/Units and Drug and Alcohol Hospitals/Units

1. Providers are mandatorily required to report HCACs to the Department using applicable Present on Admission (POA) indicators on claims.
2. Providers are mandatorily required to report OPPCs to the Department as an attachment to hospital claims.
3. The Departments will identify PPCs, i.e., HCACs and OPPCs through the Department's Concurrent Utilization Review process and deny days of care for the same. Hospital claims must reflect the number of Department approved days and denied days as identified through the Concurrent Utilization Review process. The Department's payment to hospitals will only reflect payment for approved days; no payment will be made for denied days for HCACs or OPPCs.

In accordance with 42 CFR 447.26(c):

(1) No reduction in payment for a provider preventable condition will be imposed on a provider when the condition defined as a PPC for a particular patient existed prior to the initiation of treatment for that patient by that provider.
(2) Reductions in provider payment may be limited to the extent that the following apply:
   a. The identified PPC will otherwise result in an increase in payment.
   b. The Department can reasonably isolate for nonpayment the portion of the payment directly related to treatment for and related to the PPC.
(3) The Department assures the Centers for Medicare and Medicaid Services that non-payment for provider-preventable conditions does not prevent access to services for Medicaid beneficiaries.

THE HOSPITAL-SPECIFIC EFFICIENT BASE COST PER CASE

The hospital-specific efficient base cost per case establishes the base cost per case that would be incurred by an economically and efficiently operated hospital. The efficient base cost per case is determined for each hospital by standardizing costs, adjusting for differences in case mix, and comparing each hospital's standardized cost per case to other hospitals with similar characteristics.

The Boren Amendment to the Social Security Act requires that payments to hospitals be adequate to meet the costs that must be incurred by an economically and efficiently operated hospital. Implicit in the Boren Amendment is the recognition that hospitals can be generally efficient or inefficient. Furthermore, there is the recognition that even relatively efficient hospitals incur inefficiencies in certain areas.

In studying the Boren Amendment and attempting to define the economically and efficiently operated hospital, the Department has concluded that efficiency is the ideal and that all hospitals incur at least some costs associated with inefficiencies. Accordingly, in developing its model of economic and efficient hospital costs the Department has determined that it is appropriate to measure relative efficiency rather than absolute efficiency. To this purpose, $50^{th}$ percentile costs have been determined to be the efficient costs in building the hospital-specific efficient cost model. This implies that 50 percent of the hospitals operate departments which are efficient.

Because the hospital-specific base cost per case represents the baseline standardized cost per case that would be incurred by an economically and efficiently operated hospital, it is the standard against which each hospital's base DRG payment is judged.

Calculations follow:

(a) The data base for calculations is paid claims history for the base year, Fiscal Year 1986-87.

(1) For each paid claim, ancillary service category charges are converted to costs in the following manner:

(i) Days of room and board are assigned a calculated per diem cost based on reported costs.

(ii) All other ancillary service category charges are converted to costs by use of a service category specific cost to charge ratio derived from the hospital's cost report.

(2) The data base excludes the following types of claims:

(i) outlier claims.

(ii) claims identified as containing medical rehabilitation charges.

(iii) transfer claims except for DRG's 385 and 456.

(iv) those claims for which Medicare A is the primary payor.

(v) interim bills.

(vi) drug and alcohol cases treated in hospitals with a distinct part drug and alcohol unit.

(vii) drug and alcohol cases treated in hospitals without a licensed detoxification unit.

(viii) all claims for DRGs 436 and 437.

(b) The 44 ancillary service categories are collapsed to 24 summary categories by combining related ancillary service categories, to account for the fact that hospitals are not routinely classifying charges into the same service categories.

(c) An index is developed by use of a multiple linear regression model to standardize the effects of local wage levels and number of residents and interns per bed, which are primary contributors to a hospital's overall costs. The hospital's index is calculated as follows:

(1) An average cost per case is determined for each hospital.

(2) Case mix adjusted cost per case is determined by dividing the hospital's average cost per case by the hospital's case mix index. Case mix index is determined by:

(i) identifying the total number of medical assistance DRG cases for the fiscal year.

(ii) summing the relative value of each case to establish an aggregate relative value amount for the hospital.

(iii) dividing the hospital's aggregate relative value amount determined in (c)(2)(ii) by the total number of medical assistance cases determined in (c)(2)(i) to establish an average relative value, or case mix index, for the hospital.

(3) Regression coefficients are determined using Medicare area wage index and number of residents and interns per bed, as the independent variables, and case mix adjusted cost per case as determined in (c)(2) as the dependent variable in a multiple linear regression model.

(4) A hospital-specific index is calculated by solving the regression equation using each hospital's characteristics, and dividing by the result of the equation which is solved using the characteristics of the average hospital.

(d) All hospitals are divided into 19 possible groups according to the following characteristics:

(1) Children's hospitals.

(2) All other hospitals are grouped according to the following characteristics:

(i) Urban/rural designation as follows:

(A) Metropolitan Statistical Area.

(B) Non-Metropolitan Statistical Area.

(ii) Number of residency programs, as follows:

(A) more than 10 residency programs.

(B) 1-9 residency programs.

(C) no residency programs.

(iii) Number of beds, as follows:

(A) 300 or more beds.

(B) 100-299 beds.

(C) less than 100 beds.

(e) An efficient cost for each DRG for each group is determined by the following steps:

(1) Each hospital's mean costs for each of the 24 service categories in the data base are standardized by dividing by the hospital's index value as determined in (c)(4).

(2) Within each group, each hospital's mean standardized costs are arrayed for each service category within each DRG.

(3) The $50^{th}$ percentile cost is chosen for each of 24 service categories for each DRG for each group.

(4) The $50^{th}$ percentile costs for each service category are summed to arrive at a composite efficient cost for each DRG for each group.

(f) The efficient base cost per case for each hospital is determined by:

(1) Multiplying the hospital's number of cases in each DRG in the data base by the hospital's group composite efficient cost per DRG as determined in (e)(4).

(2) Summing the costs for each hospital for all DRG's as determined in (f)(1).

(3) Dividing the amount determined in (f)(2) by the total number of cases in the data base for the hospital.

(4) Multiplying the amount determined in (f)(3) by the index value obtained in (c)(4).

(g) The hospital-specific efficient base cost per case is trended forward from the 1986-87 base year by using the following inflation factors:

(1) An increase of 4.5% to account for 1987-88 inflation.

(2) An increase of 5.6% to account for 1988-89 inflation.

(3) An increase of 5.0% to account for 1989-90 inflation.

(4) An increase of 5.3% to account for 1990-91 inflation.

(h) For Fiscal Year 1991-92 and thereafter, the inflation adjustment will be the second calendar quarter projection taken from the DRI HCFA-type hospital market basket index published after the end of the third calendar quarter preceding the beginning of the new fiscal year.

PAYMENT RATE FOR FY 1990-91 WITHOUT CAPITAL, EFFICIENT COST/CASE,
MONTHLY CAPITAL PASS THROUGH PAYMENTS AND MONTHLY EDUCATION PAYMENTS

| MA ID | HOSPITAL NAME | PAYMENT RATE W/O CAP ADD-ON FY 1990-91 | EFFICIENT COST/CASE | MONTHLY CAPITAL PASS-THRU PAYMENTS 90-91 | MONTHLY MEDICAL EDUCATION PAYMENTS 90-91 |
|---|---|---|---|---|---|
| 536996 | ABINGTON MEMORIAL | 2857.33 | 1870.98 | 6,637.06 | 21,504.27 |
| 529454 | ALBERT EINSTEIN | 3576.48 | 2579.65 | 169,090.50 | 258,029.38 |
| 720039 | ALIQUIPPA | 2531.76 | 2087.07 | 2,770.90 | 232.81 |
| 532576 | ALLEGHENY GENERAL | 3129.64 | 2616.61 | 22,645.38 | 76,139.28 |
| 726088 | ALLEGHENY VALLEY | 1976.24 | 1600.07 | 6,222.80 | 784.73 |
| 550340 | ALLENTOWN HOSP ASSN | 2227.23 | 1667.51 | 3,281.88 | 16,238.65 |
| 714096 | ALLENTOWN OSTEO HOSP | 2257.20 | 1680.39 | 965.53 | 4,408.20 |
| 545073 | ALTOONA | 1950.42 | 1521.64 | 7,454.67 | 22,733.32 |
| 770200 | AMERICAN ONCOLOGICAL | 4513.17 | 3116.75 | 418.08 | 242.38 |
| 575690 | ANDREW KAUL | 1772.51 | 1266.69 | 813.75 | NONE |
| 713070 | ARMSTRONG COUNTY MEMORIAL | 1630.00 | 1356.71 | 799.53 | NONE |
| 724969 | ASHLAND STATE GENERAL HOS | 2456.72 | 1488.57 | 605.30 | NONE |
| 527585 | BARNES KASSON | 2089.69 | 1232.59 | 296.10 | NONE |
| 576848 | BERWICK | 1758.39 | 1401.83 | 543.03 | NONE |
| 719047 | BLOOMSBURG | 2131.22 | 1607.11 | 203.15 | NONE |
| 1221839 | BRADDOCK MEDICAL CENTER | 2311.56 | 2005.69 | 1,319.50 | NONE |
| 720075 | BRADFORD | 1816.87 | 1241.73 | 1,174.02 | NONE |
| 718881 | BRANDYWINE HOSPITAL | 2461.70 | 1706.22 | 8,116.20 | 8,549.46 |
| 713983 | BROOKVILLE | 1772.51 | 1601.85 | 1,421.63 | NONE |
| 762351 | BROWNSVILLE | 1872.89 | 2083.57 | 386.92 | NONE |
| 557261 | BRYN MAWR | 4670.76 | 2698.76 | 707.88 | 8,775.71 |
| 726060 | BUCKTAIL MEDICAL CENTER | 1630.00 | 1068.64 | 136.53 | NONE |
| 730474 | BUTLER COUNTY MEMORIAL | 2206.07 | 1310.76 | 4,241.38 | NONE |
| 714102 | CANONSBURG GENERAL | 2043.95 | 2373.81 | 1,612.77 | NONE |
| 713025 | CARBONDALE GENERAL | 2796.35 | 1897.77 | 306.30 | NONE |
| 720020 | CARLISLE HOSPITAL | 2288.53 | 1606.78 | 853.78 | 77.51 |
| 584732 | CENTRAL MEDICAL | 2772.01 | 2053.48 | 5,106.80 | 2,150.04 |
| 714149 | CENTRE COMMUNITY | 1921.20 | 1447.39 | 697.30 | 264.50 |
| 713277 | CHAMBERSBURG HOSPITAL | 1772.51 | 1392.53 | 1,628.17 | NONE |
| 548843 | CHARLES COLE MEMORIAL | 1711.09 | 1251.76 | 2,095.98 | NONE |
| 530769 | CHESTER COUNTY | 2362.24 | 1584.74 | 1,275.55 | 10,407.45 |
| 731060 | CHESTNUT HILL | 2550.18 | 1782.69 | 1,514.46 | 5,828.78 |
| 533312 | CHILDRENS HOSPITAL-PGH | 3508.51 | 2480.46 | 115,781.83 | 83,395.40 |
| 528152 | CHILDRENS HOSPITAL-PHIL | 4656.02 | 2757.22 | 8,368.29 | 183,462.12 |
| 714185 | CITIZENS GENERAL | 2195.20 | 1660.86 | 5,657.88 | 7,598.67 |
| 730518 | CLARION OSTEOPATHIC | 1772.51 | 1481.99 | 5,183.97 | 1,772.87 |
| 575724 | CLEARFIELD | 1630.00 | 1342.36 | 1,090.55 | 517.54 |
| 769165 | COALDALE STATE GENERAL HO | 2438.73 | 1323.68 | 572.13 | NONE |
| 746189 | COLUMBIA | 1933.34 | 1436.18 | 215.00 | NONE |
| 714167 | COMMUNITY GENERAL OSTEOPA | 2389.87 | 1774.93 | 312.45 | 2,784.74 |
| 527600 | COMMUNITY GENERAL-READING | 1933.34 | 1585.93 | 3,080.50 | 211.20 |
| 713482 | COMMJNITY HOSP OF LANCAST | 2089.69 | 1527.56 | 2,064.93 | 6,450.58 |
| 713007 | COMMUNITY HOSPITAL-KANE | 1772.51 | 1455.92 | 436.53 | NONE |
| 750593 | COMMUNITY MEDICAL CENTER | 2394.37 | 1482.14 | 7,108.25 | 13,330.73 |
| 556980 | CONEMAUGH VALLEY | 2319.85 | 1708.59 | 3,700.73 | 40,008.79 |
| 762315 | CORRY MEMORIAL | 1705.40 | 1355.39 | 123.18 | NONE |
| 550180 | CROZER CHESTER | 3232.39 | 2241.83 | 6,128.72 | 30,695.47 |
| 746320 | DELAWARE COUNTY | 2435.10 | 1767.24 | 2,834.23 | 4,634.17 |
| 726159 | DELAWARE VALLEY | 3603.55 | 2275.67 | 5,505.63 | 4,439.75 |
| 713526 | DIVINE PROVIDENCE-PGH | 2504.68 | 2226.97 | 6,030.50 | NONE |
| 555857 | DIVINE PROVIDENCE-WMSPT | 2321.92 | 1637.96 | 959.53 | 0.00 |
| 713491 | DOYLESTOWN | 2369.10 | 2261.62 | 341.79 | 61.66 |
| 994230 | DUBOIS REGIONAL MED CTR | 2197.21 | 1280.00 | 4,594.43 | NONE |
| 531425 | EASTON HOSPITAL | 2421.57 | 1772.31 | 1,750.20 | 7,672.09 |
| 730957 | ELK COUNTY GENERAL | 1696.67 | 1210.55 | 350.97 | NONE |
| 746142 | ELLWOOD CITY | 1844.50 | 1421.01 | 319.25 | NONE |
| 714111 | EPHRATA COMMUNITY | 1799.35 | 1873.91 | 195.50 | NONE |
| 717875 | EPISCOPAL | 3129.64 | 2070.76 | 4,291.06 | 134,764.28 |
| 730438 | EVANGELICAL COMMUNITY | 1772.51 | 1391.04 | 496.67 | NONE |
| 940847 | FORBES METRO HEALTH CNTR | 2781.43 | 2112.28 | 15,008.72 | 4,418.71 |
| 911540 | FORBES REG. HEALTH CNTR | 2456.32 | 1631.23 | 5,775.00 | 10,370.93 |
| 732049 | FRANKFORD | 2426.07 | 2060.03 | 5,399.38 | 46,273.60 |
| 909220 | FRANKLIN REG MED CTR | 2089.69 | 1484.17 | 2,710.41 | 301.49 |
| 714176 | FULTON COUNTY MEDICAL CEN | 1630.00 | 1248.36 | 429.40 | NONE |

PAYMENT RATE FOR FY 1990-91 WITHOUT CAPITAL, EFFICIENT COST/CASE,
MONTHLY CAPITAL PASS THROUGH PAYMENTS AND MONTHLY EDUCATION PAYMENTS

| MA ID | HOSPITAL NAME | PAYMENT RATE W/O CAP ADD-ON FY 1990-91 | EFFICIENT COST/CASE | MONTHLY CAPITAL PASS-THRU PAYMENTS 90-91 | MONTHLY MEDICAL EDUCATION PAYMENTS 90-91 |
|---|---|---|---|---|---|
| 529955 | GEISINGER MEDICAL CENTER | 3129.64 | 2685.66 | 12,398.40 | 80,029.17 |
| 787261 | GEISINGER WYOMING VALLEY | 2149.35 | 1612.29 | 7,183.21 | 0.00 |
| 576795 | GERMANTOWN | 3129.64 | 2081.35 | 7,514.41 | 32,579.89 |
| 858630 | GETTYSBURG HOSPITAL | 2089.69 | 1523.25 | 393.60 | NONE |
| 554528 | GNADEN HUETTEN | 1772.51 | 1486.58 | 1,587.65 | NONE |
| 713339 | GOOD SAMARITAN-LEBANON | 2089.69 | 2096.89 | 601.80 | NONE |
| 549770 | GOOD SAMARITAN-POTTSVILLE | 1666.56 | 1292.39 | 2,348.75 | NONE |
| 608469 | GRADUATE HOSPITAL | 4135.97 | 4182.54 | 9,893.51 | 21,843.28 |
| 714701 | GRANDVIEW | 2183.22 | 1777.79 | 2,413.98 | NONE |
| 575715 | GREENE COUNTY MEMORIAL | 1842.47 | 1369.92 | 1,786.40 | NONE |
| 552532 | GREENVILLE | 1933.34 | 1463.28 | 1,356.80 | NONE |
| 535531 | HAHNEMANN HOSPITAL | 3694.89 | 2746.52 | 21,310.88 | 165,414.24 |
| 552111 | HAMOT MEDICAL CENTER | 2319.85 | 1818.19 | 7,896.50 | 13,141.19 |
| 746250 | HANOVER GENERAL | 1933.34 | 1527.65 | 1,426.00 | NONE |
| 556157 | HARRISBURG | 2423.93 | 1878.11 | 9,491.50 | 20,639.01 |
| 731005 | HAVERFORD | 2702.94 | 1877.05 | 817.89 | NONE |
| 1058515 | HAZLETON GENERAL HOSPITAL | 3149.69 | 2233.21 | 450.05 | NONE |
| 551802 | HENRY CLAY FRICK | 1941.37 | 1518.93 | 2,191.83 | NONE |
| 1017782 | HIGHLAND HEALTH CENTER | 1992.60 | 1713.85 | 158.20 | NONE |
| 758804 | HOLY REDEEMER | 2243.91 | 2586.48 | 713.10 | NONE |
| 550430 | HOLY SPIRIT | 1881.83 | 1939.42 | 1,383.02 | 91.37 |
| 1040495 | HOSP HOME FOR JEWISH AGED | 2319.85 | 2628.83 | 41.23 | 75.57 |
| 550959 | HOSP-MEDICAL COL OF PA | 3754.01 | 3030.45 | 12,101.60 | 190,213.77 |
| 1062394 | HOSP-PHILA COLLEGE OF OST | 4461.73 | 3607.45 | 1,406.52 | 55,108.93 |
| 1206162 | HPCOM-PARKVIEW | 2650.16 | 1771.47 | 8,191.50 | 35,817.50 |
| 762389 | HYMAN S CAPLAN PAVLN | 1933.34 | 1321.66 | 649.25 | NONE |
| 713965 | INDIANA HOSPITAL | 1772.51 | 1349.19 | 2,257.53 | NONE |
| 575680 | J C BLAIR | 1778.56 | 1315.69 | 4,534.18 | NONE |
| 724646 | J F KENNEDY MEMORIAL | 3129.64 | 2358.80 | 791.85 | NONE |
| 730634 | JAMESON MEMORIAL | 1884.06 | 1365.15 | 4,938.20 | 12,321.50 |
| 782318 | JEANES HOSPITAL | 2608.12 | 1895.01 | 328.60 | 229.31 |
| 732002 | JEANNETTE DIST MEMORIAL | 2343.41 | 1600.39 | 614.59 | NONE |
| 969550 | JEFFERSON HEALTH SERV | 2294.01 | 2190.64 | 4,589.63 | NONE |
| 792440 | JEFFERSON PARK | 3653.00 | 2565.68 | 1,102.89 | 3,378.65 |
| 713357 | JERSEY SHORE HOSPITAL | 1772.51 | 1259.47 | 179.65 | NONE |
| 764759 | KENSINGTON | 2319.85 | 1630.61 | 2,889.76 | 632.94 |
| 537062 | LANCASTER GENERAL | 2089.69 | 1849.77 | 1,395.04 | 10,796.56 |
| 713992 | LANKENAU | 2911.54 | 2484.53 | 1,683.69 | 9,138.26 |
| 551188 | LATROBE AREA | 2053.25 | 1739.32 | 1,876.68 | 9,612.85 |
| 849696 | LAWNDALE | 2872.68 | 2217.77 | 588.68 | 101.46 |
| 730797 | LEE HOSPITAL | 2178.63 | 1353.23 | 1,457.68 | 446.70 |
| 906934 | LEHIGH VALLEY | 3575.52 | 3099.36 | 1,766.82 | 6,000.58 |
| 720048 | LEWISTOWN | 1821.40 | 1438.41 | 3,491.80 | NONE |
| 528410 | LOCK HAVEN | 1630.00 | 1313.99 | 1,665.10 | 379.73 |
| 713052 | LOWER BUCKS | 2431.11 | 1581.53 | 1,264.75 | 1,064.51 |
| 535907 | MAGEE WOMENS | 2668.75 | 1412.62 | 83,696.42 | 67,735.59 |
| 722964 | MCKEESPORT | 2646.63 | 1953.48 | 6,227.63 | 35,147.29 |
| 1026066 | MEADVILLE | 2016.29 | 1358.63 | 2,005.05 | NONE |
| 738196 | MEDICAL CTR BEAVER PA, IN | 2261.67 | 1568.30 | 12,715.63 | 22,028.67 |
| 713393 | MEMORIAL HOSPITAL-TOWANDA | 1772.51 | 1305.61 | 1,045.08 | NONE |
| 713517 | MEMORIAL OF BEDFORD | 1658.05 | 1331.92 | 891.10 | NONE |
| 712770 | MEMORIAL OSTEOPATHIC-YORK | 2227.23 | 1688.16 | 938.63 | 6,024.48 |
| 612766 | MERCY CATHOLIC-FITZGERALD | 2951.63 | 2010.09 | 5,282.20 | 20,399.19 |
| 762333 | MERCY CATHOLIC-MISERICORD | 3848.34 | 2541.68 | 1,937.16 | 52,206.90 |
| 714087 | MERCY HOSPITAL-ALTOONA | 1839.87 | 1445.50 | 3,257.67 | 383.42 |
| 720066 | MERCY HOSPITAL-JOHNSTOWN | 2029.32 | 1556.96 | 2,812.10 | NONE |
| 531677 | MERCY HOSPITAL-PGH | 3129.64 | 2365.73 | 7,528.52 | 116,162.97 |
| 726195 | MERCY HOSPITAL-SCRANTON | 2504.74 | 1930.79 | 6,433.92 | 3,652.89 |
| 713061 | MERCY HOSPITAL-WILKES-BAR | 2517.42 | 2009.02 | 1,726.18 | NONE |
| 1220733 | MERCY HOSP-NANTICOKE | 2810.89 | 1837.90 | 187.50 | NONE |
| 726284 | METHODIST HOSPITAL | 2698.72 | 1955.76 | 4,248.82 | 11,273.94 |
| 966342 | METRO HEALTH CENTER | 2307.20 | 1738.21 | 3,799.95 | 4,770.36 |
| 726140 | METROPOLITAN-CENTRAL | 4170.21 | 3578.19 | 3,372.27 | 27,115.76 |
| 726112 | MEYERSDALE | 1772.51 | 1497.20 | 228.23 | NONE |

PAYMENT RATE FOR FY 1990-91 WITHOUT CAPITAL, EFFICIENT COST/CASE,
MONTHLY CAPITAL PASS THROUGH PAYMENTS AND MONTHLY EDUCATION PAYMENTS

| MA ID | HOSPITAL NAME | PAYMENT RATE W/O CAP ADD-ON FY 1990-91 | EFFICIENT COST/CASE | MONTHLY CAPITAL PASS-THRU PAYMENTS 90-91 | MONTHLY MEDICAL EDUCATION PAYMENTS 90-91 |
|---|---|---|---|---|---|
| 713544 | MID VALLEY | 2495.55 | 1883.42 | 232.17 | NONE |
| 746269 | MILLCREEK COMMUNITY | 1772.51 | 1650.93 | 1,921.63 | 3,009.66 |
| 528760 | MILTON HERSHEY | 3308.20 | 3844.23 | 2,742.95 | 74,769.54 |
| 758519 | MINERS HOSPITAL | 2450.64 | 1350.01 | 291.58 | NONE |
| 730741 | MONONGAHELA VALLEY | 1969.51 | 1901.50 | 4,061.27 | NONE |
| 557771 | MONSOUR | 2470.80 | 1869.65 | 5,310.15 | 12,394.49 |
| 534463 | MONTEFIORE | 3444.62 | 3281.17 | 8,013.00 | 55,803.07 |
| 758608 | MONTGOMERY | 2984.55 | 2027.90 | 3,515.77 | 6,059.62 |
| 714040 | MONTROSE GENERAL | 2089.69 | 1256.07 | 70.33 | NONE |
| 1120774 | MT. SINAI HOSPITAL | 2476.76 ** | | 1,656.87 | 0.00 |
| 719996 | MOSES TAYLOR | 2771.77 | 2422.21 | 1,089.20 | 1,219.78 |
| 544700 | MUHLENBERG | 2089.69 | 2430.64 | 1,009.38 | 0.00 |
| 575330 | MUNCY VALLEY | 1641.15 | 1412.63 | 111.63 | NONE |
| 714022 | NASON HOSPITAL | 2019.73 | 1623.86 | 596.20 | NONE |
| 726248 | NAZARETH | 2919.22 | 2324.68 | 949.97 | 599.89 |
| 730545 | NESBITT MEMORIAL | 1784.68 | 1199.73 | 3,324.45 | 4,866.66 |
| 1149549 | NEUMANN MEDICAL CENTER | 3129.64 | 1633.33 | 6,126.15 | 415.15 |
| 713016 | NORTH HILLS PASSAV | 2189.21 | 2227.52 | 449.45 | NONE |
| 712841 | NORTH PENN | 2630.75 | 1931.23 | 443.75 | NONE |
| 717893 | NORTHEASTERN | 2377.98 | 1814.20 | 3,400.23 | 34,205.95 |
| 1210610 | NPHS | 3153.26 ** | | 21,083.63 | 55,615.64 |
| 730821 | OHIO VALLEY | 1933.34 | 1574.53 | 3,037.00 | 5,945.62 |
| 733681 | OIL CITY | 2412.86 | 1214.90 | 2,641.63 | NONE |
| 758027 | PALMERTON | 1821.03 | 1267.81 | 287.90 | NONE |
| 545046 | PAOLI MEMORIAL | 3277.20 | 1822.53 | 1,085.43 | NONE |
| 533386 | PENNSYLVANIA HOSPITAL | 3129.64 | 2171.68 | 52,170.75 | 35,770.46 |
| 730302 | PHILIPSBURG STATE GENERAL | 2325.37 | 1524.05 | 854.25 | 1,800.30 |
| 713571 | PHOENIXVILLE | 1933.34 | 1733.99 | 1,903.40 | NONE |
| 724673 | POCONO HOSPITAL | 2308.99 | 1747.54 | 719.43 | NONE |
| 714194 | PODIATRY HOSPITAL | 3583.44 | 1077.28 | 148.73 | 559.82 |
| 583225 | POLYCLINIC MED CTR | 2319.85 | 1737.41 | 1,526.98 | 17,123.28 |
| 714031 | POTTSTOWN MEMORIAL | 2404.88 | 1721.02 | 2,552.03 | NONE |
| 550402 | POTTSVILLE HOSPITAL | 2142.39 | 1412.85 | 474.71 | 3,134.90 |
| 704492 | PRESBYT MED CTR OF PHILA | 3647.96 | 4801.73 | 12,362.85 | 32,404.92 |
| 730410 | PRESBYT UNIV HOSPITAL | 4535.09 | 4077.53 | 71,789.17 | 70,709.30 |
| 720057 | PUNXSUTAWNEY | 1630.00 | 1445.59 | 834.65 | NONE |
| 730376 | QUAKERTOWN | 2457.19 | 2331.06 | 829.70 | NONE |
| 557216 | READING HOSPITAL | 2227.23 | 1860.97 | 1,594.30 | 16,263.42 |
| 746115 | RIDDLE MEMORIAL | 1979.26 | 2298.12 | 778.40 | NONE |
| 697861 | ROBERT PACKER | 2227.23 | 1798.34 | 6,379.95 | 11,504.97 |
| 714078 | ROLLING HILL | 2319.85 | 2064.22 | 2,617.14 | 1,749.17 |
| 575742 | ROXBOROUGH MEMORIAL | 3249.43 | 2199.05 | 981.71 | 4,818.70 |
| 528466 | SACRED HEART-ALLENTOWN | 2154.43 | 1697.11 | 4,138.85 | 4,575.03 |
| 538785 | SACRED HEART-CHESTER | 2303.02 | 1592.87 | 6,768.16 | 463.50 |
| 713400 | SACRED HEART-NORRISTOWN | 2319.85 | 1868.15 | 2,963.11 | 1,694.40 |
| 545270 | SEWICKLEY | 2089.69 | 1434.49 | 2,213.71 | 8,333.94 |
| 539808 | SHADYSIDE | 3129.64 | 2534.59 | 1,427.52 | 31,506.84 |
| 746296 | SHAMOKIN STATE GENERAL | 2319.85 | 2043.68 | 139.90 | NONE |
| 549045 | SHARON | 1897.12 | 1240.55 | 2,468.30 | 8,350.91 |
| 714158 | SHENANGO VALLEY | 2048.02 | 1727.93 | 2,918.30 | 2,551.98 |
| 726239 | SOLDIERS AND SAILORS | 1772.51 | 1307.42 | 639.23 | NONE |
| 730483 | SOMERSET COMMUNITY | 1881.54 | 1329.81 | 340.90 | NONE |
| 730910 | SOUTH SIDE | 2537.52 | 2195.08 | 6,947.83 | NONE |
| 762370 | SOUTHERN CHESTER | 2504.38 | 2243.48 | 1,479.75 | NONE |
| 1213176 | SPRINGFIELD | 3129.64 | 2624.23 | 3,125.00 | 416.67 |
| 719969 | ST AGNES | 3216.22 | 3950.97 | 4,726.57 | 10,590.48 |
| 531031 | ST CHRISTOPHERS | 3604.08 | 2752.58 | 18,631.96 | 125,758.06 |
| 584026 | ST CLAIR MEMORIAL | 2357.96 | 2175.99 | 1,173.00 | NONE |
| 746278 | ST FRANCIS-NEW CASTLE | 1969.39 | 1756.75 | 2,853.26 | 5,457.71 |
| 533297 | ST FRANCIS-PITTSBURGH | 3129.64 | 2208.89 | 3,607.78 | 34,528.18 |
| 975842 | ST JOSEPH MED CTR | 1670.49 | 1400.85 | 1,356.25 | NONE |
| 549644 | ST JOSEPH-CARBONDALE | 1772.51 | 1291.67 | 2,230.03 | NONE |
| 530099 | ST JOSEPH-LANCASTER | 1933.34 | 1525.64 | 1,159.75 | 3,689.68 |
| 533081 | ST JOSEPH-READING | 2278.32 | 1505.15 | 1,829.57 | 7,517.78 |

PAYMENT RATE FOR FY 1990-91 WITHOUT CAPITAL, EFFICIENT COST/CASE,
MONTHLY CAPITAL PASS THROUGH PAYMENTS AND MONTHLY EDUCATION PAYMENTS

| MA ID | HOSPITAL NAME | PAYMENT RATE W/O CAP ADD-ON FY 1990-91 | EFFICIENT COST/CASE | MONTHLY CAPITAL PASS-THRU PAYMENTS 90-91 | MONTHLY MEDICAL EDUCATION PAYMENTS 90-91 |
|---|---|---|---|---|---|
| 584572 | ST LUKES OF BETHLEHEM | 2262.60 | 1751.14 | 4,438.97 | 18,325.41 |
| 758368 | ST MARGARET-PGH | 2549.57 | 2439.55 | 1,855.23 | 10,020.13 |
| 730400 | ST MARY-LANGHORNE | 2730.95 | 1961.94 | 1,211.13 | NONE |
| 544880 | ST VINCENT | 2608.11 | 1542.12 | 4,801.19 | 23,074.91 |
| 538186 | SUBURBAN GENERAL-NORRISTO | 3001.88 | 2071.23 | 1,889.25 | 8,360.52 |
| 720010 | SUBURBAN GENERAL-PGH | 2227.23 | 2004.91 | 408.53 | NONE |
| 713043 | SUNBURY COMMUNITY | 2089.69 | 1386.95 | 293.08 | NONE |
| 714130 | TAYLOR HOSPITAL | 2436.48 | 2241.63 | 401.65 | 222.72 |
| 733609 | TEMPLE | 3696.51 | 2706.05 | 265,725.92 | 321,473.82 |
| 537213 | THOMAS JEFFERSON | 3721.95 | 2700.30 | 29,939.37 | 213,370.43 |
| 713606 | TITUSVILLE | 2022.36 | 1358.02 | 965.72 | NONE |
| 758448 | TROY COMMUNITY | 2216.29 | 1697.18 | 110.80 | NONE |
| 720084 | TYLER MEMORIAL | 1933.34 | 1442.48 | 1,377.38 | NONE |
| 714050 | TYRONE HOSP | 1630.00 | 1540.42 | 682.78 | NONE |
| 730840 | UNION CITY | 1630.00 | 1372.40 | 281.13 | NONE |
| 575279 | UNIONTOWN | 1942.44 | 1503.28 | 831.22 | 10,949.04 |
| 725966 | UNITED COMMUNITY | 1948.90 | 1323.90 | 4,890.20 | NONE |
| 733921 | UNIV OF PENNA | 4188.82 | 2707.09 | 79,675.58 | 184,429.54 |
| 659412 | VALLEY FORGE | 1933.34 | 1639.81 | 20.13 | NONE |
| 760698 | WARMINSTER | 2985.44 | 2151.94 | 2,007.13 | 49.07 |
| 557234 | WARREN GENERAL | 1991.49 | 1351.15 | 989.88 | NONE |
| 714013 | WASHINGTON | 2339.48 | 1613.45 | 1,276.10 | 29,997.24 |
| 697084 | WAYNE COUNTY MEMORIAL | 2152.60 | 1313.28 | 1,648.32 | NONE |
| 712986 | WAYNESBORO | 1933.34 | 1509.45 | 325.70 | NONE |
| 539684 | WESTERN PENN | 3129.64 | 2596.28 | 8,782.85 | 84,286.58 |
| 533410 | WESTMORELAND | 2595.68 | 1687.68 | 3,358.90 | 227.64 |
| 730670 | WILKES-BARRE GEN HOSP | 2664.02 | 1752.93 | 4,386.58 | 3,464.61 |
| 532128 | WILLIAMSPORT | 2264.81 | 1459.61 | 2,058.48 | 5,418.32 |
| 576810 | WILLS EYE HOSPITAL | 2319.85 | 1680.85 | 1,309.18 | 1,328.64 |
| 713651 | WINDBER | 1933.34 | 1566.80 | 352.33 | NONE |
| 544666 | YORK HOSPITAL | 2351.85 | 1653.76 | 2,797.65 | 28,616.82 |
| | | | | $1,507,820.03 | $3,695,284.56 |

* RATE DOES NOT INCLUDE THE CAPITAL ADD-ON PERCENTAGE OF 4.97% FOR FY 1990-91
** EFFICIENT COST/CASE IS NOT DEVELOPED

APPENDIX B

## USE OF THE DRI HCFA-TYPE HOSPITAL INDEX

The Department is cognizant of the fact that in order to maintain a fair an equitable payment system, regular adjustments to rates must be made to account for changing economic conditions. In order to provide an accurate gauge of these changing economic conditions, the Department has utilized data provided by DRI/McGraw-Hill, a division of Standard and Poors Corporation, since the beginning of its DRG prospective payment system. Various DRI Health Care Cost Indexes are widely considered to be the most authoritative and unbiased information available on health care cost inflation.

Each calendar quarter, DRI/McGraw-Hill issues an updated national forecast of hospital costs. The HCFA-type hospital market basket index measures the change in price of a fixed quantity of inputs (goods and services) purchased by a typical hospital. This index is used by the Health Care Financing Administration in its calculation of rates for the federally operated Medicare program. The index has been carefully designed to reflect, with appropriate weighting, all of the major factors which drive the cost of operating hospitals. Nearly two-thirds of this index is derived from information regarding wages, salaries, and employee benefits. This reflects the overwhelming importance of labor costs to the operation of hospitals.

APPENDIX C

## ACCESS TO CARE

One of the primary objectives of the Pennsylvania Medical Assistance Program and of Medicaid programs throughout the country, is to provide necessary services to society's most vulnerable citizens. To this end, the Commonwealth of Pennsylvania provides services to its medical assistance recipients far in excess of minimum federal requirements. In many cases, these services are provided with 100 percent state funds to individuals who do not meet the minimum eligibility requirements specified in Title XIX of the Social Security Act. In order to assure the continued access of medical assistance recipients to quality care on a statewide and geographic basis, the Department has taken several steps to monitor the availability of services. Each hospital participating in the Medical Assistance Program has signed a provider agreement with the Department stating that it will not discriminate against medical assistance patients in the offering of various treatments and services, based upon the source of payment. Recipients who feel that they have not been properly treated or that they have been discriminated against as a result of being in the Medical Assistance Program are encouraged to make their complaints known to the Department. This can readily be done through any of the county assistance offices, letters, or by calling a toll-free recipient hotline staffed by Department employees. The Department has not found any discrimination or refusal to provide services to medical assistance patients in Pennsylvania hospitals due to medical assistance prospective payment rates.

Since the attached state plan amendment provides for significant increases in inpatient hospital rates, the Department does not find any reason to anticipate that the availability of services on a statewide and geographic basis will be impaired as a result of changes proposed to the prospective payment system.

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF PUBLIC WELFARE
DIVISION OF INPATIENT PROGRAMS

FILE NOTE

SUBJECT: Computation of Over-Reporting Ratio for Fiscal year 1984-85

Date: October 31, 1990

In order to establish the over-reporting ratio for Fiscal Year 1984-85, we first needed to determine the certified (audited) per diems and reported per diems for as many Provider Type 11's as we had information for. If we had only certified data, or if we had only reported data, but we did not have both, we did not use that provider in the computations. We used a total provider base of 175 providers to arrive at a figure of 1.77% over-reporting ratio. (A minus figure represented over-reporting while a positive figure would have represented under-reporting).

To determine the certified per diems for each provider, we used the figures for medical assistance days and costs as noted on each provider's audit report as certified by the Office of the Auditor General for Fiscal Year 1984-85. We divided the medical assistance costs by the medical assistance days to establish the certified per diem costs for each provider. We used as much certified information as was available up to September 18, 1990, for FY 1984-85. In most instances, except where noted, the reported days and costs information came from a spreadsheet formulated, by the Auditor General's Office. Their data came from the providers' submitted cost reports. When that information was not available, we used the data as reported by each provider on its Provider Data Sheet. To determine the reported per diems, we divided the reported medical assistance costs by the reported medical assistance days (also as reported on the Provider Data Sheet).

The overall certified per diem for all providers was computed by dividing the total certified medical assistance costs for all providers by the total certified medical assistance days for all providers. The overall reported per diem for all providers was computed by dividing the total reported medical assistance costs for all providers by the total reported medical assistance days for all providers.

The over-reporting ratio for each provider was established by subtracting the reported per diem from the certified per diem and dividing the remainder by the certified per diem. The final overall over-reporting ratio was determined by subtracting the overall reported per diem from the overall certified per diem and dividing the remainder by the overall certified per diem.

84-85 FISCAL YEAR PROVIDER TYPE 11s

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- = Over-reported

As of September 18, 1990

| | CNTY | PROVIDER NAME | PROV # | CERTIFIED M.A. DAYS | CERTIFIED M.A. COSTS | CERTIFIED PER DIEM M.A. | REPORTED M.A. DAYS | REPORTED M.A. COSTS | REPORTED PER DIEM M.A. | RATIO (PERCENT DIFFERENCE) |
|---|---|---|---|---|---|---|---|---|---|---|
| 1 | 46 | ABINGTON MEMORIAL | 0536996 | 4,939.0 | $2,056,986 | $416.48 | 6,432.0 | $3,348,624 | $520.62 | -25.01% |
| 2 | 51 | ALBERT EINSTEIN | 0529454 | | | ERR | | | ERR | ERR |
| 3 | 04 | ALIQUIPPA | 0720039 | 3,805.5 | $1,272,069 | $334.27 | 4,,080.0 | $1,406,415 | $344.71* | -3.12% |
| 4 | 02 | ALLEGHENY GENERAL | 0532576 | 20,072.0 | $10,120,499 | $504.21 | 21,420.0 | $11,028,700 | $514.88 | -2.12% |
| 5 | 02 | ALLEGHENY VALLEY | 0726088 | 5,791.0 | $1,932,233 | $333.66 | 5,738.0 | $1,919,660 | $334.55* | -0.27% |
| 6 | 39 | ALLENTOWN HOSP ASSN | 0550340 | 4,618.0 | $1,824,597 | $395.11 | 5,852.0 | $2,285,365 | $390.53 | 1.16% |
| 7 | 39 | ALLENTOWN OSTEO HOSP | 0714096 | 3,040.0 | $1,014,699 | $333.78 | 2,957.0 | $1,079,791 | $365.16 | -9.40% |
| 8 | 07 | ALTOONA | 0545073 | 8,588.0 | $3,289,961 | $383.09 | 9,370.0 | $3,352,520 | $357.79 | 6.60% |
| 9 | 51 | AMERICAN ONCOLOGICAL | 0770200 | 409.0 | $295,694 | $722.97 | 595.0 | $458,457 | $770.52 | -6.58% |
| 10 | 24 | ANDREW KAUL | 0575690 | 1,172.0 | $380,849 | $324.96 | 1,187.0 | $412,963 | $347.90 | -7.06% |
| 11 | 03 | ARMSTRONG CNTY MEM | 0713070 | 4,962.0 | $1,411,570 | $284.48 | 4,067.0 | $1,396,883 | $343.47* | -20.74% |
| 12 | 54 | ASHLAND ST GEN | 0724969 | 1,860.0 | $636,497 | $342.20 | 2,081.0 | $891,345 | $428.33 | -25.17% |
| 13 | 58 | BARNES KASSON | 0527585 | 1,092.0 | $270,505 | $247.72 | 929.0 | $233,338 | $251.17 | -1.40% |
| 14 | 19 | BERWICK | 0576848 | 2,416.5 | $712,894 | $295.01 | 2,501.0 | $755,265 | $301.99 | -2.36% |
| 15 | 19 | BLOOMSBURG | 0719047 | 1,131.0 | $348,821 | $308.42 | 1,031.0 | $320,844 | $311.20 | -0.90% |
| 16 | 51 | BOOTH MATERNITY | 0764730 | 1,360.0 | $471,720 | $346.85 | 1,459.0 | $464,275 | $318.21 | 8.26% |
| 17 | 02 | BRADDOCK GENERAL | 0539657 | | | ERR | | | ERR | ERR |
| 18 | 42 | BRADFORD | 0720075 | 3,829.0 | $952,437 | $248.74 | 3,839.0 | $892,606 | $232.51 | 6.53% |
| 19 | 15 | BRANDYWINE HOSPITAL | 0718881 | | | ERR | | | ERR | ERR |
| 20 | 51 | BROAD STREET (SOUTH) | 0766619 | | | ERR | | | ERR | ERR |
| 21 | 33 | BROOKVILLE | 0713983 | 744.0 | $261,001 | $350.81 | 841.0 | $299,310 | $355.90 | -1.45% |
| 22 | 26 | BROWNSVILLE | 0762351 | 1,760.0 | $613,482 | $348.57 | 1,879.0 | $692,217 | $368.40 | -5.69% |
| 23 | 46 | BRYN MAWR | 0557261 | | | ERR | | | ERR | ERR |
| 24 | 18 | BUCKTAIL MED CNTR | 0726060 | 263.0 | $78,585 | $298.80 | 264.0 | $78,295 | $296.57 | 0.75% |
| 25 | 10 | BUTLER CNTY MEM | 0730474 | 4,609.0 | $1,481,866 | $321.52 | 4,828.0 | $1,572,536 | $325.71 | -1.31% |
| 26 | 63 | CANONSBURG GENERAL | 0714102 | | | ERR | | | ERR | ERR |
| 27 | 35 | CARBONDALE GENERAL | 0713025 | 798.0 | $267,598 | $335.34 | 675.0 | $201,023 | $297.81 | 11.19% |
| 28 | 21 | CARLISLE HOSPITAL | 0720020 | 1,910.0 | $608,254 | $318.46 | 2,967.0 | $916,209 | $308.80 | 3.03% |

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| | CNTY | PROVIDER NAME | PROV # | CERTIFIED M.A. DAYS | CERTIFIED M.A. COSTS | CERTIFIED PER DIEM M.A. | REPORTED M.A. DAYS | REPORTED M.A. COSTS | REPORTED PER DIEM M.A. | RATIO (PERCENT DIFFERENCE) |
|---|---|---|---|---|---|---|---|---|---|---|
| 29 | 02 | CENTRAL MEDICAL | 0584732 | 3,195.0 | $1,643,248 | $514.32 | 3,266.0 | $1,653,803 | $506.37 | 1.55% |
| 30 | 14 | CENTRE COMMUNITY | 0714149 | 2,183.0 | $717,844 | $328.83 | 1,893.0 | $749,424 | $395.89 | -20.39% |
| 31 | 28 | CHAMBERSBURG | 0713277 | | | ERR | | | ERR | ERR |
| 32 | 53 | CHARLES COLE | 0548843 | 2,225.0 | $729,558 | $327.89 | 2,163.0 | $740,180 | $342.20 | -4.36% |
| 33 | 15 | CHESTER COUNTY | 0530769 | | | ERR | | | ERR | ERR |
| 34 | 51 | CHESTNUT HILL | 0731060 | 3,231.0 | $1,174,633 | $363.55 | 3,156.0 | $1,223,506 | $387.68 | -6.64% |
| 35 | 02 | CHILDRENS HOSP-PGH | 0533312 | 13,571.0 | $9,011,547 | $664.03 | 13,920.0 | $9,336,087 | $670.70 | -1.00% |
| 36 | 51 | CHILDRENS HOSP-PHIL | 0528152 | 23,250.0 | $16,125,731 | $693.58 | 22,522.0 | $15,962,113 | $708.73 | -2.18% |
| 37 | 65 | CITIZENS GENERAL | 0714185 | 3,698.0 | $1,500,310 | $405.71 | 4,363.0 | $1,661,883 | $380.90 | 6.11% |
| 38 | 16 | CLARION OSTEOPATHIC | 0730518 | 2,416.0 | $781,409 | $323.43 | 2,721.0 | $934,834 | $343.56 | -6.22% |
| 39 | 17 | CLEARFIELD | 0575724 | 2,044.0 | $584,925 | $286.17 | 2,029.0 | $573,881 | $282.84* | 1.16% |
| 40 | 54 | COALDALE ST GEN | 0769165 | 676.0 | $230,347 | $340.75 | 1,005.0 | $412,107 | $410.06* | -20.34% |
| 41 | 36 | COLUMBIA | 0746189 | 809.0 | $229,677 | $283.90 | 711.0 | $199,315 | $280.33* | 1.26% |
| 42 | 22 | COMMUN GEN OSTEO | 0714167 | 2,243.0 | $883,763 | $394.01 | 2,428.0 | $927,933 | $382.18 | 3.00% |
| 43 | 06 | COMMUN GEN-READ | 0527600 | | | ERR | | | ERR | ERR |
| 44 | 42 | COMMUNITY-KANE | 0713007 | 467.0 | $174,781 | $374.26 | 548.0 | $208,693 | $380.83 | -1.75% |
| 45 | 35 | COMMUNITY MED CNTR | 0750593 | 7,787.0 | $3,539,099 | $454.49 | 10,214.0 | $4,170,155 | $408.28 | 10.17% |
| 46 | 11 | CONEMAUGH VALLEY | 0556980 | 9,496.0 | $3,940,875 | $415.00 | 9,598.0 | $4,049,164 | $421.88 | -1.66% |
| 47 | 26 | CONNELSVILLE ST GEN | 0730492 | | | ERR | | | ERR | ERR |
| 48 | 25 | CORRY MEMORIAL | 0762315 | 1,241.0 | $283,669 | $228.58 | 1,653.0 | $369,051 | $223.26 | 2.33% |
| 49 | 23 | CROZER CHESTER | 0550180 | | | ERR | | | ERR | ERR |
| 50 | 23 | DELAWARE COUNTY | 0746320 | | | ERR | | | ERR | ERR |
| 51 | 09 | DELAWARE VALLEY | 0726159 | 2,565.0 | $1,381,178 | $538.47 | 3,437.0 | $1,916,301 | $557.55 | -3.54% |
| 52 | 02 | DIVINE PROV-PGH | 0713526 | 3,943.0 | $1,250,767 | $317.21 | 3,990.0 | $1,262,572 | $316.43 | 0.25% |
| 53 | 41 | DIVINE PROV-WMSPT | 0555857 | | | ERR | | | ERR | ERR |
| 54 | 25 | DOCTORS OSTEOPATHIC | 0575751 Audit was completed under Metro Health | | | | | | ERR | ERR |
| 55 | 09 | DOYLESTOWN | 0713491 | 1,480.0 | $559,827 | $378.26 | 1,609.0 | $549,372 | $341.44* | 9.74% |
| 56 | 17 | DUBOIS | 0583216 | 2,352.0 | $798,071 | $339.32 | 2,047.0 | $693,746 | $338.91 | 0.12% |

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|---|---|---|---|---|---|---|---|---|---|---|
| 57 | 17 | DUBOIS REG MED CNTR | 0994230 | | | ERR | | | ERR | ERR |
| 58 | 48 | EASTON HOSPITAL | 0531425 | 4,816.0 | $1,619,601 | $336.30 | 4,376.0 | $1,658,063 | $378.90 | -12.67% |
| 59 | 24 | ELK COUNTY GENERAL | 0730957 | 817.0 | $231,494 | $283.35 | 789.0 | $340,159 | $431.13 | -52.16% |
| 60 | 37 | ELLWOOD CITY | 0746142 | 2,024.0 | $573,162 | $283.18 | 2,094.0 | $629,330 | $300.54 | -6.13% |
| 61 | 36 | EPHRATA COMMUNITY | 0714111 | 741.0 | $250,653 | $338.26 | 786.0 | $268,453 | $341.54 | -0.97% |
| 62 | 51 | EPISCOPAL | 0717875 | 24,315.0 | $12,436,722 | $511.48 | 24,491.0 | $12,347,386 | $504.16 | 1.43% |
| 63 | 60 | EVANGELICAL COMMUN | 0730438 | 1,966.0 | $441,585 | $224.61 | 1,871.0 | $440,713 | $235.55 | -4.87% |
| 64 | 02 | EYE AND EAR | 0732100 | 2,092.0 | $1,411,716 | $674.82 | 3,106.0 | $1,643,205 | $529.04* | 21.60% |
| 65 | 02 | FORBES MET HLTH CTR | 0940847 | 4,758.0 | $2,509,938 | $527.52 | 4,996.0 | $2,777,303 | $555.91 | -5.38% |
| 66 | 02 | FORBES REG HLTH CTR | 0911540 | 4,169.0 | $1,644,904 | $394.56 | 4,524.0 | $2,153,188 | $475.95 | -20.63% |
| 67 | 51 | FRANKFORD | 0732049 | 10,502.0 | $4,498,356 | $428.33 | 11,531.0 | $4,835,162 | $419.32 | 2.10% |
| 68 | 61 | FRANKLIN REG MED CTR | 0909220 | 3,900.0 | $1,458,075 | $373.87 | 3,894.0 | $1,706,478 | $438.23 | -17.22% |
| 69 | 29 | FULTON CTY MED CTR | 0714176 | | | ERR | | | ERR | ERR |
| 70 | 47 | GEISINGER MED CNTR | 0529955 | 16,989.5 | $8,043,514 | $473.44 | 18,323.0 | $9,547,474 | $521.07 | -10.06% |
| 71 | 51 | GERMANTOWN | 0576795 | 11,231.0 | $5,269,520 | $469.19 | 11,712.0 | $5,220,009 | $445.70* | 5.01% |
| 72 | 01 | GETTYSBURG HOSPITAL | 0858630 | 1,176.0 | $415,764 | $353.54 | 1,046.0 | $435,439 | $416.29 | -17.75% |
| 73 | 13 | GNADEN HUETTEN | 0554528 | 1,502.0 | $461,351 | $307.16 | 3,405.0 | $834,296 | $245.02 | 20.23% |
| 74 | 38 | GOOD SAMARITAN-LEB | 0713339 | 1,485.0 | $544,391 | $366.59 | 1,253.0 | $479,755 | $382.89 | -4.44% |
| 75 | 54 | GOOD SAMARITAN-POTT | 0549770 | 2,818.0 | $791,473 | $280.86 | 2,782.0 | $821,122 | $295.16 | -5.09% |
| 76 | 51 | GRADUATE HOSPITAL | 0608469 | | | ERR | | | ERR | ERR |
| 77 | 09 | GRANDVIEW | 0714701 | | | ERR | | | ERR | ERR |
| 78 | 30 | GREENE CNTY MEM | 0575715 | 2,392.0 | $861,775 | $360.27 | 2,453.0 | $909,538 | $370.79* | -2.92% |
| 79 | 43 | GREENVILLE | 0552532 | 4,614.0 | $1,573,386 | $341.00 | 4,757.0 | $1,716,682 | $360.87 | -5.83% |
| 80 | 51 | HAHNEMANN | 0535531 | | | ERR | | | ERR | ERR |
| 81 | 25 | HAMOT MED CNTR | 0552111 | 11,992.0 | $4,949,718 | $412.75 | 10,668.0 | $4,860,484 | $455.61 | -10.38% |
| 82 | 67 | HANOVER GENERAL | 0746250 | | | ERR | | | ERR | ERR |
| 83 | 22 | HARRISBURG | 0556157 | 9,664.0 | $4,090,643 | $423.29 | 8,306.0 | $3,482,634 | $419.29 | 0.94% |
| 84 | 23 | HAVERFORD | 0731005 | 387.0 | $178,126 | $460.27 | 446.0 | $199,014 | $446.22 | 3.05% |

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|---|---|---|---|---|---|---|---|---|---|---|
| 85 | 40 | HAZLETON ST GEN | 0720001 | 1,277.0 | $493,942 | $386.80 | 1,281.0 | $503,437 | $393.00 | -1.60% |
| 86 | 65 | HENRY CLAY FRICK | 0551802 | 9,595.0 | $3,074,595 | $320.44 | 10,880.0 | $3,357,735 | $308.62 | 3.69% |
| 87 | 46 | HOLY REDEEMER | 0758804 | | | ERR | | | ERR | ERR |
| 88 | 21 | HOLY SPIRIT | 0550430 | | | ERR | | | ERR | ERR |
| 89 | 51 | HOSP-MED COL OF PA | 0550959 | | | ERR | | | ERR | ERR |
| 90 | 51 | HOSP-PHIL COL/OST | 0583913 | 9,398.0 | $7,078,446 | $753.19 | 11,724.0 | $8,247,267 | $703.45* | 6.60% |
| 91 | 32 | INDIANA HOSPITAL | 0713965 | 3,342.0 | $1,033,322 | $309.19 | 3,319.0 | $1,030,712 | $310.55 | -0.44% |
| 92 | 31 | J C BLAIR | 0575680 | 3,088.0 | $975,035 | $315.75 | 3,363.0 | $1,145,461 | $340.61 | -7.87% |
| 93 | 51 | J F KENNEDY MEM | 0724646 | | | ERR | | | ERR | ERR |
| 94 | 51 | JAMES C GIUFFRE | 0551007 | | | ERR | | | ERR | ERR |
| 95 | 37 | JAMESON MEMORIAL | 0730634 | 5,541.0 | $1,824,757 | $329.32 | 4,926.0 | $1,918,133 | $389.39 | -18.24% |
| 96 | 51 | JEANES HOSPITAL | 0782318 | 1,111.0 | $421,536 | $379.42 | 1,341.0 | $512,781 | $382.39 | -0.78% |
| 97 | 65 | JEANNETTE DIST MEM | 0732002 | 1,791.0 | $835,030 | $466.24 | 1,844.0 | $845,205 | $458.35 | 1.69% |
| 98 | 02 | JEFFERSON HLTH SRVS | 0969550 | | | ERR | | | ERR | ERR |
| 99 | 41 | JERSEY SHORE | 0713357 | 972.0 | $312,916 | $321.93 | 962.0 | $338,253 | $351.61 | -9.22% |
| 100 | 51 | KENSINGTON | 0764759 | | | ERR | | | ERR | ERR |
| 101 | 25 | LAKE ERIE INST REHAB | 0771190 | | | ERR | | | ERR | ERR |
| 102 | 36 | LANCASTER GENERAL | 0537062 | | | ERR | | | ERR | ERR |
| 103 | 36 | LANCASTER OSTEO | 0713482 | 6,055.0 | $1,878,187 | $310.19 | 6,027.0 | $1,938,862 | $321.70* | -3.71% |
| 104 | 46 | LANKENAU | 0713992 | 7,283.0 | $3,284,307 | $450.96 | 7,504.0 | $3,450,366 | $459.80 | -1.96% |
| 105 | 65 | LATROBE AREA | 0551188 | | | ERR | | | ERR | ERR |
| 106 | 51 | LAWNDALE | 0849696 | 335.0 | $206,582 | $616.66 | 323.0 | $229,774 | $711.37 | -15.36% |
| 107 | 38 | LEBANON VALLEY | 0762389 | 478.0 | $172,750 | $361.40 | 479.0 | $150,834 | $314.89 | 12.87% |
| 108 | 11 | LEE HOSPITAL | 0730797 | 4,733.0 | $1,779,747 | $376.03 | 5,186.0 | $1,815,962 | $350.17 | 6.88% |
| 109 | 39 | LEHIGH VALLEY | 0906934 | 3,086.5 | $1,685,674 | $546.14 | 4,031.0 | $2,604,046 | $646.00 | -18.28% |
| 110 | 44 | LEWISTOWN | 0720048 | | | ERR | | | ERR | ERR |
| 111 | 18 | LOCK HAVEN | 0528410 | 3,876.0 | $1,057,409 | $272.81 | 3,666.0 | $1,086,676 | $296.42 | -8.65% |
| 112 | 09 | LOWER BUCKS | 0713052 | 8,051.0 | $2,570,646 | $319.30 | 6,458.0 | $2,253,187 | $348.90 | -9.27% |

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| | | | CERTIFIED | | CERTIFIED PER DIEM | REPORTED | | REPORTED PER DIEM | RATIO (PERCENT DIFFERENCE) |
|---|---|---|---|---|---|---|---|---|---|
| CNTY | PROVIDER NAME | PROV # | M.A. DAYS | M.A. C0STS | M.A. | M.A. DAYS | M.A. COSTS | M.A. | |
| 113 02 | MAGEE WOMENS | 0535907 | 21,309.0 | $8,348,177 | $391.77 | 22,613.0 | $9,105,741 | $402.68* | -2.78% |
| 114 17 | MAPLE AVENUE | 0713310 | 1,936.0 | $710,451 | $366.97 | 1.867.0 | $705,962 | $378.13 | -3.04% |
| 115 02 | MCKEESPORT | 0722964 | 10,565.0 | $5,711,064 | $540.56 | 10,423.0 | $5,408,683 | $518.92 | 4.00% |
| 116 20 | MEADVILLE CITY | 0547630 | | | ERR | | | ERR | ERR |
| 117 04 | MED CTR OF BVR CNTY | 0738196 | 11,586.0 | $4,369,178 | $377.11 | 11,118.0 | $4,458,475 | $401.01 | -6.34% |
| 118 08 | MEMORIAL-TOWANDA | 0713393 | 1,678.0 | $549,871 | $327.69 | 1,754.0 | $553,595 | $315.62 | 3.69% |
| 119 05 | MEMORIAL OF BEDFORD | 0713517 | 2,016.0 | $660,880 | $327.82 | 948.0 | $281,756 | $297.21 | 9.34% |
| 120 67 | MEMORIAL OSTEO-YORK | 0712770 | 4,018.5 | $1,497,452 | $372.64 | 4,380.0 | $1,644,839 | $375.53 | -0.78% |
| 121 23 | MERCY CATH-FITZGRLD | 0612766 | 8,996.0 | $3,927,539 | $436.59 | 8,060.0 | $3,533,032 | $438.34* | -0.40% |
| 122 51 | MERCY CATH-MISER | 0762333 | 15,581.0 | $7,746,655 | $497.19 | 15,214.0 | $7,144,349 | $469.59* | 5.55% |
| 123 07 | MERCY-ALTOONA | 0714087 | 4,088.0 | $1,490,793 | $364.68 | 4,175.0 | $1,580,289 | $378.51 | -3.79% |
| 124 11 | MERCY-JOHNSTOWN | 0720066 | 3,876.0 | $1,407,492 | $363.13 | 3,892.0 | $1,487,232 | $382.13 | -5.23% |
| 125 02 | MERCY-PITTSBURGH | 0531677 | 14,872.0 | $8,011,128 | $538.67 | 15,811.0 | $8,477,654 | $536.19 | 0.46% |
| 126 35 | MERCY-SCRANTON | 0726195 | | | ERR | | | ERR | ERR |
| 127 40 | MERCY-WILKES-BARRE | 0713061 | 4,070.0 | $1,655,637 | $406.79 | 4,833.0 | $1,914,293 | $396.09 | 2.63% |
| 128 51 | METHODIST HOSPITAL | 0726284 | 8,495.0 | $3,619,384 | $426.06 | 8,092.0 | $3,543,758 | $437.93* | -2.79% |
| 129 25 | METRO HEALTH CENTER | 0966342 | 3,228.0 | $1,443,755 | $447.26 | 3,183.0 | $1,454,419 | $456.93 | -2.16% |
| 130 51 | METROPLTN-CENTRAL | 0726140 | | | ERR | | | ERR | ERR |
| 131 51 | METROPLTN-PARKVIEW | 0795174 | | | ERR | | | ERR | ERR |
| 132 23 | METROPLTN-SPRNGFLD | 0795192 | | | ERR | | | ERR | ERR |
| 133 56 | MEYERSDALE | 0726112 | 924.0 | $258,672 | $279.95 | 948.0 | $293,555 | $309.66* | -10.61% |
| 134 35 | MID VALLEY | 0713544 | | | ERR | | | ERR | ERR |
| 135 25 | MILLCREEK COMMUN | 0746269 | 3,835.5 | $1,172,553 | $305.71 | 3,825.0 | $1,159,147 | $303.04 | 0.87% |
| 136 22 | MILTON HERSHEY | 0528760 | 10,616.0 | $6,463,327 | $608.83 | 10,494.0 | $6,206,706 | $591.45 | 2.85% |
| 137 11 | MINERS HOSPITAL | 0758519 | 1,877.0 | $753,096 | $401.22 | 1,787.0 | $810,301 | $453.44 | -13.01% |
| 138 63 | MONONGAHELA VALLEY | 0730741 | 5,859.0 | $1,967,903 | $335.88 | 6,260.0 | $2,171,550 | $346.89* | -3.28% |
| 139 65 | MONSOUR | 0557771 | | | ERR | | | ERR | ERR |
| 140 02 | MONTEFIORE | 0534463 | 6,013.0 | $3,494,606 | $581.18 | 6,415.0 | $3,670,021 | $572.10 | 1.56% |

84-85 FISCAL YEAR PROVIDER TYPE 11s

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As of September 18, 1990

| | | | | CERTIFIED | | CERTIFIED PER DIEM | REPORTED | | REPORTED PER DIEM | RATIO (PERCENT DIFFERENCE) |
|---|---|---|---|---|---|---|---|---|---|---|
| | CNTY | PROVIDER NAME | PROV # | M.A. DAYS | M.A. C0STS | M.A. | M.A. DAYS | M.A. COSTS | M.A. | |
| 141 | 46 | MONTGOMERY | 0758608 | 4,857.5 | $2,138,647 | $440.28 | 3,903.0 | $1,755,946 | $449.90* | -2.18% |
| 142 | 58 | MONTROSE GENERAL | 0714040 | 557.0 | $149,839 | $269.01 | 624.0 | $166,326 | $266.55 | 0.92% |
| 143 | 35 | MOSES TAYLOR | 0719996 | 2,057.0 | $877,998 | $426.83 | 2,127.0 | $963,113 | $452.80 | -6.08% |
| 144 | 39 | MUHLENBERG | 0544700 | 1,532.0 | $630,643 | $411.65 | 1,626.0 | $674,517 | $414.83 | -0.77% |
| 145 | 41 | MUNCY VALLEY | 0575330 | 689.0 | $179,841 | $261.02 | 553.0 | $153,542 | $277.65 | -6.37% |
| 146 | 40 | NANTICOKE ST GEN | 0734571 | 915.0 | $392,705 | $429.19 | 1,020.0 | $446,241 | $437.49* | -1.94% |
| 147 | 07 | NASON HOSPITAL | 0714022 | 927.0 | $326,718 | $352.45 | 957.0 | $345,188 | $360.70* | -2.34% |
| 148 | 51 | NAZARETH | 0726248 | 3,069.0 | $1,091,359 | $355.61 | 3,965.0 | $1,297,427 | $327.22 | 7.98% |
| 149 | 40 | NESBITT MEMORIAL | 0730545 | 6,338.5 | $2,053,848 | $324.03 | 6,034.0 | $1,932,487 | $320.27 | 1.16% |
| 150 | 02 | NORTH HILLS PASSAV | 0713016 | 747.0 | $243,168 | $325.53 | 947.0 | $332,536 | $351.15 | -7.87% |
| 151 | 46 | NORTH PENN | 0712841 | 986.0 | $391,997 | $397.56 | 1,153.0 | $436,784 | $378.82 | 4.71% |
| 152 | 51 | NORTHEASTERN | 0717893 | 8,014.0 | $3,490,326 | $435.53 | 8,165.0 | $3,619,059 | $443.24 | -1.77% |
| 153 | 40 | NPW MEDICAL CENTER | 0787261 | 3,861.0 | $1,690,239 | $437.77 | 3,732.0 | $1,624,174 | $435.20* | 0.59% |
| 154 | 02 | OHIO VALLEY | 0730821 | 2,486.5 | $933,746 | $375.53 | 2,846.0 | $1,081,449 | $379.99* | -1.19% |
| 155 | 61 | OIL CITY | 0733681 | 4,406.0 | $1,876,935 | $426.00 | 4,418.0 | $1,901,989 | $430.51 | -1.06% |
| 156 | 51 | OXFORD | 0770003 | | | ERR | | | ERR | ERR |
| 157 | 51 | OXFORD | 0965686 | | | ERR | | | ERR | ERR |
| 158 | 13 | PALMERTON | 0758027 | 582.0 | $200,600 | $344.67 | 499.0 | $165,063 | $330.79 | 4.03% |
| 159 | 15 | PAOLI MEMORIAL | 0545046 | | | ERR | | | ERR | ERR |
| 160 | 51 | PENNSYLVANIA | 0533386 | 22,539.0 | $9,879,566 | $438.33 | 24,748.0 | $10,597,316 | $428.21 | 2.31% |
| 161 | 14 | PHILIPSBURG ST GEN | 0730302 | 2,648.0 | $1,026,521 | $387.66 | 2,933.0 | $1,140,367 | $388.81 | -0.30% |
| 162 | 15 | PHOENIXVILLE | 0713571 | 2,259.0 | $728,020 | $322.28 | 2,307.0 | $767,700 | $332.77 | -3.26% |
| 163 | 45 | POCONO HOSPITAL | 0724673 | | | ERR | | | ERR | ERR |
| 164 | 02 | PODIATRY HOSPITAL | 0714194 | 368.0 | $288,483 | $783.92 | 271.0 | $185,865 | $685.85 | 12.51% |
| 165 | 22 | POLYCLINIC MED CTR | 0583225 | 9,213.0 | $3,466,388 | $376.25 | 9,484.0 | $3,642,077 | $384.02 | -2.07% |
| 166 | 42 | PORT ALLEGANY | 0713722 | 311.0 | $156,380 | $502.83 | 341.0 | $169,432 | $496.87 | 1.19% |
| 167 | 46 | POTTSTOWN MEMORIAL | 0714031 | | | ERR | | | ERR | ERR |
| 168 | 54 | POTTSVILLE HOSPITAL | 0550402 | 3,359.0 | $926,896 | $275.94 | 5,188.0 | $1,301,054 | $250.78 | 9.12% |

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|---|---|---|---|---|---|---|---|---|---|
| | CNTY PROVIDER NAME | PROV # | M.A. DAYS | M.A. C0STS | M.A. | M.A. DAYS | M.A. COSTS | M.A. | |
| 169 | 51 PRESBY U OF PA/PHIL | 0704492 | | | ERR | | | ERR | ERR |
| 170 | 02 PRESBYT UNIV (PGH) | 0730410 | 14,724.0 | $8,904,951 | $604.79 | 16,083.0 | $10,144,869 | $630.78 | -4.30% |
| 171 | 33 PUNXSUTAWNEY | 0720057 | 1,622.0 | $535,042 | $329.87 | 1,873.0 | $628,187 | $335.39* | -1.67% |
| 172 | 09 QUAKERTOWN | 0730376 | 547.0 | $276,904 | $506.22 | 552.0 | $258,966 | $469.14 | 7.33% |
| 173 | 06 READING HOSPITAL | 0557216 | | | ERR | | | ERR | ERR |
| 174 | 23 RIDDLE MEMORIAL | 0746115 | 1,156.0 | $507,408 | $438.93 | 1,200.0 | $499,500 | $416.25 | 5.17% |
| 175 | 08 ROBERT PACKER | 0697861 | | | ERR | | | ERR | ERR |
| 176 | 46 ROLLING HILL | 0714078 | 1,122.0 | $487,576 | $434.56 | 1,290.0 | $557,030 | $431.81 | 0.63% |
| 177 | 51 ROXBOROUGH MEMORIAL | 0575742 | 2,388.0 | $970,532 | $406.42 | 1,955.0 | $826,944 | $422.99 | -4.08% |
| 178 | 39 SACRED HRT-ALLENTOWN | 0528466 | 3,594.5 | $1,475,236 | $410.41 | 3,218.0 | $1,293,141 | $401.85 | 2.09% |
| 179 | 23 SACRED HRT-CHESTER | 0538785 | 8,538.0 | $2,947,653 | $345.24 | 9,573.0 | $2,877,732 | $300.61* | 12.93% |
| 180 | 46 SACRED HRT-NORRIS | 0713400 | 3,517.0 | $1,244,274 | $353.79 | 2,998.0 | $1,078,972 | $359.90 | -1.73% |
| 181 | 35 SCRANTON ST GEN | 0731248 | 3,177.0 | $1,644,822 | $517.73 | 3,975.0 | $1,710,649 | $430.35* | 16.88% |
| 182 | 21 SEIDLE MEM (DW) | 0713034 | 22.0 | $7,876 | $358.00 | 40.0 | $12,041 | $301.03* | 15.91% |
| 183 | 02 SEWICKLEY | 0545270 | 3,228.0 | $1,162,067 | $360.00 | 3,238.0 | $1,160,849 | $358.51* | 0.41% |
| 184 | 02 SHADYSIDE | 0539808 | 5,536.0 | $2,686,486 | $485.28 | 6,035.0 | $2,864,682 | $474.68 | 2.18% |
| 185 | 49 SHAMOKIN ST GEN | 0746296 | 501.0 | $191,807 | $382.85 | 657.0 | $264,112 | $402.00 | -5.00% |
| 186 | 43 SHARON | 0549045 | 4,486.0 | $1,394,542 | $310.87 | 4,559.0 | $1,453,969 | $318.92* | -2.59% |
| 187 | 43 SHENANGO VAL MED CTR | 0714158 | 3,473.0 | $1,192,095 | $343.25 | 3,571.0 | $1,228,486 | $349.30 | -1.76% |
| 188 | 59 SOLDIERS AND SAILORS | 0726239 | | | ERR | | | ERR | ERR |
| 189 | 56 SOMERSET COMMUNITY | 0730483 | 4,122.0 | $1,273,471 | $308.94 | 4,339.0 | $1,338,600 | $308.50 | 0.14% |
| 190 | 02 SOUTH HILLS HLTH SYS | 0553208 | | | ERR | | | ERR | ERR |
| 191 | 02 SOUTH SIDE | 0730910 | 4,381.0 | $1,833,412 | $418.49 | 4,479.0 | $1,858,143 | $414.86 | 0.87% |
| 192 | 15 SOUTHERN CHESTER | 0762370 | 1,424.0 | $543,289 | $381.52 | 1,279.0 | $506,644 | $396.13 | -3.83% |
| 193 | 20 SPENCER | 0713464 | | | ERR | | | ERR | ERR |
| 194 | 51 ST AGNES | 0719969 | 6,986.0 | $4,205,111 | $601.93 | 7,599.0 | $4,442,071 | $584.56 | 2.89% |
| 195 | 51 ST CHRISTOPHERS | 0531031 | 16,463.5 | $11,262,148 | $684.07 | 17,562.0 | $12,535,927 | $713.81 | -4.35% |
| 196 | 02 ST CLAIR MEMORIAL | 0584026 | 2,348.5 | $936,321 | $398.69 | 2,386.0 | $945,210 | $396.15 | 0.64% |

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As of September 18, 1990

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|---|---|---|---|---|---|---|---|---|---|
| | CNTY PROVIDER NAME | PROV # | M.A. DAYS | M.A. COSTS | M.A. | M.A. DAYS | M.A. COSTS | M.A. | |
| 197 | 37 ST FRAN-NEW CASTLE | 0746278 | 3,404.0 | $1,095,199 | $321.74 | 3,418.0 | $1,129,026 | $330.32 | -2.67% |
| 198 | 02 ST FRAN-PGH | 0533297 | 9,996.0 | $4,596,802 | $459.86 | 9,379.0 | $4,301,436 | $458.62* | 0.27% |
| 199 | 02 ST JOHN GENERAL | 0548870 | | | ERR | | | ERR | ERR |
| 200 | 40 ST JOSEPH MED CNTR | 0975842 | 2,033.0 | $545,712 | $268.43 | 2,058.0 | $540,897 | $262.83* | 2.09% |
| 201 | 35 ST JOSEPH-CRBNDLE | 0549644 | 2,186.0 | $579,857 | $265.26 | 3,114.0 | $827,356 | $265.69 | -0.16% |
| 202 | 40 ST JOSEPH-HAZLETON | 0724860 Audit completed under St Joseph Med Ctr | | | | | | ERR | ERR |
| 203 | 36 ST JOSEPH-LANCASTER | 0530099 | | | ERR | | | ERR | ERR |
| 204 | 51 ST JOSEPH-PHILA | 0544890 | | | ERR | | | ERR | ERR |
| 205 | 06 ST JOSEPH-READING | 0533081 | 4,611.0 | $1,700,374 | $368.76 | 4,320.0 | $1,607,504 | $372.11* | -0.91% |
| 206 | 39 ST LUKES-BETHLEHEM | 0584572 | 4,970.0 | $1,955,628 | $393.49 | 5,252.0 | $2,078,379 | $395.73 | -0.57% |
| 207 | 02 ST MARGARET-PGH | 0758368 | 2,467.0 | $1,120,474 | $454.18 | 2,586.0 | $1,213,458 | $469.24* | -3.32% |
| 208 | 09 ST MARY-LANGHORNE | 0730400 | 1,335.0 | $550,113 | $412.07 | 1,043.0 | $520,887 | $499.41 | -21.20% |
| 209 | 51 ST MARY-PHILA | 0714004 | | | ERR | | | ERR | ERR |
| 210 | 25 ST VINCENT | 0544880 | 12,731.0 | $4,896,559 | $384.62 | 13,252.0 | $5,252,692 | $396.37 | -3.06% |
| 211 | 46 SUB GEN-NORRIS | 0538186 | | | ERR | | | ERR | ERR |
| 212 | 02 SUB GEN-PGH | 0720010 | 1,348.0 | $461,230 | $342.16 | 1,380.0 | $473,775 | $343.32 | -0.34% |
| 213 | 49 SUNBURY COMMUNITY | 0713043 | 1,927.0 | $416,135 | $215.95 | 1,830.0 | $451,002 | $246.45 | -14.12% |
| 214 | 23 TAYLOR HOSPITAL | 0714130 | | | ERR | | | ERR | ERR |
| 215 | 51 TEMPLE | 0733609 | 47,800.0 | $24,200,497 | $506.29 | 53,756.0 | $29,296,526 | $544.99 | -7.64% |
| 216 | 51 THOMAS JEFFERSON | 0537213 | | | ERR | | | ERR | ERR |
| 217 | 20 TITUSVILLE | 0713606 | 2,354.0 | $896,210 | $380.72 | 2,455.0 | $947,284 | $385.86 | -1.35% |
| 218 | 08 TROY COMMUNITY | 0758448 | 618.0 | $249,511 | $403.74 | 539.0 | $193,602 | $359.19 | 11.03% |
| 219 | 66 TYLER MEMORIAL | 0720084 | 2,389.0 | $751,938 | $314.75 | 2,228.0 | $705,622 | $316.71 | -0.62% |
| 220 | 07 TYRONE HOSP | 0714050 | 697.0 | $244,585 | $350.91 | 682.0 | $240,050 | $351.98* | -0.30% |
| 221 | 25 UNION CITY | 0730840 | 912.0 | $263,451 | $288.87 | 818.0 | $251,560 | $307.53* | -6.46% |
| 222 | 26 UNIONTOWN | 0575279 | 9,714.0 | $3,132,804 | $322.50 | 9,884.0 | $3,007,946 | $304.32 | 5.64% |
| 223 | 43 UNITED COMMUNITY | 0725966 | 2,499.0 | $928,499 | $371.55 | 2,557.0 | $962,708 | $376.50 | -1.33% |
| 224 | 51 UNIV OF PENNA | 0733921 | | | ERR | | | ERR | ERR |

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|---|---|---|---|---|---|---|---|---|---|---|
| | CNTY | PROVIDER NAME | PROV # | M.A. DAYS | M.A. C0STS | M.A. | M.A. DAYS | M.A. COSTS | M.A. | |
| 225 | 46 | VALLEY FORGE | 0659412 | | | ERR | | | ERR | ERR |
| 226 | 09 | WARMINSTER | 0760698 | 1,463.5 | $609,333 | $416.35 | 1,731.0 | $693,702 | $400.75* | 3.75% |
| 227 | 62 | WARREN GENERAL | 0557234 | 2,452.0 | $791,821 | $322.93 | 2,809.0 | $911,489 | $324.49* | -0.48% |
| 228 | 63 | WASHINGTON | 0714013 | | | ERR | | | ERR | ERR |
| 229 | 64 | WAYNE CNTY MEM | 0557234 | | | ERR | | | ERR | ERR |
| 230 | 28 | WAYNESBORO | 0714013 | | | ERR | | | ERR | ERR |
| 231 | 02 | WEST ALLEGHENY | 0576820 | 569.0 | $436,109 | $766.45 | 705.0 | $518,163 | $734.98 | 4.11% |
| 232 | 51 | WEST PARK | 0792440 | 892.0 | $594,226 | $666.17 | 1,195.0 | $787,431 | $658.94 | 1.09% |
| 233 | 02 | WESTERN PENN | 0539684 | 15,852.0 | $8,289,232 | $522.91 | 16,556.0 | $8,719,697 | $526.68* | -0.72% |
| 234 | 65 | WESTMORELAND | 0533410 | 5,492.0 | $2,007,109 | $365.46 | 5,571.0 | $2,120,429 | $380.62* | -4.15% |
| 235 | 65 | WESTMORELAND/MCGINNIS | | | | ERR | | | ERR | ERR |
| 236 | 40 | WILKES-BARRE GEN | 0730670 | 5,719.5 | $2,184,209 | $381.89 | 4,719.0 | $1,702,558 | $360.79 | 5.53% |
| 237 | 41 | WILLIAMSPORT | 0532128 | | | ERR | | | ERR | ERR |
| 238 | 51 | WILLS EYE HOSPITAL | 0576810 | | | ERR | | | ERR | ERR |
| 239 | 56 | WINDBER | 0713651 | 1,440.0 | $459,500 | $319.10 | 1,545.0 | $471,530 | $305.20 | 4.36% |
| 240 | 67 | YORK HOSPITAL | 0544666 | 9,602.0 | $3,440,877 | $358.35 | 9,240.0 | $3,344,735 | $361.98 | -1.01% |
| | | | | | | | | | | ERR |
| | | | | | | | | | | ERR |
| | | | | 841,394.0 | $370,266,317 | $440.06 | 876,150.0 | $392,398,516 | $447.87 | -1.77% |

# of Providers Used= 175

IN THE UNITED STATES DISTRICT COURT
FOR THE MIDDLE DISTRICT OF PENNSYLVANIA

| | | |
|---|---|---|
| WEST VIRGINIA UNIVERSITY HOSPITALS, INC., | : | CIVIL ACTION NO. 1:CV-86-0955 |
| Plaintiff | : | (Judge Rambo) |
| v. | : | |
| ROBERT CASEY, et al., | : | |
| Defendants | : | |

FILED
HARRISBURG, PA
JUN 14 1990
DONALD L. BERRY, CLERK

ORDER

As a result of the in-chambers conference conducted on June 12, 1990, IT IS HEREBY ORDERED THAT:

(1) the base year for payment of West Virginia University Hospitals, Inc.'s allowable medical assistance capital costs shall be fiscal year 1988-89 as specified in the January 4, 1990 letter from David D. Ulsh, Director of Inpatient Programs, Bureau of Hospital and Outpatient Programs, Department of Public Welfare to Bernard G. Westfall, President, West Virginia University Hospitals, Inc.;

(2) the letter referenced in ¶ 1 and State Plan Amendment 89-03 as found in Exhibit 8 to West Virginia University Hospitals, Inc.'s Second Motion for Enforcement of Judgment shall constitute the codification of a revised Medicaid State Plan Amendment for reimbursement of capital costs incurred by WVUH in the opening of a replacement facility and of a provision that those

OCT 1 1990

capital reimbursements are to be phased-in to the Commonwealth of Pennsylvania Department of Public Welfare DRG prospective payment rate over the subsequent seven-year period;

(3) before June 30, 1990, the parties' designees and their respective attorneys shall have an in-person conference to discuss the unresolved concerns regarding the current payment methodology which includes those issues raised in the January 4, 1990 Ulsh letter to Westfall, referenced in paragraph 1; the January 18, 1990 letter from Julia Krebs-Markrich, counsel for plaintiff, to Ulah, and subsequent related communications;

(4) before June 30, 1990, the parties' designees and their respective attorneys shall resolve any questions that remain regarding inadequate and unpaid reimbursements owed to WVUH;

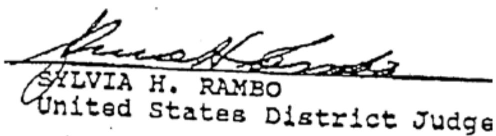
(5) amounts parties agree are due to WVUH shall be paid on or before July 31, 1990. Failure to make payment by that deadline shall result in the accrual of interest charges on those unpaid amounts beginning August 1, 1990. These charges shall be calculated at the rate equal to the prime rate as published in the Wall Street Journal on August 1, 1990, and in the event late payments continue into future years, at the prime rate as published in the first issue of the Wall Street Journal for any subsequent year into which late payments may continue, plus one percent, not compounded.

(6) on or before June 20, 1990, defendants shall provide to the court in writing an explanation of

(a) why the adopted amendments at 55 Pa. Code § 1163.65 covering "Payment for out-of-state hospital services" and published in Pennsylvania Bulletin, Vol. 20, No. 22, June 2, 1990, are unchanged from the final regulations on that subject published in volume 14, number 25 of the Pennsylvania Bulletin, dated June 23, 1990, and

(b) how the June 2, 1990, 55 Pa. Code § 1163.65 regulations will apply to WVUH; and

(7) plaintiff's Second Motion for Enforcement of Judgment is deferred.



SYLVIA H. RAMBO
United States District Judge

Dated: June 14, 1990.

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF PUBLIC WELFARE
P.O. BOX 2675
HARRISBURG, PENNSYLVANIA 17105-2675

OFFICE OF MEDICAL
ASSISTANCE PROGRAMS

JAN 0 4 1990

Mr. Bernard G. Westfall
President
West Virginia University Hospitals, Inc.
Medical Center Drive
Morgantown, West Virginia 26506-8136

Dear Mr. Westfall:

The Pennsylvania Department of Public Welfare, in compliance with the opinion of U.S. Middle District Court, is revising West Virginia University Hospitals, Inc.'s DRG prospective payment rates effective January 1, 1990, to the amounts shown below. These revised rates reflect several changes in how West Virginia University Hospitals, Inc. is paid under Pennsylvania's DRG prospective payment system.

Hospital Group/Group Rate

West Virginia University Hospitals, Inc. was grouped using the grouping method in place for Pennsylvania hospitals for Fiscal Year 1988-89. Unlike Pennsylvania hospitals, West Virginia University Hospitals, Inc. was afforded special treatment in placing the hospital in a peer group for payment purposes. In response to the court's opinion, West Virginia University Hospitals, Inc. was granted the concession of using all states' Medicaid days in the grouping process, rather than just Pennsylvania Medicaid days as is done for all other hospitals. By providing West Virginia University Hospitals, Inc. the advantage of using all states' Medicaid days and costs related to those days, the hospital barely qualified for placement into Group 1. Under the usual grouping system, West Virginia University Hospitals, Inc. would have qualified to be placed into peer Group 2.

Grouping is a dynamic process. Each time updated information was used and the grouping program rerun, multiple hospitals have changed groups. Therefore, the group assignment of West Virginia University Hospitals, Inc. could change in the future.

The Group 1 hospital rate in effect as of January 1, 1990, is the group rate that was calculated for Fiscal Year 1988-89. The base Group 1 rate for Fiscal Year 1988-89 was $2,559.99. To this base group rate were added: (1) The first year phase-in percentage of including capital as part of the DRG prospective payment rates. The capital add-on percentage for the first year of the phase-in is 0.71% (see "Capital Payments" below). (2) The disproportionate share add-on percentage in effect for bracket 3 disproportionate share hospitals for Fiscal Year 1988-89. The bracket 3 disproportionate share add-on percentage is 1.5% (see "Disproportionate Share" below).

The resulting DRG payment rate, effective January 1, 1990, is $2,616.84.

Capital Payments

West Virginia University Hospitals, Inc. has been afforded special treatment of its capital costs. Rather than the normal base year for capital costs in place for all in-state hospitals (Fiscal Year 1985-86), the base year for payment of West Virginia University Hospitals, Inc.'s allowable medical assistance capital costs will be Fiscal Year 1988-89. In accordance with the Department's prospective capital payment policy, capital payments are phased-in to the DRG prospective payment rates over a seven year period. In response to the opinion of the court, the Department will make a special provision for West Virginia University Hospitals, Inc. and begin the phase-in in Fiscal Year 1989-90. The phase-in will take place over a seven year period.

A. Capital Add-On to DRG Group Rate

The percentage of capital added to the DRG prospective payment rate for the first year of the phase-in is 10% of the statewide average percentage of capital to operating costs (7.1%). The resulting percentage (0.71%) is added to the group rate.

B. Capital Pass-Through Payments

For the first year of the phase-in of capital payments to the DRG rates, 90% of a hospital's allowable medical assistance capital costs are paid as pass-through payments. Because Fiscal Year 1989-90 will be the first phase-in year for West Virginia University Hospitals, Inc., the hospital's monthly capital pass-through payment was determined by calculating 90% of the hospital's allowable capital costs for the Fiscal Year 1988-89 base year. This amount was then divided by 12 to arrive at a monthly pass-through payment amount for capital.

The monthly capital pass-through payment for West Virginia University Hospitals, Inc. is $17,722.35.

Medical Education Payment

West Virginia University Hospitals, Inc. was afforded special treatment in the payment of medical education costs. In response to the court's opinion, West Virginia University Hospitals, Inc.'s medical education costs will be paid by the Department. The base year for allowable MA medical education costs is Fiscal Year 1984-85. Each year's medical education costs are compared to the inflated base year costs to determine the lesser of these amounts. Payment for medical education costs for West Virginia University Hospitals, Inc. was determined by comparing allowable medical education costs for the Fiscal Years 1984-85, 1985-86, and 1986-87, inflated to comparable years' amounts, and moving the base year to the lesser of these amounts, in this case Fiscal Year 1986-87.

The allowable base year mount was then inflated to a Fiscal Year 1988-89 amount and divided by 12 to determine the monthly pass-through payment amount.

The monthly medical education pass-through payment for West Virginia University Hospitals, Inc. is $13,680.56.

Disproportionate Share

There are four methods used to determine if a Pennsylvania hospital qualifies for disproportionate share payments. West Virginia University Hospitals, Inc. was afforded special treatment in the determination of its eligibility for disproportionate share payments by using all states' Medicaid days. Only Pennsylvania Medicaid days are employed in the calculation for Pennsylvania hospitals. Final ranking of West Virginia University Hospitals, Inc. based on the federal criteria of the ratio of non-general assistance days to total days resulted in the placement of West Virginia University Hospitals, Inc. in payment bracket 3.

The disproportionate share add-on percentage for West Virginia University Hospitals, Inc. is 1.5%.

Cost-to-Charge Ratio

A cost-to-charge ratio was calculated for West Virginia University Hospitals, Inc. from the Fiscal Year 1986-87 cost report data submitted by the hospital. The ratio was calculated by taking the total inpatient costs less total inpatient capital and medical education, and dividing by total charges. The ratio was increased by .71% to reflect the capital add-on percentage paid through the DRG prospective payment system. This is the same calculation that is used to calculate a cost-to-charge ratio for each Pennsylvania hospital.

The cost-to-charge ratio for West Virginia University Hospitals, Inc. is .5097.

Retroactivity of Court Order

Because the Third Circuit Court has directed that the effective date of this rate package is January 30, 1989, a calculation of the amount owed to West Virginia University Hospitals, Inc. from January 30, 1989, through December 31, 1989, will be prepared expediently and forwarded to the hospital. The new rates were put on the payment file effective January 1, 1990.

If you wish to appeal the revised DRG payment amounts specified in this letter, you must file your appeal within 30 days from the date of this letter. The appeal must be submitted in writing to the Office of Hearings and Appeals, P.O. Box 2675, Harrisburg, Pennsylvania 17105, and must specifically identify what is being appealed. The notice of appeal will be considered timely filed if it is received by the Office of Hearings and Appeals or post-marked within the specified time period. A copy of the appeal must be sent to

the Department of Public Welfare, Office of Medical Assistance Programs, Bureau of Hospital and Outpatient Programs, Division of Inpatient Programs, P.O. Box 8047, Harrisburg, Pennsylvania 17105.

Sincerely,

David D. Ulsh
Director of Inpatient Programs
Bureau of Hospital and Outpatient Programs

IN THE UNITED STATES DISTRICT COURT
FOR THE MIDDLE DISTRICT OF PENNSYLVANIA

| | | |
|---|---|---|
| WEST VIRGINIA UNIVERSITY HOSPITALS, INC., | : | CIVIL ACTION NO. 1:CV-86-955 |
| Plaintiff | : | (Judge Rambo) |
| v. | : | |
| ROBERT CASEY, et al., | : | |
| Defendants | : | |

FILED
HARRISBURG, PA.
OCT 18 1990
DONALD R. BERRY, CLERK
PER........................
DEPUTY CLERK

ORDER

AND NOW, this 18 day of October, 1990, IT IS HEREBY ORDERED THAT:

1) Defendants shall provide a state plan amendment which shall treat WVUH as an in-state hospital for purposes of determining Pennsylvania's medical assistance reimbursement for acute care general hospital services.

2) Said plan shall further comply with the following principles:

a) In determining the appropriate in-state group and WVUH's eligibility for the disproportionate share adjustment, defendants shall count all medical assistance days reported by WVUH, irrespective of the home state of the medical assistance patient;

b) Reimbursement of WVUH's direct medical education costs shall be paid in accordance with the regulations that apply to in-state acute care general hospitals;

c) The base year for determining WVUH's Pennsylvania medical assistance capital reimbursement shall be fiscal year 1988-1989, such capital reimbursement to be phased into the defendants' DRG prospective payment rate over the subsequent seven-year period;

d) The plan shall incorporate this court's holding by order dated June 14, 1990, and the letter by David Ulsh dated January 4, 1990, and shall specifically provide that the state regulation adopted at 55 Pa. Code 1163.65 published in Pennsylvania Bulletin, Vol. 20, No. 22, June 2, 1990, shall not apply to WVUH.

3) Medicaid payments to WVUH shall include such increased rates as may be paid to in-state hospitals from time to time, as a consequence of litigation, in conformity with federal law.

4) This order is no bar to future changes in the payment methodology so long as such changes conform with federal law.

5) Defendants shall comply with paragraphs 1 and 2 of this order on or before November 19, 1990.

6) No later than November 2, 1990, plaintiff shall submit under separate cover a petition for award of counsel fees and supporting documents. Defendants shall respond within ten (10) days of service of the fee petition.

7) Plaintiff's request for an award of interest is deemed redundant in light of this court's order dated June 14, 1990.

SYLVIA H. RAMBO
United States District Judge

Dated: October 18, 1990.

St. Mary's Regional Medical Center-S
763 Johnsonburg Road
St. Mary's, PA 15857
814-834-8519

Suburban General Hospital-S
100 South Jackson Avenue
Bellevue, PA 15202
412-734-6000

Suburban General Hospital-S
2701 DeKalb Pike
Norristown, PA 19404
610-278-2075

Taylor Hospital-S
175 E. Chester Pike
Ridley Park, PA 19078
610-595-6450

Temple University Hospital-S
3401 North Broad Street
Philadelphia, PA 19140
215-221-3453

The Medical Center-Beaver, PA, Inc.-S
1000 Dutch Ridge Road
Beaver, PA 15009
412-728-7000

Thomas Jefferson University Hospital-S
125 South 11th Street—204 Pavilion
Philadelphia, PA 19107
215-955-6374

Toxi-Con-SC
120 Monahan Avenue-Suite 101
Dunmore, PA 18512
717-963-0722

University Hospital—Milton S. Hershey Medical Center-S
500 University Avenue
Hershey, PA 17033
717-531-8353

University of Pittsburgh Medical Center-CLSI-SC
Room 5929 Main Tower/CLSI
200 Lothrop Street
Pittsburgh, PA 15213-2582
412-647-7813

Valley Forge Medical Center and Hospital-S
1033 W. Germantown Pike
Norristown, PA 19403
610-539-8500

Western Reserve Care System-SC
North Side Medical Center-500 Gypsy Lane
Youngstown, OH 44504
216-740-3794

Westmoreland Hospital-S
532 W. Pittsburgh Street
Greensburg, PA 15601
412-832-4365

Wilkes-Barre General Hospital-SC
Corner North River and Auburn Streets
Wilkes-Barre, PA 18764
717-829-8111

Williamsport Hospital and Medical Center-S
777 Rural Avenue
Williamsport, PA 17701
717-321-2300

York Hospital-S
1001 South George Street
York, PA 17405
717-771-2696

[Pa.B. Doc. No. 96-1055. Filed for public inspection June 28, 1996, 9:00 a.m.]

## Notice of Beginning of Review; Certificate of Need

The Department has completed its preliminary assessment of the following applications for the offering, development, construction, renovation, expansion or establishment of reviewable clinically related health services or health care facilities. This notice is published in accordance with sections 702(c), 704(a) and 704(b) of the Health Care Facilities Act (35 P. S. §§ 448.702(c), 704(a) and 704(b)).

*CON-96-G-2628-B:* Altoona Hospital, 620 Howard Avenue, Altoona, PA 16601-4899, proposes the addition of a third cardiac catheterization lab specifically for electrophysiologic studies at a cost of $1,479,975.

The project is scheduled to be reviewed and a decision rendered by the Department of Health within 90 days beginning June 29, 1996. Any interested person, as defined in section 103 of the act (35 P. S. § 448.103) may request a public meeting. Requests must be made in writing within 15 days of this notice, to the Department of Health, Division of Need Review, Room 1027, Health and Welfare Building, Harrisburg, PA 17120. In order to preserve any appeal rights under section 506(a) of the act (35 P. S. § 448.506(a)) regarding the decisions made on these applications, any interested person as defined in the act must request a public meeting and participate in that meeting.

If the Department of Health receives a timely request for public meeting, such meeting will be held in Room 812 of the Health and Welfare Building, Seventh and Forster Streets, Harrisburg, PA. The public meeting will be conducted on Friday, July 19, 1996 at 1 p.m. Persons who need an accommodation due to a disability and want to attend this meeting should contact Jack W. Means, Jr., Director, Division of Need Review at (717) 787-5601 at least 24 hours in advance so arrangements can be made. This meeting is subject to cancellation without further notice.

For additional information, contact the Division of Need Review at (717) 787-5601.

DANIEL F. HOFFMANN, FACHE,
*Acting Secretary*

[Pa.B. Doc. No. 96-1056. Filed for public inspection June 28, 1996, 9:00 a.m.]

# DEPARTMENT OF PUBLIC WELFARE

## Inpatient Hospitals Qualifying for Medical Assistance (MA) Disproportionate Share Payments in 1996

On July 1, 1988, the Department of Public Welfare (the Department) implemented a disproportionate share pay-



Attachment A

ment system. Under Pennsylvania regulations, the Department is required to annually publish the names of each inpatient acute care general hospital, psychiatric unit and rehabilitation unit of acute care general hospitals, rehabilitation hospital, and private psychiatric hospital qualifying for a disproportionate share payment and their respective disproportionate share payment percentage.

A. *Disproportionate Share for Acute Care General Hospitals, Rehabilitation Hospitals and Private Psychiatric Hospitals.*

The following lists identify the inpatient acute care general hospitals, psychiatric units and rehabilitation units of acute care general hospitals, rehabilitation hospitals, and private psychiatric hospitals eligible for payment period January 1, 1996, through December 31, 1996, disproportionate share payments and their respective payment percentages. For all inpatient facilities, disproportionate share payment is calculated as a percentage of projected MA inpatient income.

Payment Period January 1, 1996, through December 31, 1996
Disproportionate Share Percentages

| *Acute Care Hospitals* | |
|---|---|
| Albert Einstein | 2.584% |
| Aliquippa | 2.116% |
| A. I. DuPont Institute | 9.184% |
| Barnes Kasson | 9.000% |
| Braddock Med. Center | 1.000% |
| Charles Cole Memorial | 2.621% |
| Childrens Hospital—Pgh. | 10.270% |
| Childrens Hospital—Phil. | 14.000% |
| Crozer Chester | 3.238% |
| DuBois Regional Med. Ctr. | 10.000% |
| Episcopal | 10.618% |
| Fulton County Medical Cen. | 1.792% |
| GHS—City Avenue | 8.945% |
| GHS—Parkview | 4.407% |
| Hahnemann Hospital | 6.752% |
| Highland Health Center | 4.698% |
| Hosp. Univ. of Penna | 3.131% |
| Indiana Hospital | 1.000% |
| J C Blair | 5.063% |
| Jameson Memorial | 2.728% |
| Kensington | 10.018% |
| LHG—Susquehanna Div. | 2.703% |
| Magee Womens | 6.071% |
| Meadville | 7.296% |
| Med. Coll. Hosp.—Main | 10.273% |
| Memorial Hospital—Towanda | 4.655% |
| Memorial of Bedford | 4.344% |
| Mercy Catholic—Misericord | 2.274% |
| Monsour | 4.105% |
| Mt. Sinai | 5.092% |
| Neumann Medical Center | 10.414% |
| Presbyt. Med. Ctr. of Phila. | 1.162% |
| Presbyt. Univ. Hospital | 2.679% |
| Punxsutawney | 6.091% |
| Soldiers and Sailors | 5.449% |
| St. Christophers | 15.000% |
| St. Joseph's—Phila. | 9.361% |
| Temple | 9.520% |
| Thomas Jefferson | 2.592% |
| Valley Forge | 2.967% |
| Wayne County Memorial | 1.757% |
| West Virginia | 6.016% |

| *Psychiatric Units of Acute Care Hospitals* | |
|---|---|
| Albert Einstein | 3.350% |
| Aliquippa | 3.175% |
| Braddock Med. Center | 2.759% |
| Crozer Chester | 3.594% |
| DuBois Regional Med. Ctr. | 3.772% |
| GHS—City Avenue | 5.722% |
| GHS—Parkview | 4.030% |
| Girard Medical Center | 5.387% |
| Hahnemann Hospital | 4.904% |
| Highland Health Center | 4.138% |
| Hosp. Univ. of Penna. | 3.554% |
| J C Blair | 2.578% |
| Meadville | 2.901% |
| Med. Coll. Hosp.—Main | 6.217% |
| Mercy Catholic—Misericord | 3.235% |
| Mercy Providence | 2.226% |
| Monsour | 3.917% |
| Mt. Sinai | 4.285% |
| Neumann Medical Center | 6.270% |
| Presbyt. Med. Ctr./UPHS | 2.820% |
| Presbyt. Univ. Hospital | 3.385% |
| Soldiers and Sailors | 2.634% |
| Temple | 5.936% |
| Thomas Jefferson Univ. Hosp. | 3.353% |

| *Private Psychiatric Hospitals* | |
|---|---|
| Charter Fairmount Institute | 2.200% |
| Clarion Psych Center | 6.302% |
| Edgewater | 1.372% |
| Eugenia Hospital | 3.141% |
| First Hospital Wyoming | 3.848% |
| Horsham Hospital | 3.420% |
| Huntington | 1.000% |
| Institute of PA Hosp. | 2.292% |
| Lakewood Psych. Hosp. | 4.277% |
| Meadows Psych. Center | 4.698% |
| Montgomery County MH/MR | 1.569% |
| Nat'l. Hosp. for Kids in Crisis | 9.000% |
| Northwestern | 2.144% |
| Phila. Child Guidance | 10.000% |
| Phila. Psych. Center (Belmont) | 2.825% |
| Philhaven | 2.808% |
| Southwood Psych. Center | 7.791% |

| *Drug and Alcohol Units of Acute Care Hospitals* | |
|---|---|
| DuBois Regional Med. Ctr. | 2.541% |
| Girard Medical Center | 4.165% |
| LGH—Susquehanna Div. | 2.161% |
| Meadville | 1.665% |
| Presbyterian/UPHS | 1.583% |
| Valley Forge | 2.260% |

| *Medical Rehab Units of Acute Care Hospitals* | |
|---|---|
| Albert Einstein | 2.116% |
| Crozer Chester | 2.362% |
| Hosp. Univ. of Penna. | 2.322% |
| Jameson Memorial | 1.000% |
| Mt. Sinai | 3.057% |
| Presbyt. Univ. Hospital | 2.152% |
| Temple | 4.718% |
| Thomas Jefferson Univ. Hosp. | 2.119% |

| *Freestanding Rehab Hospitals* | |
|---|---|
| Childrens Home—Pgh. | 8.402% |
| Children's Rehab. Hosp. | 10.000% |
| Childrens Seashore House | 9.209% |
| Eagleville (D&A) | 2.220% |
| Magee Memorial | 1.486% |

B. *Additional Disproportionate Share Payments*

Additional disproportionate share payments are made

Attachment A

to inpatient facilities with a Medicaid inpatient utiliza- tion rate of not less than 1% which have provided services to persons who have been determined to be low income by meeting the income and resource standards for the State's General Assistance Program. These additional disproportionate share payments are made by either the Department directly or through an intermediary.

The payment adjustments are paid directly proportional to the payment received for either General Assistance recipients for all hospital services or Title XIX recipients age 21-64 for services rendered by Institutions for Mental Disease under the fee-for-service and capitation pro- grams.

These are the Pennsylvania hospitals eligible for this payment adjustment.

*Acute Care General Hospitals*

Abington Memorial
Albert Einstein
Aliquippa
Allegheny General
Allegheny Valley
Allentown Osteo. Hosp.
Altoona
American Oncological
Armstrong County Memorial
Ashland Reg. Med. Ctr.
Barnes Kasson
Berwick
Bloomsburg
Braddock Medical Center
Bradford Reg. Med. Ctr.
Brandywine Hospital
Brookville
Brownsville
Bryn Mawr Hosp.
Bucktail Medical Center
Butler County Memorial
Canonsburg General
Carlisle Hospital
Centre Community
Chambersburg Hospital
Charles Cole Memorial
Chester County
Chestnut Hill
Childrens Hospital—Pgh.
Childrens Hospital—Phil.
Citizens General
Clarion Osteopathic
Clearfield
Comm Genl. Osteopathic
Comm Hosp. of Lancaster
Community General—Reading
Community Hospital—Kane
Community Medical Center
Conemaugh Valley
Corry Memorial
Crozer Chester Med. Ctr.
Delaware County Memorial
Delaware Valley
Divine Providence—WMSPT
Doylestown
DuBois Rgional Med. Ctr.
Easton Hospital
Elk County General
Ellwood City
Ephrata Community
Episcopal Hospital
Evangelical Community
Forbes Metro Hosp.
Forbes Reg. Hosp.
Frankford
Frick Hosp. & Comm. Hlth. Ctr.
Fulton Co. Medical Ctr.
Geisinger Medical Center
Geisinger Wyoming Valley
Germantown
Gettysburg Hospital GHS—
City Avenue Hospital
GHS—Parkview Hospital
Gnaden Huetten
Good Samaritan Med. Ctr.—JTWN
Good Samaritan—Lebanon
Good Samaritan—Pottsville
Graduate Hospital
Grandview
Greene County Memorial
Hahnemann Hospital
Hamot Medical Ctr
.Hanover General Harrisburg—
Polyclinic Medical Ctr. Hazleton
Genl. Hospital
Highlands Hospital
Holy Redeemer
Holy Spirit
Horizon Hospital Sys. Inc.
Hosp. of the Univ. of PA
Indiana Hospital
J C Blair
J F Kennedy Memorial
Jameson Memorial
Jeanes Hospital
Jeannette Dist. Memorial
Jefferson Health Serv.
Jersey Shore Hospital
Kensington
Lancaster General
Lankenau
Latrobe Area
Lee Hospital
Lehigh Valley
Lewistown
LGH—Susquehanna Division
Lock Haven
Lower Bucks
Magee Womens
Marian Comm Hospital
McKeesport
Meadville Med. Ctr.
Med Coll. Hosps. Bucks Cmps.
Med Coll. Hosps. Elkins Park
Med Coll Hosps. Main Cmps.
Medical Ctr. Beaver, PA, Inc.
Memorial Hosp. of Bedford
Memorial Hospital—Towanda
Memorial Osteopathic—York
Mercy Catholic—Fitzgerald
Mercy Catholic—Misericord
Mercy Haverford
Mercy Hospital—Pgh.
Mercy Hospital—Scranton
Mercy Hosp.—Nanticoke
Mercy Hosp.—Wilkes-Barre
Mercy Providence Hosp.—Pgh.
Mercy Reg. Hlth. Sys.—Altoona
Methodist Hospital
Metro Health Center
Meyersdale
Mid Valley
Millcreek Community

Attachment A

Milton S. Hershey Med. Ctr. Miners Hospital
Miners Mem. Med. Ctr. Monongahela Valley Monsour
Montgomery Montrose General Moses Taylor
Mount Sinai
Muhlenberg Hosp. Ctr. Muncy Valley
Nason Hospital Nazareth
Neumann Medical Center North Hills Passavant
North Penn
Northeastern
Northwest Medical Center NPHS—Girard NPHS—St. Josephs
Ohio Valley Palmerton Paoli Memorial
Pennsylvania Hospital Philipsburg Area Hosp.
Phoenixville
Pocono Hospital Podiatry Hospital Pottstown
Memorial Pottsville Hospital
Presbyt. Med. Ctr. of UPHS Presbyt. Univ. Pgh.
Punxsutawney Quakertown Reading Hospital
Riddle Memorial Robert Packer
Roxborough Memorial Sacred Heart—Allentown
Sewickley
Shadyside
Shamokin Area Comm Hsp. Sharon Reg. Hlth. System
Soldiers and Sailors Somerset Hosp. Ctr. for Hlth. South Side Hospital Southern Chester
St. Agnes Medical Ctr. St. Christophers
St. Clair Memorial
St. Francis Central Hosp. St. Francis—New Castle St. Francis—Pittsburgh St. Joseph Med. Ctr.
St. Joseph—Lancaster St. Joseph—Reading St. Lukes of Bethlehem
St. Margaret—Pittsburgh St. Mary—Langhorne
St. Marys Med Center St. Vincent Health Ctr.
Suburban Genl.—Norristown Suburban Genl.—Pittsburgh Sunbury Community
Taylor Hospital
Temple University Hosp. Thomas Jefferson Univ. Hosp.
Thom Jefferson UH—Ford Rd. Titusville
Troy Community
Tyler Memorial
Tyrone Hospital
Union City
Uniontown
United Community
Valley Forge
Warren General
Washington
Wayne County Memorial
Waynesboro
West Virginia Univ. Hosp.
Western Penn
Westmoreland
Wilkes-Barre General Hosp.
Williamsport Hospital
Wills Eye Hospital
Windber
York Hospital

*Freestanding Rehab Hospitals*
Allied Services
Bryn Mawr Rehab Hospital
Chestnut Hill Rehab
Children's Home—Pittsburgh
Children's Rehab Hospital
Children's Seashore House
D. T. Watson
Good Shepherd
Harmarville
Healthsouth Great Lakes Rehab.
Healthsouth Lake Erie Institute
Healthsouth Nittany Valley Rehab.
Healthsouth of Mechanicsburg Rehab.
Healthsouth Rehab. of Altoona
Healthsouth Rehab. of Greater Pgh.
Healthsouth Rehab. of York
John Heinz Rehab. Hospital
Magee Memorial
Reading Rehab. Hospital
Rehab Institute of Pgh.

*Private Psychiatric Hospitals*
Belmont Center (Phila. Psy. Cntr.)
Charter Fairmount Institute
Clarion Psych Center
Edgewater Psychiatric
Eugenia Hospital
First Hosp. Wyoming Valley
Friends Hospital
Horsham Hospital
Huntington
Institute of PA Hosp.
Lakewood Psychiatric Hospital
Meadows Psych. Center
Mercy Psych. Institute
Montgomery Emer. Srvcs.
Nat'l. Hosp. for Kids in Crisis
Northwestern
Phila. Child Guidance
Philhaven
Southwood Psych Center

*Freestanding Drug and Alcohol Hospital*
Eagleville

*Drug and Alcohol Units of Acute Care Hospitals*
Butler County Memorial
DuBois Regional Med. Cntr.
Hamot Medical Center
LGH/Susquehanna Division
Meadville Med. Cntr.
NPHS—Girard
Presbyt Med. Ctr. of UPHS

ATTACHMENT A

Horizon Hosp. System, Inc St. Francis—
Pgh.
Valley Forge Westmoreland

*Medical Rehab Units of Acute Care Hospitals*
Abington
Bucks Co. Hosp. Chambersburg
Community—Lancaster Crozer
Chester Delaware County Divine
Prov.—Wmsprt Doylestown
Dubois Easton
Elkins Park Hosp. Forbes Metro.
Frankford Hosp. Geisinger
Geisinger Wyoming Val. Good
Samaritan Harrisburg—Polyclinic
Horizon
Hosp.—Univ. of PA Jameson
Memorial Jeannette Dist. Mem.
Jefferson Health Lancaster
General Lee
McKeesport MCMC—Fitzgerald Mercy—
Altoona Mercy—Pgh.
Mercy—Providence Monongahela Valley
Moss/AEMC
Mt. Sinai Nazareth NWMC—
Franklin Pottsville
Presby Univ. Sewickley
South Side St. Agnes
St. Francis—Central
St. Francis—New Castle St. Francis—
Pgh.
St. Jos—Lancaster St. Margaret
St. Mary—Langhorne St. Vincent
Suburban General—Pgh. Taylor
Temple
Thomas Jefferson University Hosp.
Westmoreland Williamsport

*Psychiatric Units of Acute Care Hospitals*
Abington Memorial Albert
Einstein Aliquippa Allegheny
General Allegheny Valley
Altoona
Armstrong County Memorial Bloomsburg
Braddock Medical Center Bradford
Brandywine Hospital
Brownsville
Bryn Mawr
Bucks Co. Hosp.
Butler County Memorial
Carlisle Hospital
Centre Community
Chambersburg Hospital
Community General—Reading
Community Hosp. of Lancaster
Community Medical Center
Conemaugh Valley
Crozer Chester
Delaware Valley
Divine Providence—WMSP
Doylestown
DuBois Regional Med Center
Elk County General
Ephrata Community
Forbes Metro. Health Center
Forbes Reg. Health Center
Geisinger Medical Center
GHS—City Avenue GHS—
Parkview
Gnaden Huetten
Good Samaritan Med Cntr.—Johnstown
Grandview
Hahnemann Hospital
Hamot Medical Center
Hanover General
Harrisburg—Polyclinic
Hazelton General
Highland Health Center
Holy Spirit
J. C. Blair
Jefferson Health Services
Lancaster General
Latrobe Area
Lehigh Valley
Lewistown
Lower Bucks
Marian Community Hosp.
McKeesport
Meadville
Med Col. Hosp.—Eppi
Medical Ctr. Beaver PA
Memorial Osteopathic—York
Mercy Catholic—Fitzgerald
Mercy Catholic—Misericordia
Mercy Hospital—Pgh.
Mercy Hospital—Wilkes-Barre
Mercy—Nanticoke
Mercy Providence
Milton Hershey
Monongahela Valley
Monsour
Montgomery
Moses Taylor
Mount Sinai Hospital
Muhlenberg
Nazareth
Neumann NPHS—
Girard
NW Med Cntr.—Oil City
Paoli Memorial
Pennsylvania Hospital
Pocono Hospital
Polyclinic Med. Ctr.
Pottstown Memorial
Pottsville Hospital

ATTACHMENT A

Presby Med. Cntr. UPHS
Quakertown
Reading Hospital
Robert Packer
Sewickley
Sharon
Soldiers and Sailors
Somerset Community
South Side
St. Clair Memorial
St. Francis—New Castle
St. Francis—Pittsburgh
St. Joseph—Lancaster
St. Joseph—Reading
St. Lukes of Bethlehem
St. Vincent
Temple
Thomas Jefferson
Univ. of Penna
Warren General
Washington
Western Penn
Westmoreland
Wilkes-Barre General Hosp.
Wills Eye
WPIC/PUH
York Hospital

*Contact Person*

Interested persons are invited to submit written com- ments within 30 days of this publication. Those comments should be sent to the Department of Public Welfare, Office of Medical Assistance Programs, Attention: Regula- tions Coordinator, Room 515, Health and Welfare Build- ing, Harrisburg, PA 17120.

FEATHER O. HOUSTOUN,
*Secretary*

[Pa.B. Doc. No. 96-1057. Filed for public inspection June 28, 1996, 9:00 a.m.]

## Revision of Payment Methodology for Inpatient Psychiatric Care

*Inpatient Psychiatric Services*

The purpose of this announcement is to provide ad- vance public notice that the Department of Public Welfare is revising its payment methods and standards for inpa- tient psychiatric services provided to adolescent males ages 14—21 who, because of their status with the juvenile court system and their concomitant psychiatric impair- ment, require psychiatric inpatient treatment in a secure setting, effective July 1, 1996.

*Revision of Payment Methodology for Inpatient Psychiatric Care*

Currently, the Department provides inpatient psychiat- ric care to adolescents under the jurisdiction of the Juvenile Court System who have been committed to psychiatric inpatient care under the Mental Health Proce- dures Act. At present, this service is available to individu- als in the 67 counties of the Commonwealth in a State operated facility. The State operated facility known as Eastern State School and Hospital that currently houses this service is scheduled to close June 30, 1996. There- fore, it is the intent of the Department to offer this service in a community-based facility.

In order to support this service on and after July 1, 1996, the Department will recognize a new provider type known as a Juvenile Forensic Service Provider. The service provider will provide inpatient psychiatric care in a secure setting and must comply with Federal and State Medicaid law and regulations and the licensing standards and requirements of the Department.

Payment for the juvenile forensic service will be made on a prospective per diem basis.

*Fiscal Impact*

There will be a decrease in overall State and Federal expenditures as a result of this privatization. The de- crease in per diem is expected to result in a savings of $600,000 in Federal dollars and $500,000 in State dollars for a total of $1,100,000 during fiscal year 96/97. A decrease in per diem is expected over the next 5 years.

*Review and Comments*

A copy of this notice is available for review at local county assistance offices throughout the Commonwealth. Interested persons are invited to submit their written comments about this notice to the Department within 30 days of publication of the notice in the *Pennsylvania Bulletin*. Comments should be addressed to Ron Bennett, Office of Mental Health, P. O. Box 2675, Harrisburg, PA 17105-2675.

FEATHER O. HOUSTOUN,
*Secretary*

**Fiscal Note:** 14-NOT-124. No fiscal impact; (8) recom- mends adoption.

This announcement notifies the public that the Depart- ment of Public Welfare intends to close Eastern State School and Hospital on June 30, 1996, and transfer its adolescent male psychiatric patients to a private facility and create a new provider type known as Juvenile Forensic Service Provider. This change will result in a savings for 1996-97 of $500,000 to the Mental Health Services Appropriation.

[Pa.B. Doc. No. 96-1058. Filed for public inspection June 28, 1996, 9:00 a.m.]

# DEPARTMENT OF TRANSPORTATION

## Bureau of Maintenance and Operations; Correction

The Department of Transportation, Bureau of Mainte- nance and Operations, under the authority contained in section 4704(f) of the Vehicle Code (75 Pa.C.S. § 4704 (f)), published at 26 Pa.B. 2365 (May 18, 1996) a listing of local police officers who have successfully completed the training prescribed by the Department and accordingly were certified as ''Qualified Commonwealth Employees'' as defined under 75 Pa.C.S. § 4102.

In publishing the notice at 26 Pa.B. 2365, the Depart- ment committed two errors which require correction. In publishing the initial notice, the Department erred in saying that 75 Pa.C.S. § 4103 defines the phrase ''Quali- fied Commonwealth Employee.'' The definition of the phrase actually appears in 75 Pa.C.S. § 4102. Further, the Department identified Qualified Commonwealth Em- ploye Thomas J. Kauffman as being of Upper Allen



ATTACHMENT A

| *Regional Council* | *Counties* |
|---|---|
| Montgomery County Emergency Medical Services<br>Office of Emergency Medical Services<br>50 Eagleville Road<br>Eagleville, PA 19403<br>(610) 631-6520 | Montgomery |
| Philadelphia Emergency Medical Services Council<br>Philadelphia Fire Department<br>240 Spring Garden Street<br>Philadelphia, PA 19123-2991<br>(215) 686-1313 | Philadelphia |
| Seven Mountains Emergency Medical Services Council, Inc.<br>Willowbank Building, Homes Street<br>Bellefonte, PA 16823<br>(814) 355-1474 | Centre, Clinton, Juniata, Mifflin |
| Southern Alleghenies Emergency Medical Services Council, Inc.<br>Olde Farm Office Centre—Carriage House<br>Duncansville, PA 16635<br>(814) 696-3200 | Bedford, Blair, Cambria, Fulton, Huntingdon, Somerset |
| Susquehanna Emergency Health Services Council, Inc.<br>249 Market Street<br>Sunbury, PA 17801-3401<br>(717) 988-3443 | Columbia, Montour, Northumberland, Snyder, Union |

The Department asks that all written comments pertaining to the current regulations and the draft revisions be submitted to Kum S. Ham, Ph.D., Director, Division of Emergency Medical Services Systems, Room 1033 Health and Welfare Building, P. O. Box 90, Harrisburg, PA 17108, by the close of business on August 4, 1997. The Department will begin the next stage of its review on that date.

On August 4, 1997, the Department will also be conducting a public meeting on the regulations in Room 812 of the Health and Welfare Building, Commonwealth Avenue and Forster Street, Harrisburg, PA, commencing at 10 a.m. Any person who wishes to present testimony at this meeting should contact Ruth W. Seneca, at the same address as Dr. Ham's, by July 11, 1997. Ruth Seneca's telephone number is (717) 787-8741. If the number of people who timely contact Ruth Seneca to register to speak is large enough to warrant relocation of the meeting to a larger room, notice of a changed site for the meeting will be published in the July 26, 1997 edition of the *Pennsylvania Bulletin.*

For additional information, for persons with a disability who require an auxiliary aide service or other accommodation to attend the meeting or review the draft revisions to the regulations, contact Ruth Seneca.

The scheduled meeting is subject to cancellation with- out notice.

TDD: (717) 783-6514 or Network/TDD: (8) (717) 433-6514.

DANIEL F. HOFFMANN,

*Secretary*

[Pa.B. Doc. No. 97-1041. Filed for public inspection June 27, 1997, 9:00 a.m.]

# DEPARTMENT OF PUBLIC WELFARE

## Federal Child Care and Development Block Grant Plan PREPRINT

This is to announce the availability of the Final Child Care and Development Block Grant Plan (CCDBG) for providing child care for welfare and nonwelfare low- income families. This document is the Child Care State Plan PREPRINT, a technical plan in a prescribed format that must be filed with the United States Department of Health and Human Services by July 1, 1997. This Plan PREPRINT covers the period October 1, 1997 through September 30, 1999.

This plan PREPRINT will be available to the general public after July 1, 1997. To obtain a copy of the Plan PREPRINT, contact Karen Habel, Bureau of Child Day Care Services, 1401 North 7th Street, Harrisburg, PA, 17105 or call (717) 787-8691.

Persons with a disability may use the AT&T Relay Service by calling (800) 654-5984 (TDD Users) or (800) 654-5988 (Voice Users). Persons who require another alternative format should contact Thomas Vracarich at (717) 783-2209.

FEATHER O. HOUSTOUN,
*Secretary*

[Pa.B. Doc. No. 97-1042. Filed for public inspection June 27, 1997, 9:00 a.m.]



ATTACHMENT A

ment system. Under Pennsylvania regulations, the De- partment is required to annually publish the names of each inpatient acute care general hospital, psychiatric unit and rehabilitation unit of acute general hospitals, rehabilitation hospital, and private psychiatric hospital qualifying for a disproportionate share payment and their respective disproportionate share payment percentage.

A. *Disproportionate Share for Acute Care General Hospitals, Rehabilitation Hospitals and Private Psychiatric Hospitals.*

The following lists identify the inpatient acute care general hospitals, psychiatric units and rehabilitation units of acute care general hospitals, rehabilitation hospitals, and private psychiatric hospitals eligible for payment period January 1, 1997 through June 30, 1997, disproportionate share payments and their respective payment percentages. For all inpatient facilities, disproportionate share payment is calculated as a percentage of projected MA inpatient income.

**Payment period January 1, 1997 to June 30, 1997 DISPROPORTIONATE SHARE PAYMENT PERCENTAGES**

**Acute Care Hospitals**

| | |
|---|---|
| ALBERT EINSTEIN | 5.155% |
| A. I. duPONT | 9.422% |
| BARNES KASSON | 4.647% |
| BRADDOCK MED CENTER | 4.374% |
| CHARLES COLE MEMORIAL | 3.192% |
| CHILDRENS HOSPITAL—PGH | 9.292% |
| CHILDRENS HOSPITAL—PHILA | 14.000% |
| CLARION HOSPITAL | 3.855% |
| CLEARFIELD | 1.595% |
| CROZER CHESTER | 4.583% |
| DUBOIS REGIONAL MED CTR | 10.000% |
| EPISCOPAL | 9.873% |
| FULTON COUNTY MEDICAL CTR | 1.881% |
| GHS—CITY AVENUE | 8.016% |
| GHS—PARKVIEW | 6.752% |
| HAHNEMANN HOSPITAL | 6.612% |
| HIGHLAND HEALTH CENTER | 5.436% |
| HOSP UNIV OF PENNA | 5.054% |
| INDIANA HOSPITAL | 1.000% |
| J C BLAIR | 4.292% |
| J F KENNEDY MEMORIAL | 3.556% |
| JAMESON MEMORIAL | 1.545% |
| KENSINGTON | 9.277% |
| LGH—SUSQUEHANNA DIVISION | 4.773% |
| LOCK HAVEN | 9.000% |
| MAGEE WOMENS | 7.094% |
| MEADVILLE | 5.930% |
| MED COLL HOSP—MAIN | 11.700% |
| MEMORIAL HOSPITAL—TOWANDA | 2.447% |
| MEMORIAL OF BEDFORD | 3.996% |
| MERCY CATHOLIC—FITZGERALD | 7.084% |
| MERCY CATHOLIC—MISERICORDIA | 5.379% |
| MERCY PROVIDENCE—PGH | 2.373% |
| MILLCREEK COMMUNITY | 4.721% |
| MONSOUR | 7.421% |
| MT. SINAI | 7.683% |
| NEUMANN MEDICAL CENTER | 9.736% |
| NPHS—GIRARD | 7.458% |
| NPHS—ST. JOSEPHS | 8.536% |
| PRESBYT MED CTR OF UPH | 4.082% |
| PRESBYT UNIV HOSPITAL | 4.847% |
| PUNXSUTAWNEY | 4.990% |
| SOLDIERS AND SAILORS | 7.519% |
| ST CHRISTOPHERS | 15.000% |
| ST FRANCIS—NEW CASTLE | 8.700% |
| TEMPLE | 9.102% |
| THOMAS JEFFERSON | 4.828% |
| TITUSVILLE | 2.245% |
| TROY COMMUNITY | 1.000% |
| VALLEY FORGE | 5.500% |
| WAYNE COUNTY MEMORIAL | 2.420% |
| WEST VIRGINIA | 6.510% |

**Psychiatric Units of Acute Care Hospitals**

| | |
|---|---|
| ALBERT EINSTEIN | 3.040% |
| BRADDOCK MED CENTER | 2.591% |
| CROZER CHESTER | 2.711% |
| DUBOIS REGIONAL MED CTR | 3.104% |
| GHS—CITY AVENUE | 4.688% |
| GHS—PARKVIEW | 3.960% |
| HAHNEMANN HOSPITAL | 3.880% |
| HIGHLAND HEALTH CENTER | 3.202% |
| HOSP UNIV OF PENNA | 2.982% |
| J C BLAIR | 2.137% |
| MEADVILLE | 2.407% |
| MED COLL HOSP—MAIN | 6.811% |
| MERCY CATHOLIC—FITZGERALD | 4.152% |
| MERCY CATHOLIC—MISERICORDIA | 3.169% |
| MERCY PROVIDENCE—PGH | 1.438% |
| MONSOUR | 4.345% |
| MT SINAI | 4.497% |
| NEUMANN MEDICAL CENTER | 5.679% |
| NPHS—GIRARD | 4.367% |
| PRESBYT MED CTR OF UPHS | 2.422% |
| PRESBYT UNIV HOSPITAL | 2.863% |
| SOLDIERS AND SAILORS | 2.668% |
| ST FRANCIS—NEW CASTLE | 2.882% |
| TEMPLE | 5.314% |
| THOMAS JEFFERSON | 2.852% |

**Private Psychiatric Hospitals**

| | |
|---|---|
| CHARTER FAIRMOUNT INSTITUT | 1.922% |
| CLARION PSYCH CENTER | 5.055% |
| DELAWARE VALLEY M H | 9.000% |
| EDGEWATER | 1.260% |
| EUGENIA HOSPITAL | 2.791% |
| FIRST HOSP. WYOMING VALLEY | 4.037% |
| HORSHAM HOSPITAL | 3.817% |
| HUNTINGTON | 1.000% |
| INSTITUTE OF PA HOSP | 2.261% |
| LAKEWOOD PSYCH HOSP | 3.422% |
| MEADOWS PSYCH CENTER | 4.166% |
| MONTGOMERY COUNTY MH/MR | 1.444% |
| NATL HOSP FOR KIDS IN CRISIS | 8.880% |
| NORTHWESTERN | 1.938% |
| PHILA CHILD GUIDANCE | 10.000% |
| PHILA PSYCH CENTER (Belmont) | 2.167% |
| PHILHAVEN | 2.238% |
| SOUTHWOOD PSYCH CENTER | 5.781% |

**Drug and Alcohol Units of Acute Care Hospitals**

| | |
|---|---|
| DUBOIS REGIONAL MED CTR D&A | 2.817% |
| LGH—SUSQUEHANNA DIV. | 2.508% |
| MEADVILLE | 2.057% |
| NPHS—GIRARD | 4.196% |
| PRESBYT MED CTR OF UPH | 2.074% |
| VALLEY FORGE | 2.965% |

**Medical Rehab Units of Acute Care Hospitals**

| | |
|---|---|
| ALBERT EINSTEIN | 2.748% |
| CROZER CHESTER | 2.389% |
| DUBOIS REGIONAL MED CTR MR | 2.817% |
| HOSP UNIV OF PENNA | 2.685% |
| JAMESON MEMORIAL | 1.271% |
| MERCY CATHOLIC—FITZGERALD | 3.961% |
| MERCY PROVIDENCE—PGH | 1.000% |
| MT SINAI | 4.337% |
| PRESBYT UNIV HOSPITAL | 2.555% |
| ST FRANCIS—NEW CASTLE | 2.554% |

| | |
|---|---|
| TEMPLE | 5.229% |
| THOMAS JEFFERSON | 2.543% |

**Freestanding Rehab Hospitals**

| | |
|---|---|
| CHILDRENS HOME—PGH | 7.547% |
| CHILDREN'S REHAB HOSP | 6.994% |
| CHILDRENS SEASHORE HOUSE | 10.000% |
| EAGLEVILLE (D&A) | 2.631% |
| H/S LAKE ERIE INSTITUTE | 5.720% |
| MAGEE MEMORIAL | 2.379% |

B.*Additional Disproportionate Share Payments*

Additional disproportionate share payments are made to inpatient facilities with a Medicaid inpatient utilization rate of not less than 1% which have provided services to persons who have been determined to be low income by meeting the income and resource standards for the State's General Assistance Program. These additional disproportionate share payments are made by either the Department directly or through an intermediary.

The payment adjustments are paid directly proportional to the payment received for either General Assistance recipients for all hospital services or Title XIX recipients age 21—64 for services rendered by Institutions for Mental Disease under the fee-for-service and capitation pro- grams.

These are the Pennsylvania hospitals eligible for this payment adjustment.

**Acute Care General Hospitals**

ABINGTON MEMORIAL
ALBERT EINSTEIN
ALIQUIPPA
ALLEGHENY GENERAL
ALLEGHENY VALLEY
ALLENTOWN OSTEO HOSP
ALTOONA
AMERICAN ONCOLOGICAL
ARMSTRONG COUNTY MEMORIAL
ASHLAND REG MED CTR
A. I. duPONT
BARNES KASSON
BERWICK
BLOOMSBURG
BRADDOCK MED CENTER
BRADFORD REG MED CTR
BRANDYWINE HOSPITAL
BROOKVILLE
BROWNSVILLE
BRYN MAWR
BUCKTAIL MEDICAL CENTER
BUTLER COUNTY MEMORIAL
CANONSBURG GENERAL
CARLISLE HOSPITAL
CENTRE COMMUNITY
CHAMBERSBURG HOSPITAL
CHARLES COLE MEMORIAL
CHESTER COUNTY
CHESTNUT HILL
CHILDRENS HOSPITAL—PGH
CHILDRENS HOSPITAL—PHILA
CITIZENS GENERAL
CLARION HOSPITAL
CLEARFIELD
COMMUNITY GENERAL OSTEO
COMMUNITY GENERAL—READING
COMMUNITY HOSP OF LANCASTER
COMMUNITY HOSPITAL—KANE
COMMUNITY MEDICAL CENTER
CONEMAUGH VALLEY
CORRY MEMORIAL
CROZER CHESTER
DELAWARE COUNTY
DELAWARE VALLEY
DIVINE PROVIDENCE—WMSPT
DOYLESTOWN
DUBOIS REGIONAL MED CTR
EASTON HOSPITAL
ELK COUNTY GENERAL
ELLWOOD CITY
EPHRATA COMMUNITY
EPISCOPAL
EVANGELICAL COMMUNITY
FORBES METRO HEALTH CNTR
FORBES REG HEALTH CNTR
FRANKFORD
FULTON COUNTY MEDICAL CNTR
GEISINGER MEDICAL CENTER
GEISINGER WYOMING VALLEY
GERMANTOWN
GETTYSBURG HOSPITAL
GHS—CITY AVENUE
GHS—PARKVIEW
GNADEN HUETTEN
GOOD SAMARITAN—LEBANON
GOOD SAMARITAN—POTTSVILLE
GRADUATE HOSPITAL
GRANDVIEW
GREENE COUNTY MEMORIAL
HAHNEMANN HOSPITAL
HAMOT MEDICAL CENTER
HANOVER GENERAL
HARRISBURG—POLYCLINIC MED CTR
HAZLETON GENERAL HOSPITAL
HENRY CLAY FRICK
HIGHLAND HEALTH CENTER
HOLY REDEEMER
HOLY SPIRIT
HORIZON HOSPITAL SYS, INC
HOSP UNIV OF PENNA
INDIANA HOSPITAL
J C BLAIR
J F KENNEDY MEMORIAL
JAMESON MEMORIAL
JEANES HOSPITAL
JEANNETTE DIST MEMORIAL
JEFFERSON HEALTH SERVICES
JERSEY SHORE HOSPITAL
KENSINGTON
LANCASTER GENERAL
LANKENAU
LATROBE AREA
LEE HOSPITAL
LEHIGH VALLEY
LEWISTOWN
LGH—SUSQUEHANNA DIVISION
LOCK HAVEN
LOWER BUCKS
MAGEE WOMENS
MARIAN COMMUNITY HOSP MCKEESPORT
MEADVILLE
MED COLL HOSP—BUCKS
MED COLL HOSP—ELKINS PARK
MED COLL HOSP—MAIN MEDICAL
CTR BEAVER PA, INC MEMORIAL—
YORK
MEMORIAL HOSPITAL—TOWANDA
MEMORIAL OF BEDFORD
MERCY CATHOLIC—FITZGERALD

MERCY CATHOLIC—MISERICORDIA
MERCY HAVERFORD
MERCY HOSP OF NANTICOKE
MERCY HOSPITAL—ALTOONA
MERCY HOSPITAL—PGH
MERCY HOSPITAL—SCRANTON
MERCY HOSPITAL—WILKES-BARRE
MERCY MED CENTER—JOHNSTOWN
MERCY PROVIDENCE—PGH
METHODIST HOSPITAL
METRO HEALTH CENTER
MEYERSDALE
MID VALLEY
MILLCREEK COMMUNITY
MILTON HERSHEY
MINERS HOSPITAL
MINERS MEMORIAL MED CTR
MONONGAHELA VALLEY
MONSOUR
MONTGOMERY
MONTROSE GENERAL
MOSES TAYLOR
MT SINAI
MUHLENBERG
MUNCY VALLEY
NASON HOSPITAL
NAZARETH
NEUMANN MEDICAL CENTER
NORTH HILLS PASSAVANT
NORTH PENN
NORTHEASTERN
NORTHWEST MEDICAL CENTER
NPHS—GIRARD
NPHS—ST. JOSEPHS
OHIO VALLEY
PALMERTON
PAOLI MEMORIAL
PENNSYLVANIA HOSPITAL
PHILIPSBURG AREA
PHOENIXVILLE
POCONO HOSPITAL
PODIATRY HOSPITAL
POTTSTOWN MEMORIAL
POTTSVILLE HOSPITAL
PRESBYT MED CTR OF UPHS
PRESBYT UNIV HOSPITAL
PUNXSUTAWNEY
QUAKERTOWN
READING HOSPITAL
RIDDLE MEMORIAL
ROBERT PACKER
ROXBOROUGH MEMORIAL
SACRED HEART—ALLENTOWN
SEWICKLEY
SHADYSIDE
SHAMOKIN AREA COMM HOSP
SHARON
SOLDIERS AND SAILORS
SOMERSET COMMUNITY
SOUTHERN CHESTER
ST AGNES
ST CHRISTOPHERS
ST CLAIR MEMORIAL
ST FRANCIS CENTRAL
ST FRANCIS—NEW CASTLE
ST FRANCIS—PITTSBURGH
ST JOSEPH MED CTR
ST JOSEPH—LANCASTER
ST JOSEPH—READING
ST LUKES OF BETHLEHEM
ST MARGARET—PGH
ST MARY—LANGHORNE
ST VINCENT
ST. MARYS MEDICAL CENTER
SUBURBAN GENERAL—NORRISTOWN
SUBURBAN GENERAL—PGH
SUNBURY COMMUNITY
TAYLOR HOSPITAL
TEMPLE
THOMAS JEFFERSON
THOS. JEFFERSON—FORD RD
TITUSVILLE
TYLER MEMORIAL
TYRONE HOSP
U OF PGH MED CTR—SOUTHSIDE
UNION CITY
UNIONTOWN
UNITED COMMUNITY
VALLEY FORGE
WARREN GENERAL
WASHINGTON
WAYNE COUNTY MEMORIAL
WAYNESBORO
WEST VIRGINIA
WESTERN PENN
WESTMORELAND
WILLIAMSPORT
WILLS EYE HOSPITAL
WINDBER
WYOMING VALLEY HEALTH CARE SYS
YORK HOSPITAL

**Freestanding Rehab Hospitals**
ALLIED SERVICES
BRYN MAWR REHAB
CHESTNUT HILL—SPRNGFLD CTR
CHILDRENS HOME—PGH
CHILDREN'S REHAB HOSP
CHILDRENS SEASHORE HOUSE
D T WATSON GOOD
SHEPHERD
HARMARVILLE
H/S GREAT LAKES REHAB
H/S LAKE ERIE INSTITUTE
H/S NITTANY VALLEY REHAB
H/S OF MECHANICSBURG REHAB
H/S REHAB OF ALTOONA
H/S REHAB OF GREATER PGH
H/S REHAB OF YORK
JOHN HEINZ REHAB HOSP
MAGEE MEMORIAL
READING REHAB HOSP
REHAB INST OF PGH.

**Private Psychiatric Hospitals**
CHARTER FAIRMOUNT INSTITUTE
CLARION PSYCH CENTER
DELAWARE VALLEY M H
EDGEWATER
EUGENIA HOSPITAL
FIRST HOSP. WYOMING VALLEY
FRIENDS HOSPITAL
HORSHAM HOSPITAL
HUNTINGTON
INSTITUTE OF PA HOSP
LAKEWOOD PSYCH HOSP
MEADOWS PSYCH CENTER
MONTGOMERY COUNTY MH/MR NAT'L
HOSP FOR KIDS IN CRISIS
NORTHWESTERN
PHILA CHILD GUIDANCE

PHILA PSYCH CENTER (Belmont)
PHILHAVEN
SOUTHWOOD PSYCH CENTER

**Freestanding Drug and Alcohol Hospital**
EAGLEVILLE

**Drug and Alcohol Units of Acute Care Hospitals**
BUTLER COUNTY MEMORIAL
DUBOIS REGIONAL MED CTR
HAMOT MEDICAL CENTER
HORIZON HOSPITAL SYS, INC
LGH—SUSQUEHANNA DIVISION
MEADVILLE
NPHS—GIRARD
PRESBYT MED CTR OF UPHS
ST FRANCIS—PITTSBURGH
VALLEY FORGE
WESTMORELAND

**Medical Rehab Units of Acute Care Hospitals**
ABINGTON MEMORIAL
ALBERT EINSTEIN
BUCKS CO HOSP
CHAMBERSBURG HOSPITAL
COMMUNITY HOSP OF LANCASTER
CROZER CHESTER
DELAWARE COUNTY
DIVINE PROVIDENCE—WMSPT
DOYLESTOWN
DUBOIS REGIONAL MED CTR
EASTON HOSPITAL
ELKINS PARK HOSP
FORBES METRO HEALTH CNTR
FRANKFORD
GEISINGER MEDICAL CENTER
GEISINGER WYOMING VALLEY
GOOD SAMARITAN—LEBANON
HARRISBURG—POLYCLINIC MED CTR
HORIZON HOSPITAL SYS, INC
HOSP UNIV OF PENNA
JAMESON MEMORIAL
JEANNETTE DIST MEMORIAL
JEFFERSON HEALTH SERVICES
LANCASTER GENERAL
LEE HOSPITAL
MCKEESPORT
MERCY CATHOLIC—FITZGERALD
MERCY HOSPITAL—ALTOONA
MERCY HOSPITAL—PGH
MERCY PROVIDENCE—PGH
MILTON HERSHEY
MONONGAHELA VALLEY
MT SINAI
NAZARETH
NORTHWEST MEDICAL CENTER
POTTSVILLE HOSPITAL
PRESBYT UNIV HOSPITAL SEWICKLEY
ST AGNES
ST FRANCIS CENTRAL
ST FRANCIS—NEW CASTLE ST
FRANCIS—PITTSBURGH ST
JOSEPH—LANCASTER ST
MARGARET—PGH
ST MARY—LANGHORNE ST
VINCENT
SUBURBAN GENERAL—PGH
TAYLOR HOSPITAL
TEMPLE
THOMAS JEFFERSON
U OF PGH MED CTR—SOUTHSIDE
WESTMORELAND
WILLIAMSPORT

**Psychiatric Units of Acute Care Hospitals**
ABINGTON MEMORIAL
ALBERT EINSTEIN
ALIQUIPPA
ALLEGHENY GENERAL
ALLEGHENY VALLEY
ALTOONA
ARMSTRONG COUNTY MEMORIAL
BLOOMSBURG
BRADDOCK MED CENTER
BRADFORD REG MED CTR
BRANDYWINE HOSPITAL
BROWNSVILLE
BRYN MAWR
BUCKS CO HOSP
BUTLER COUNTY MEMORIAL
CARLISLE HOSPITAL
CENTRE COMMUNITY
CHAMBERSBURG HOSPITAL
COMMUNITY GENERAL—READING
COMMUNITY HOSP OF LANCASTER
COMMUNITY MEDICAL CENTER
CONEMAUGH VALLEY
CROZER CHESTER
DELAWARE VALLEY
DIVINE PROVIDENCE—WMSPT
DOYLESTOWN
DUBOIS REGIONAL MED CTR ELK
COUNTY GENERAL
EPHRATA COMMUNITY FORBES
METRO HEALTH CNTR FORBES
REG HEALTH CNTR GEISINGER
MEDICAL CENTER GHS—CITY
AVENUE GHS—PARKVIEW
GNADEN HUETTEN
GRANDVIEW
HAHNEMANN HOSPITAL
HAMOT MEDICAL CENTER
HANOVER GENERAL
HARRISBURG—POLYCLINIC MED CTR
HAZLETON GENERAL HOSPITAL
HIGHLAND HEALTH CENTER
HOLY SPIRIT
HOSP UNIV OF PENNA
J C BLAIR
JEFFERSON HEALTH SERVICES
LANCASTER GENERAL
LATROBE AREA
LEHIGH VALLEY
LEWISTOWN
LOWER BUCKS
MARIAN COMMUNITY HOSP
MCKEESPORT
MEADVILLE
MED COLL HOSP—MAIN MEDICAL
CTR BEAVER PA, INC
MEMORIAL—YORK
MERCY CATHOLIC—FITZGERALD
MERCY CATHOLIC—MISERICORDIA
MERCY HOSP OF NANTICOKE
MERCY HOSPITAL—ALTOONA
MERCY HOSPITAL—PGH
MERCY HOSPITAL—WILKES-BARRE
MERCY MED CENTER—JOHNSTOWN
MERCY PROVIDENCE—PGH
MILTON HERSHEY

MONONGAHELA VALLEY
MONSOUR
MONTGOMERY
MOSES TAYLOR
MT SINAI
MUHLENBERG
NAZARETH
NEUMANN MEDICAL CENTER
NORTHWEST MEDICAL CENTER
NPHS—GIRARD
PAOLI MEMORIAL
PENNSYLVANIA HOSPITAL
POCONO HOSPITAL
POTTSTOWN MEMORIAL
POTTSVILLE HOSPITAL
PRESBYT MED CTR OF UPHS
PRESBYT UNIV HOSPITAL
READING HOSPITAL
ROBERT PACKER
SEWICKLEY SHARON
SOLDIERS AND SAILORS
SOMERSET COMMUNITY
ST CLAIR MEMORIAL
ST FRANCIS—NEW CASTLE
ST FRANCIS—PITTSBURGH
ST JOSEPH—LANCASTER
ST JOSEPH—READING
ST LUKES OF BETHLEHEM
ST LUKES—QUAKERTOWN
ST VINCENT
TEMPLE
THOMAS JEFFERSON
U OF PGH MED CTR—SOUTHSIDE
WARREN GENERAL
WASHINGTON
WESTERN PENN
WESTMORELAND
WILLS EYE HOSPITAL
WYOMING VALLEY HEALTH CARE SYS
YORK HOSPITAL

*C. Different Class of Disproportionate Share Payments*

Effective April 1, 1997, through June 30, 1997, the Department established a different class of disproportion- ate share payments to hospitals which render uncompensated care and which the Department determined would experience significant revenue loss as a result of recent Medical Assistance Program revisions under Act No. 1996-35.

These are the hospitals which qualify for this different class of disproportionate share payments.

Albert Einstein
Allegheny General
Barnes Kasson
Braddock Medical Center
Charles Cole Memorial
Clarion Osteopathic
Clearfield
Crozer Chester Medical Center
Dubois Regional Medical Center
Eagleville
Episcopal
Fulton County Medical Center
Graduate Hospital
Indiana Hospital
JC Blair
Jameson Memorial
Lehigh Valley
Lock Haven
Meadville Medical Center
Memorial Hospital Bedford
Memorial Hospital Towanda
Mercy Catholic—Fitzgerald
Mercy Catholic—Misericordia
Mercy Hospital—Pittsburgh
North Philadelphia Health System
Pennsylvania Hospital
Presbyterian Medical Center of Philadelphia
Punxsutawney
Soldiers and Sailors
St Francis New Castle
St Francis—Pittsburgh
Titusville
Valley Forge
Wayne County Memorial

*Contact Person*

A copy of this notice is available for review at local county assistance offices throughout this Commonwealth.

Interested persons are invited to submit written comments to this notice within 30 days of this publication. Comments should be sent to the Department of Public Welfare, Office of Medical Assistance Programs, c/o Deputy Secretary's Office, Attention: Regulations Coordinator, Room 515 Health and Welfare Building, Harrisburg, PA 17120.

Persons with a disability may use the AT&T Relay Service by calling (800) 654-5984 (TDD users) or (800) 654-5988 (voice users), or may use the Department of Public Welfare TDD by calling (717) 787-3616. Persons who require an alternate format should contact Thomas Vracarich at (717) 783-2209.

FEATHER O. HOUSTOUN,
*Secretary*

**Fiscal Note:** 14-NOT-147. (1) General Fund; (2) Implementing Year 1996-97 is $22,925,000; (3) 1st Succeeding Year 1997-98 is $0; 2nd Succeeding Year 1998-99 is $0; 3rd Succeeding Year 1999-00 is $0; 4th Succeeding Year 2000-01 is $0; 5th Succeeding Year 2001-02 is $0; (4) FY 1995-96 $452,180,000; FY 1994-95 $551,611,000; FY 1993-94 $681,793,000; (7) Medical Assistance—Inpatient; (8) recommends adoption. This cost has been included in the Governor's 1996-1997 Executive Budget.

[Pa.B. Doc. No. 97-1043. Filed for public inspection June 27, 1997, 9:00 a.m.]

## Inpatient Hospital Services

The purpose of this announcement is to provide advance public notice that the Department of Public Welfare will revise its payment method for inpatient hospital services effective July 1, 1997. These revisions will affect acute care general hospitals, private psychiatric hospitals, psychiatric units of general hospitals, rehabilitation hospitals and rehabilitation units of general hospitals.

The Department currently is discussing with representatives of the hospital industry the possibility of extending the existing Hospital Rate Agreement which governs the payment methods and standards applicable to hospitals participating in the Medical Assistance Program. The Agreement was effective July 1, 1995, and will expire on June 30, 1997. If a revised Agreement is adopted by and between the Department and participating hospitals, the

| % FPL | N% | FAMILY SIZE OF: 1 | | FAMILY SIZE OF: 2 | | FAMILY SIZE OF: 3 | | FAMILY SIZE OF: 4 | |
|---|---|---|---|---|---|---|---|---|---|
| 210% | 13% | $15,296 | $16,905 | $20,616 | $22,785 | $25,936 | $28,665 | $31,256 | $34,545 |
| 235% | 14% | $16,906 | $18,918 | $22,786 | $25,498 | $28,666 | $32,078 | $34,546 | $38,658 |
| 50% | | | $4,025 | | $5,425 | | $6,825 | | $8,225 |
| 100% | | | $8,050 | | $10,850 | | $13,650 | | $16,450 |
| 185% | | | $14,893 | | $20,073 | | $25,253 | | $30,433 |

| % FPL | N% | FAMILY SIZE OF: 5 | | FAMILY SIZE OF: 6 | | FAMILY SIZE OF: 7 | | FAMILY SIZE OF: 8 | |
|---|---|---|---|---|---|---|---|---|---|
| 50% | 5% | $0 | $9,625 | $0 | $11,025 | $0 | $12,425 | $0 | $13,825 |
| 70% | 6% | $9,626 | $13,475 | $11,026 | $15,435 | $12,426 | $17,395 | $13,826 | $19,355 |
| 90% | 7% | $13,476 | $17,325 | $15,436 | $19,845 | $17,396 | $22,365 | $19,356 | $24,885 |
| 110% | 8% | $17,326 | $21,175 | $19,846 | $24,255 | $22,366 | $27,335 | $24,886 | $30,415 |
| 130% | 9% | $21,176 | $25,025 | $24,256 | $28,665 | $27,336 | $32,305 | $30,416 | $35,945 |
| 150% | 10% | $25,026 | $28,875 | $28,666 | $33,075 | $32,306 | $37,275 | $35,946 | $41,475 |
| 170% | 11% | $28,876 | $32,725 | $33,076 | $37,485 | $37,276 | $42,245 | $41,476 | $47,005 |
| 190% | 12% | $32,726 | $36,575 | $37,486 | $41,895 | $42,246 | $47,215 | $47,006 | $52,535 |
| 210% | 13% | $36,576 | $40,425 | $41,896 | $46,305 | $47,216 | $52,185 | $52,536 | $58,065 |
| 235% | 14% | $40,426 | $45,238 | $46,306 | $51,818 | $52,186 | $58,398 | $58,066 | $64,978 |
| 50% | | | $9,625 | | $11,025 | | $12,425 | | $13,825 |
| 100% | | | $19,250 | | $22,050 | | $24,850 | | $27,650 |
| 185% | | | $35,613 | | $40,793 | | $45,973 | | $51,153 |

| % FPL | N% | FAMILY SIZE OF: 9 | | FAMILY SIZE OF: 10 | | FAMILY SIZE OF: 11 | | FAMILY SIZE OF: 12 | |
|---|---|---|---|---|---|---|---|---|---|
| 50% | 5% | $0 | $15,225 | $0 | $16,625 | $0 | $18,025 | $0 | $19,425 |
| 70% | 6% | $15,226 | $21,315 | $16,626 | $23,275 | $18,026 | $25,235 | $19,426 | $27,195 |
| 90% | 7% | $21,316 | $27,405 | $23,276 | $29,925 | $25,236 | $32,445 | $27,196 | $34,965 |
| 110% | 8% | $27,406 | $33,495 | $29,926 | $36,575 | $32,446 | $39,655 | $34,966 | $42,735 |
| 130% | 9% | $33,496 | $39,585 | $36,576 | $43,225 | $39,656 | $46,865 | $42,736 | $50,505 |
| 150% | 10% | $39,586 | $45,675 | $43,226 | $49,875 | $46,866 | $54,075 | $50,506 | $58,275 |
| 170% | 11% | $45,676 | $51,765 | $49,876 | $56,525 | $54,076 | $61,285 | $58,276 | $66,045 |
| 190% | 12% | $51,766 | $57,855 | $56,526 | $63,175 | $61,286 | $68,495 | $66,046 | $73,815 |
| 210% | 13% | $57,856 | $63,945 | $63,176 | $69,825 | $68,496 | $75,705 | $73,816 | $81,585 |
| 235% | 14% | $63,946 | $71,558 | $69,826 | $78,138 | $75,706 | $84,718 | $81,586 | $91,298 |
| 50% | | | $15,225 | | $16,625 | | $18,025 | | $19,425 |
| 100% | | | $30,450 | | $33,250 | | $36,050 | | $38,850 |
| 185% | | | $56,333 | | $61,513 | | $66,693 | | $71,873 |

EFFECTIVE: July 1, 1998

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## Inpatient Hospitals Qualifying for Medical Assistance (MA) Disproportionate Share Payments for the Period July 1, 1997 through June 30, 1998

On July 1, 1988, the Department of Public Welfare (Department) implemented a disproportionate share payment system. Under Pennsylvania regulations, the Department is required to annually publish the names of each inpatient acute care general hospital, psychiatric unit and rehabilitation unit of acute care general hospitals, rehabilitation hospital, and private psychiatric hospital qualifying for a disproportionate share payment and their respective disproportionate share payment percent- age.

A. *Disproportionate Share for Acute Care General Hospitals, Rehabilitation Hospitals and Private Psychiatric Hospitals.*

The following lists identify the inpatient acute care general hospitals, psychiatric units and rehabilitation units of acute care general hospitals, rehabilitation hospitals and private psychiatric hospitals eligible for payment period July 1, 1997 through June 30, 1998, disproportion-

ate share payments and their respective payment percentages. For all inpatient facilities, disproportionate share payments are calculated as a percentage of pro- jected MA inpatient income.

**Payment period July 1, 1997 to June 30, 1998, disproportionate share payment percentages.**

**Acute Care Hospitals**

| | |
|---|---|
| ALBERT EINSTEIN | 5.155% |
| A. I. dUPONT | 9.422% |
| BARNES KASSON | 4.647% |
| UPMC BRADDOCK MED CENTER | 4.374% |
| CHARLES COLE MEMORIAL | 3.192% |
| CHILDRENS HOSPITAL-PGH | 9.292% |
| CHILDRENS HOSPITAL-PHILA | 14.000% |
| CLARION HOSPITAL | 3.855% |
| CLEARFIELD | 1.595% |
| CROZER CHESTER | 4.583% |
| DUBOIS REGIONAL MED CTR | 10.000% |
| EPISCOPAL | 9.873% |
| FULTON COUNTY MEDICAL CTR | 1.881% |
| GHS-CITY AVENUE | 8.016% |
| GHS-PARKVIEW | 6.752% |
| HAHNEMANN HOSPITAL | 6.612% |
| HIGHLAND HOSPITAL | 5.436% |
| HOSP UNIV OF PENNA | 5.054% |
| INDIANA HOSPITAL | 1.000% |
| J C BLAIR | 4.292% |
| J F KENNEDY MEMORIAL | 3.556% |
| JAMESON MEMORIAL | 1.545% |
| KENSINGTON | 9.277% |
| LGH—SUSQUEHANNA DIVISION | 4.773% |
| LOCK HAVEN | 9.000% |
| MAGEE WOMENS | 7.094% |
| MEADVILLE MEDICAL CENTER | 5.930% |
| MED COLL HOSP-MAIN | 11.700% |
| MEMORIAL HOSPITAL-TOWANDA | 2.447% |
| UPMC BEDFORD | 3.996% |
| MERCY CATHOLIC-FITZGERALD | 7.084% |
| MERCY CATHOLIC-MISERICORDIA | 5.379% |
| MERCY PROVIDENCE-PGH | 2.373% |
| MILLCREEK COMMUNITY | 4.721% |
| MONSOUR | 7.421% |
| MT SINAI | 7.683% |
| NEUMANN MEDICAL CENTER | 9.736% |
| NPHS—GIRARD | 7.458% |
| NPHS—ST. JOSEPHS | 8.536% |
| PRESBYT MED CTR OF UPH | 4.082% |
| PRESBYT UNIV HOSPITAL | 4.847% |
| PUNXSUTAWNEY | 4.990% |
| SOLDIERS AND SAILORS | 7.519% |
| ST CHRISTOPHERS | 15.000% |
| ST FRANCIS-NEW CASTLE | 8.700% |
| TEMPLE HOSPITAL, INC. | 9.102% |
| THOMAS JEFFERSON | 4.828% |
| TITUSVILLE | 2.245% |
| TROY COMMUNITY | 1.000% |
| VALLEY FORGE | 5.500% |
| WAYNE COUNTY MEMORIAL | 2.420% |
| WEST VIRGINIA UNIVERSITY HOSPITAL | 6.510% |

**Psychiatric Units of Acute Care Hospitals**

| | |
|---|---|
| ALBERT EINSTEIN | 3.040% |
| UPMC—BRADDOCK MED CENTER | 2.591% |
| CROZER CHESTER | 2.711% |
| DUBOIS REGIONAL MED CTR | 3.104% |
| CITY AVENUE | 4.688% |
| PARKVIEW | 3.960% |
| HAHNEMANN HOSPITAL | 3.880% |
| HIGHLAND HEALTH CENTER | 3.202% |
| HOSP UNIV OF PENNA | 2.982% |
| J C BLAIR | 2.137% |
| MEADVILLE | 2.407% |
| MED COLL HOSP-MAIN | 6.811% |
| MERCY CATHOLIC-FITZGERALD | 4.152% |
| MERCY CATHOLIC-MISERICORDIA | 3.169% |
| MERCY PROVIDENCE-PGH | 1.438% |
| MONSOUR | 4.345% |
| MT SINAI | 4.497% |
| NEUMANN MEDICAL CEN | 5.679% |
| NPHS—GIRARD | 4.367% |
| PRESBYT MED CTR OF U | 2.422% |
| PRESBYT UNIV HOSPITAL | 2.863% |
| SOLDIERS AND SAILORS | 2.668% |
| ST FRANCIS-NEW CASTLE | 2.862% |
| TEMPLE | 5.314% |
| THOMAS JEFFERSON | 2.852% |

**Private Psychiatric Hospitals**

| | |
|---|---|
| CHARTER FAIRMOUNT I | 1.922% |
| CLARION PSYCH CENTER | 5.055% |
| DELAWARE VALLEY M H | 9.000% |
| EDGEWATER | 1.260% |
| EUGENIA HOSPITAL | 2.791% |
| FIRST HOSP. WYOMING | 4.037% |
| HORSHAM HOSPITAL | 3.817% |
| HUNTINGTON | 1.000% |
| KIRKBRIDE CENTER | 2.261% |
| LAKEWOOD PSYCH HOS | 3.422% |
| MEADOWS PSYCH CENT | 4.166% |
| MONTGOMERY COUNTY | 1.444% |
| NAT'L HOSP FOR KIDS IN | 8.880% |
| NORTHWESTERN | 1.938% |
| PHILA CHILD GUIDANCE | 10.000% |
| PHILA PSYCH CENTER | 2.167% |
| PHILHAVEN | 2.238% |
| SOUTHWOOD PSYCH CE | 5.781% |

**Drug and Alcohol Units of Acute Care Hospitals**

| | |
|---|---|
| LGH—SUSQUEHANNA DI | 2.508% |
| MEADVILLE | 2.057% |
| NPHS—ST. JOSEPHS | 4.196% |
| PRESBYT MED CTR OF U | 2.074% |
| VALLEY FORGE | 2.965% |

**Medical Rehab Units of Acute Care Hospitals**

| | |
|---|---|
| ALBERT EINSTEIN | 2.748% |
| CROZER CHESTER | 2.389% |
| DUBOIS REGIONAL MED | 2.817% |
| HOSP UNIV OF PENNA | 2.685% |
| JAMESON MEMORIAL | 1.271% |
| MERCY CATHOLIC-FITZG | 3.961% |
| MERCY PROVIDENCE-P | 1.000% |
| MT SINAI | 4.337% |
| PRESBYT UNIV HOSPITAL | 2.555% |
| ST FRANCIS-NEW CASTLE | 2.554% |
| TEMPLE | 5.229% |
| THOMAS JEFFERSON | 2.543% |

**Freestanding Rehab Hospitals**

| | |
|---|---|
| CHILDRENS HOME-PGH | 7.547% |
| CHILDREN'S REHAB HOS | 6.994% |
| CHILDRENS SEASHORE | 10.000% |
| EAGLEVILLE (D&A) | 2.631% |
| H/S LAKE ERIE INSTITUT | 5.720% |
| MAGEE MEMORIAL | 2.379% |

B. *Additional Disproportionate Share Payments*

Additional disproportionate share payments are made to inpatient facilities, with a Medicaid inpatient utilization rate of not less than 1%, which have provided

services to persons who have been determined to be low income by meeting the income and resource standards for the State's general assistance program.

The payment adjustments are paid directly proportional to the payment received for either general assistance recipients for all hospital services or Title XIX recipients age 21—64 for services rendered by institutions for mental diseases under the fee-for-service and capitation programs.

These are the Pennsylvania hospitals eligible for this payment adjustment.

**Acute Care General Hospitals**
ABINGTON MEMORIAL
ALBERT EINSTEIN
ALIQUIPPA
ALLEGHENY GENERAL
ALLEGHENY UNIVERSITY HOSPITAL/ALLEGHENY VALLEY
ALLENTOWN OSTEO HOSP
ALTOONA
AMERICAN ONCOLOGICAL
ARMSTRONG COUNTY MEMORIAL
ASHLAND REG MED CTR
A. I. dUPONT
BARNES KASSON
BERWICK
BLOOMSBURG
UPMC BRADDOCK MED CENTER
BRADFORD REG MED CTR
BRANDYWINE HOSPITAL
BROOKVILLE
BROWNSVILLE
BRYN MAWR
BUCKTAIL MEDICAL CENTER
BUTLER COUNTY MEMORIAL
UPMC CANONSBURG GENERAL
CARLISLE HOSPITAL
CENTRE COMMUNITY
CHAMBERSBURG HOSPITAL
CHARLES COLE MEMORIAL
CHESTER COUNTY
CHESTNUT HILL
CHILDRENS HOSPITAL-PGH
CHILDRENS HOSPITAL-PHILA
CITIZENS GENERAL
CLARION HOSPITAL
CLEARFIELD
COMMUNITY GENERAL OSTEO
COMMUNITY GENERAL-READING
COMMUNITY HOSP OF LANCASTER
COMMUNITY HOSPITAL-KANE
COMMUNITY MEDICAL CENTER
CONEMAUGH VALLEY
CORRY MEMORIAL
CROZER CHESTER
DELAWARE COUNTY
DELAWARE VALLEY
DIVINE PROVIDENCE-WMSPT
DOYLESTOWN
DUBOIS REGIONAL MED CTR
EASTON HOSPITAL
ELK COUNTY GENERAL
ELLWOOD CITY
EPHRATA COMMUNITY
EPISCOPAL
EVANGELICAL COMMUNITY
FORBES METRO HEALTH CNTR
FORBES REG. HEALTH CNTR
FRANKFORD
FULTON COUNTY MEDICAL CNTR
GEISINGER MEDICAL CENTER
GEISINGER WYOMING VALLEY
GERMANTOWN HOSPITAL & MEDICAL CTR
GETTYSBURG-HOSPITAL
CITY AVENUE
PARKVIEW
GNADEN HUETTEN
GOOD SAMARITAN-LEBANON
GOOD SAMARITAN-POTTSVILLE
AGH UNIVERSITY HOSPITALS GRADUATE
GRANDVIEW
GREENE COUNTY MEMORIAL
AGH UNIVERSITY HOSPITAL HAHNEMANN
HAMOT MEDICAL CENTER
HANOVER GENERAL
PINNACLE HEALTH SYSTEM
HAZLETON GENERAL HOSPITAL
HENRY CLAY FRICK
HIGHLAND HOSPITAL
HOLY REDEEMER
HOLY SPIRIT
HORIZON HOSPITAL SYS, INC
HOSP UNIV OF PENNA
INDIANA HOSPITAL
J C BLAIR
J F KENNEDY MEMORIAL
JAMESON MEMORIAL
JEANES HOSPITAL
JEANNETTE DIST MEMORIAL
JEFFERSON HEALTH SERVICES
JERSEY SHORE HOSPITAL
KENSINGTON
LANCASTER GENERAL
LANKENAU
LATROBE AREA
UPMC LEE HOSPITAL
LEHIGH VALLEY
LEWISTOWN
LGH—SUSQUEHANNA DIVISION
LOCK HAVEN
TEMPLE LOWER BUCKS HOSPITAL
MAGEE WOMENS
MARIAN COMMUNITY HOSP
MCKEESPORT
MEADVILLE
MED COLL HOSP-BUCKS
MED COLL HOSP-ELKINS PARK
MED COLL HOSP-MAIN
MEDICAL CTR BEAVER PA, INC
MEMORIAL—YORK
MEMORIAL HOSPITAL-TOWANDA
UPMC BEDFORD
MERCY FITZGERALD HOSPITAL
MCMC MERCY HOSPITAL PHILADLEP
MERCY COMMUNITY HOSPITAL
MERCY HOSP OF NANTICOKE
MERCY HOSPITAL-ALTOONA
MERCY HOSPITAL-PGH
MERCY HOSPITAL-SCRANTON
MERCY HOSPITAL-WILKES-BARRE
MERCY MED CENTER-JOHNSTOWN
MERCY PROVIDENCE-PGH
METHODIST HOSPITAL
METRO HEALTH CENTER
MEYERSDALE
MID VALLEY
MILLCREEK COMMUNITY
HERSHEY MEDICAL CENTER
MINERS HOSPITAL

MINERS MEMORIAL MED CTR
MONONGAHELA VALLEY
MONSOUR
MONTGOMERY
MONTROSE GENERAL
MOSES TAYLOR
MUHLENBERG
MUNCY VALLEY
NASON HOSPITAL
NAZARETH
NEUMANN MEDICAL CENTER
NORTH HILLS PASSAVANT
NORTH PENN NORTHEASTERN
NORTHWEST MEDICAL CENTER
NPHS—GIRARD
NPHS—ST. JOSEPHS
OHIO VALLEY
PALMERTON
PAOLI MEMORIAL
PENNSYLVANIA HOSPITAL
PHILIPSBURG AREA
PHOENIXVILLE HOSP OF UNIV OF PA
POCONO HOSPITAL
PODIATRY HOSPITAL
POTTSTOWN MEMORIAL
POTTSVILLE HOSPITAL
PRESBYT MED CTR OF UPHS
PRESBYT UNIV HOSPITAL
PUNXSUTAWNEY
QUAKERTOWN
READING HOSPITAL
RIDDLE MEMORIAL
ROBERT PACKER
ROXBOROUGH MEMORIAL
SACRED HEART-ALLENTOWN
SEWICKLEY
SHADYSIDE
SHAMOKIN AREA COMM HOSP
SHARON
SOLDIERS AND SAILORS
SOMERSET COMMUNITY
SOUTHERN CHESTER
ST AGNES
ST CHRISTOPHERS
ST CLAIR MEMORIAL
ST FRANCIS CENTRAL
ST FRANCIS-NEW CASTLE
ST FRANCIS-PITTSBURGH
ST JOSEPH MED CTR
ST JOSEPH-LANCASTER
ST JOSEPH-READING
ST LUKES OF BETHLEHEM
UPMC ST MARGARET
ST MARY-LANGHORNE
ST VINCENT
ST. MARYS MEDICAL CENTER
SUBURBAN GENERAL-NORRISTOWN
SUBURBAN GENERAL-PGH
SUNBURY COMMUNITY
TAYLOR HOSPITAL
TEMPLE UNIVERSITY HOSPITAL
THOMAS JEFFERSON
THOS. JEFFERSON-FORD RD
TITUSVILLE
TYLER MEMORIAL
TYRONE HOSP
U OF PGH MED CTR—SOUTHSIDE
UNION CITY
UNIONTOWN
UNITED COMMUNITY
VALLEY FORGE
WARREN GENERAL
WASHINGTON
WAYNE COUNTY MEMORIAL
WAYNESBORO
WEST VIRGINIA
WESTERN PENN
WESTMORELAND
WILLIAMSPORT
WILLS EYE HOSPITAL
WINDBER
WYOMING VALLEY HEALTH CARE SYS
YORK HOSPITAL

**Freestanding Rehab Hospitals**

ALLIED SERVICES
BRYN MAWR REHAB
CHESTNUT HILL-SPRINGFLD CTR
CHILDRENS HOME-PGH
CHILDREN'S REHAB HOSP
CHILDRENS SEASHORE HOUSE
D T WATSON
GOOD SHEPHERD
HARMARVILLE
H/S GREAT LAKES REHAB
H/S LAKE ERIE INSTITUTE
H/S NITTANY VALLEY REHAB
H/S OF MECHANICSBURG REHAB
H/S REHAB OF ALTOONA
H/S REHAB OF GREATER PGH
H/S REHAB OF YORK
JOHN HEINZ REHAB HOSP
MAGEE MEMORIAL
READING REHAB HOSP
REHAB INST OF PGH.

**Private Psychiatric Hospitals**

CHARTER FAIRMOUNT INSTITUTE
CLARION PSYCH CENTER
DELAWARE VALLEY M H
DEVEREUX MAPLETON
EDGEWATER
EUGENIA HOSPITAL
FIRST HOSP. WYOMING VALLEY
FRIENDS HOSPITAL
HORSHAM HOSPITAL
HUNTINGTON
KIRKBRIDE CENTER
LAKEWOOD PSYCH HOSP
MEADOWS PSYCH CENTER
MONTGOMERY COUNTY MH/MR
NAT'L HOSP FOR KIDS IN CRISIS
NORTHWESTERN
PHILA CHILD GUIDANCE
PHILA PSYCH CENTER (Belmont)
PHILHAVEN
SOUTHWOOD PSYCH CENTER

**Freestanding Drug and Alcohol Hospital**

EAGLEVILLE

**Drug and Alcohol Units of Acute Care**

BUTLER COUNTY MEMORIAL
HAMOT MEDICAL CENTER
HORIZON HOSPITAL SYS, INC
LGH—SUSQUEHANNA DIVISION
MEADVILLE
NPHS—ST. JOSEPHS
PRESBYT MED CTR OF UPHS

ST FRANCIS-PITTSBURGH
VALLEY FORGE
WESTMORELAND

**Medical Rehab Units of Acute Care Ho**

ABINGTON MEMORIAL
ALBERT EINSTEIN
BUCKS CO HOSP
CHAMBERSBURG HOSPITAL
COMMUNITY HOSP OF LANCASTER
CONEMAUGH VALLEY
CROZER CHESTER
DELAWARE COUNTY
DIVINE PROVIDENCE-WMSPT
DOYLESTOWN
DUBOIS REGIONAL MED CTR
EASTON HOSPITAL
ELKINS PARK HOSP
FORBES METRO HEALTH CNTR
FRANKFORD
GEISINGER MEDICAL CENTER
GEISINGER WYOMING VALLEY
GOOD SAMARITAN-LEBANON
HARRISBURG-POLYCLINIC MED CTR
HORIZON HOSPITAL SYS, INC
HOSP UNIV OF PENNA
JAMESON MEMORIAL
JEANNETTE DIST MEMORIAL
JEFFERSON HEALTH SERVICES
LANCASTER GENERAL
LEE HOSPITAL
MCKEESPORT
MERCY CATHOLIC-FITZGERALD
BON SECOURS
MERCY HOSPITAL-PGH
MERCY PROVIDENCE-PGH
HERSHEY MEDICAL CENTER
MONONGAHELA VALLEY
MT SINAI
NAZARETH
NORTHWEST MEDICAL CENTER
POTTSVILLE HOSPITAL
PRESBYT UNIV HOSPITAL
SEWICKLEY
ST AGNES
ST FRANCIS CENTRAL
ST FRANCIS-NEW CASTLE
ST FRANCIS-PITTSBURGH
ST JOSEPH-LANCASTER UPMC—
ST MARGARET-PGH
ST MARY-LANGHORNE
ST VINCENT
SUBURBAN GENERAL-PGH
TAYLOR HOSPITAL
TEMPLE
THOMAS JEFFERSON
U OF PGH MED CTR—SOUTHSIDE
WESTMORELAND
WILLIAMSPORT

**Psychiatric Units of Acute Care Hospitals**

ABINGTON MEMORIAL
ALBERT EINSTEIN
ALIQUIPPA
ALLEGHENY GENERAL
ALLEGHENY VALLEY
ALTOONA
ARMSTRONG COUNTY MEMORIAL
BLOOMSBURG
UPMC—BRADDOCK MED CENTER
BRADFORD REG MED CTR
BRANDYWINE HOSPITAL
BROWNSVILLE
BRYN MAWR
BUCKS CO HOSP
BUTLER COUNTY MEMORIAL
CARLISLE HOSPITAL
CENTRE COMMUNITY
CHAMBERSBURG HOSPITAL
COMMUNITY HOSP OF LANCASTER
COMMUNITY MEDICAL CENTER
CONEMAUGH VALLEY
CORRY MEMORIAL
CROZER CHESTER
DELAWARE VALLEY
DIVINE PROVIDENCE-WMSPT
DOYLESTOWN
DUBOIS REGIONAL MED CTR
ELK COUNTY GENERAL
EPHRATA COMMUNITY
FORBES METRO HEALTH CNTR
FORBES REG. HEALTH CNTR
GEISINGER MEDICAL CENTER
CITY AVENUE
PARKVIEW
GNADEN HUETTEN
GRANDVIEW
GREENE COUNTY MEMORIAL
HAHNEMANN HOSPITAL
HAMOT MEDICAL CENTER
HANOVER GENERAL
HARRISBURG-POLYCLINIC MED CTR
HAZLETON GENERAL HOSPITAL
HIGHLAND HEALTH CENTER
HOLY SPIRIT
HOSP UNIV OF PENNA
J C BLAIR
JEFFERSON HEALTH SERVICES
LANCASTER GENERAL
LATROBE AREA
LEHIGH VALLEY
LEWISTOWN
LOWER BUCKS
MARIAN COMMUNITY HOSP
MCKEESPORT
MEADVILLE
MED COLL HOSP-MAIN
MEDICAL CTR BEAVER PA, INC
MEMORIAL—YORK
MERCY CATHOLIC-FITZGERALD
MERCY CATHOLIC-MISERICORDIA
MERCY SPECIAL CARE
BON SECOURS
MERCY HOSPITAL-PGH
MERCY HOSPITAL-WILKES-BARRE
MERCY MED CENTER-JOHNSTOWN
MERCY PROVIDENCE-PGH
HERSHEY MEDICAL CENTER
MONONGAHELA VALLEY
MONSOUR
MONTGOMERY
MOSES TAYLOR
MT SINAI
MUHLENBERG
NAZARETH
NEUMANN MEDICAL CENTER
NORTHWEST MEDICAL CENTER NPHS—
GIRARD
PAOLI MEMORIAL
PENNSYLVANIA HOSPITAL
POCONO HOSPITAL

POTTSTOWN MEMORIAL
POTTSVILLE HOSPITAL
PRESBYT MED CTR OF UPHS
PRESBYT UNIV HOSPITAL
READING HOSPITAL
ROBERT PACKER
SEWICKLEY
SHARON
SOLDIERS AND SAILORS
SOMERSET COMMUNITY
ST CLAIR MEMORIAL
ST FRANCIS-NEW CASTLE
ST FRANCIS-PITTSBURGH
ST JOSEPH-LANCASTER
ST JOSEPH-READING
ST LUKES OF BETHLEHEM
ST LUKES-QUAKERTOWN
ST VINCENT
TEMPLE
THOMAS JEFFERSON
U OF PGH MED CTR—SOUTHSIDE
WARREN GENERAL
WASHINGTON
WESTERN PENN
WESTMORELAND
WILLS EYE HOSPITAL
WYOMING VALLEY HEALTH CARE SY
YORK HOSPITAL

C. *New Class of Disproportionate Share Payments*

Effective March 1, 1998, the Department established a new class of disproportionate share payments to hospitals which render uncompensated care and which the Depart- ment has determined are experiencing significant revenue loss as a result of recent Medical Assistance Program revisions under Act No. 1996-35.

These are the hospitals which qualify for this new class of disproportionate share payments:

Albert Einstein
Allegheny General
Barnes Kasson
Braddock Medical Center
Charles Cole Memorial
Clarion Osteopathic Clearfield
Crozer Chester Medical Center
Dubois Regional Medical Center
Eagleville
Episcopal
Fulton County Medical Center
Graduate Hospital
Indiana Hospital
JC Blair
Jameson Memorial
Lehigh Valley
Lockhaven
Meadville Medical Center
Memorial Hospital Bedford
Memorial Hospital Towanda
Mercy Catholic-Fitzgerald
Mercy Catholic-Misericordia
Mercy Hospital-Pittsburgh
North Philadelphia Health System
Pennsylvania Hospital
Presbyterian Medical Center of Philadelphia
Punxsutawney
Soldiers and Sailors
St. Francis New Castle
St. Francis Pittsburgh
Titusville
Valley Forge
Wayne County Memorial

*Contact Person*

A copy of this notice is available for review at local county assistance offices. Interested persons are invited to submit written comments to this notice within 30 days of this publication. These comments should be sent to the Department of Public Welfare, Office of Medical Assist- ance Programs, c/o Deputy Secretary's Office, Attention: Regulations Coordinator, Room 515 Health and Welfare Building, Harrisburg, PA 17120.

Persons with a disability may use the AT&T Relay Service by calling 1 (800) 654-5984 (TDD users) or 1 (800) 654-5988 (voice users). Persons who require an alternate format should contact Thomas Vracarich at (717) 783- 2209.

FEATHER O. HOUSTOUN,
*Secretary*

**Fiscal Note:** 14-NOT-171. (1) General Fund; (2) Implementing Year 1997-98 is $19,000,000; (3) 1st Succeeding Year 1998-99 is $6,000,000; 2nd Succeeding Year 1999-00 is $0; 3rd Succeeding Year 2000-01 is $0; 4th Succeeding Year 2001-02 is $0; 5th Succeeding Year 2002-03 is $0; (4) FY 1996-97 $437,000,000; FY 1995-96 $452,000,000; FY 1994-95 $552,000,000; (7) Medical Assistance—Inpatient; (8) recommends adoption. This increased cost is included in the Department's 1998-99 budget.

[Pa.B. Doc. No. 98-1029. Filed for public inspection June 26, 1998, 9:00 a.m.]

## Payments to Nursing Facilities; 1998-1999 Proposed Rates

The purposes of this notice are to announce proposed changes in payment rates for nursing facilities beginning July 1, 1998, and to identify the methodology and justification for these proposed rates. Under 42 U.S.C.A.

§ 1902(a)(13)(A), as amended by section 4711 of the Balanced Budget Act of 1997, P. L. 105-33, § 4711, a State must use a public process when it proposes to make changes in payment rates or payment methodologies for nursing facility services under its approved Title XIX State Plan. The Department is not proposing to amend its State Plan or to change its regulations, 55 Pa. Code Chapter 1187, relating to the rate-setting methodology used to set nursing facility payment rates. Rather, the Department is proposing to make changes in its nursing facility payment rates because those rate changes are required by the rate-setting methodology contained in its approved State Plan and regulations.

*Rates*

The proposed July 1, 1998 rates are available through the Bulletin Board System (BBS) at 1 (800) 833-5091, at the local County Assistance Offices throughout the Commonwealth, or by contacting Connie Pretz in the Policy Section of the Bureau of Long Term Care Programs at (717) 772-2570.

*Methodology*

The methodology that the Department used to set the proposed rates is contained in 55 Pa. Code Chapter 1187, Subchapter G (relating to rate setting) and the Commonwealth's approved Title XIX State Plan.

Commonwealth of Pennsylvania
Facilities Determined to be Potentially Economic and Efficient
January 1, 1996 to December 31, 1996 Rate Period

| Item | Facility Name | Estimated Total Reimbursement<br>A | Costs Which Must Be Incurred<br>B | Rate-to-Cost Coverage<br>C=A/B |
|---|---|---|---|---|
| ***Acute Care General Hospitals*** | | | | |
| 1 | ALBERT EINSTEIN | $ 26,756,762 | $ 21,893,722 | 122.21% |
| 2 | AMERICAN ONCOLOGICAL | 1,795,962 | 1,653,102 | 108.64% |
| 3 | ASHLAND REG MED CTR | 714,376 | 494,999 | 144.32% |
| 4 | AUH – GRADUATE HOSPITAL | 4,528,577 | 3,246,127 | 139.51% |
| 5 | AUH – CITY AVENUA | 4,719,924 | 2,831,223 | 166.71% |
| 6 | AUH – MT SINAI | 1,729,666 | 1,146,695 | 150.84% |
| 7 | AUH – PARKVIEW | 4,165,751 | 3,102,039 | 134.29% |
| 8 | BARNES KASSON | 731,771 | 665,084 | 110.03% |
| 9 | BLOOMSBURG | 1,179,464 | 1,066,516 | 110.59% |
| 10 | BROWNSVILLE | 915,849 | 860,237 | 106.46% |
| 11 | BUCKTAIL MEDICAL CENTER | 26,420 | 24,598 | 107.41% |
| 12 | CARLISLE HOSPITAL | 1,785,650 | 1,747,187 | 102.20% |
| 13 | CHESTNUT HILL | 2,151,150 | 1,984,661 | 108.39% |
| 14 | CHILDRENS HOSPITAL – PGH | 24,040,629 | 21,799,368 | 110.28% |
| 15 | CHILDRENS HOSPITAL – PHIL | 22,093,590 | 20,796,553 | 106.24% |
| 16 | COMMUNITY GENERAL OSTEOPATHIC | 829,146 | 758,290 | 109.34% |
| 17 | COMMUNITY HOSP OF LANCASTER | 2,535,461 | 2,420,036 | 104.77% |
| 18 | CORRY MEMORIAL | 726,303 | 718,721 | 101.05% |
| 19 | DELAWARE COUNTY | 2,772,120 | 2,644,328 | 104.83% |
| 20 | DELAWARE VALLEY | 2,436,504 | 1,540,794 | 158.13% |
| 21 | ELLWOOD CITY | 801,282 | 633,059 | 126.57% |
| 22 | EPHRATA COMMUNITY | 973,503 | 960,954 | 101.31% |
| 23 | EPISCOPAL | 19,601,041 | 16,272,772 | 120.45% |
| 24 | FORBES REG. HEALTH CNTR | 2,902,478 | 2,514,860 | 115.41% |
| 25 | GNADEN HUETTEN | 1,014,351 | 984,879 | 102.99% |
| 26 | GOOD SAMARITAN – LEBANON | 2,614,928 | 2,290,688 | 114.15% |
| 27 | HAHNEMANN HOSPITAL | 19,628,253 | 17,503,614 | 112.14% |
| 28 | HAZLETON GENERAL HOSPITAL | 1,157,646 | 669,671 | 172.87% |
| 29 | HIGHLAND HEALTH CENTER | 1,104,430 | 964,767 | 114.48% |
| 30 | HOSP HOME FOR JEWISH AGED | 12,115 | 10,587 | 114.44% |
| 31 | HOSP UNIV OF PENNA | 27,922,448 | 22,552,777 | 123.81% |
| 32 | J F KENNEDY MEMORIAL | 3,632,099 | 3,451,626 | 105.23% |
| 33 | JAMESON MEMORIAL | 2,846,245 | 2,821,568 | 100.87% |
| 34 | JEANNETTE DIST MEMORIAL | 1,529,888 | 1,455,768 | 105.09% |
| 35 | LANKENAU | 3,195,685 | 3,090,789 | 103.39% |
| 36 | LEE HOSPITAL | 2,643,793 | 2,415,844 | 109.44% |
| 37 | LEHIGH VALLEY | 17,520,849 | 14,240,853 | 123.03% |
| 38 | MCKEESPORT | 5,113,430 | 4,523,417 | 113.04% |
| 39 | MEADVILLE | 3,396,883 | 3,292,754 | 103.16% |
| 40 | MED COLL HOSP – BUCKS | 1,635,890 | 1,574,976 | 103.87% |
| 41 | MED COLL HOSP – MAIN | 17,961,498 | 14,509,182 | 123.79% |
| 42 | MEMORIAL – YORK | 2,629,298 | 2,381,881 | 110.39% |
| 43 | MERCY CATHOLIC – FITZGERALD | 5,487,081 | 4,658,984 | 117.77% |
| 44 | MERCY CATHOLIC – MISERICORD | 9,359,370 | 6,419,626 | 145.79% |
| 45 | MERCY HOSPITAL – PGH | 14,646,238 | 11,471,355 | 127.68% |
| 46 | MERCY HOSPITAL – SCRANTON | 4,729,937 | 4,252,299 | 111.23% |
| 47 | MERCY HOSPITAL – WILKES-BAR | 3,897,377 | 3,039,614 | 128.22% |
| 48 | METRO HEALTH CENTER | 2,843,298 | 2,555,391 | 111.27% |
| 49 | MID VALLEY | 248,821 | 199,134 | 124.95% |
| 50 | MILLCREEK COMMUNITY | 1,804,318 | 1,625,831 | 110.98% |
| 51 | MILTON HERSHEY | 20,117,775 | 19,058,396 | 105.56% |
| 52 | MINERS HOSPITAL | 700,828 | 566,482 | 123.72$ |

Commonwealth of Pennsylvania
Facilities Determined to be Potentially Economic and Efficient
January 1, 1996 to December 31, 1996 Rate Period

| Item | Facility Name | Estimated Total Reimbursement<br>A | Costs Which Must Be Incurred<br>B | Rate-to-Cost Coverage<br>C=A/B |
|---|---|---|---|---|
| 53 | MINERS MEMORIAL MED CTR | 483,700 | 426,762 | 113.34% |
| 54 | MONSOUR | 2,259,467 | 2,162,001 | 104.51% |
| 55 | MONTGOMERY | 4,226,515 | 3,262,769 | 129.54% |
| 56 | MOSES TAYLOR | 2,283,105 | 1,885,209 | 121.11% |
| 57 | NASON HOSPITAL | 444,128 | 436,171 | 101.82% |
| 58 | NAZARETH | 4,117,333 | 3,450,256 | 119.33% |
| 59 | NEUMANN MEDICAL CENTER | 5,068,085 | 3,740,284 | 135.50% |
| 60 | NORTH PENN | 910,111 | 844,451 | 107.78% |
| 61 | NORTHEASTERN | 5,645,795 | 5,499,505 | 102.66% |
| 62 | NORTHWEST MEDICAL CENTER | 3,242,599 | 2,658,497 | 121.97% |
| 63 | NPHS – ST JOSEPHS | 14,042,136 | 12,822,837 | 109.51% |
| 64 | PAOLI MEMORIAL | 714,485 | 574,356 | 124.40% |
| 65 | PHILIPSBURG AREA | 557,973 | 490,358 | 113.79% |
| 66 | PODIATRY HOSPITAL | 167,678 | 137,933 | 121.56% |
| 67 | POTTSTOWN MEMORIAL | 2,727,148 | 2,640,217 | 103.29% |
| 68 | POTTSVILLE HOSPITAL | 1,802,298 | 1,731,288 | 104.10% |
| 69 | PRESBYT UNIV HOSPITAL | 47,734,394 | 41,830,675 | 114.11% |
| 70 | PUNXSUTAWNEY | 1,043,370 | 1,009,247 | 103.38% |
| 71 | ROXBOROUGH MEMORIAL | 2,053,540 | 1,995,239 | 102.92% |
| 72 | SHADYSIDE | 8,108,006 | 6,819,613 | 118.89% |
| 73 | SHARON | 2,811,037 | 2,635,696 | 106.65% |
| 74 | SOMERSET COMMUNITY | 1,774,903 | 1,670,098 | 106.28% |
| 75 | ST CHRISTOPHERS | 26,405,654 | 21,905,051 | 120.55% |
| 76 | ST FRANCIS CENTRAL | 3,319,753 | 2,672,176 | 124.23% |
| 77 | ST FRANCIS – NEW CASTLE | 1,359,338 | 1,257,844 | 108.07% |
| 78 | SUBURBAN GENERAL – NORRISTO | 1,984,837 | 1,483,243 | 133.82% |
| 79 | TEMPLE | 40,927,609 | 30,897,511 | 132.46% |
| 80 | TEMPLE – LOWER BUCKS | 3,151,782 | 3,146,970 | 100.15% |
| 81 | THOMAS JEFFERSON | 21,682,854 | 20,437,882 | 106.09% |
| 82 | TITUSVILLE | 1,267,042 | 1,196,220 | 105.92% |
| 83 | TYLER MEMORIAL | 1,153,781 | 1,008,904 | 114.36% |
| 84 | U OF PGH MED CTR – SOUTHSIDE | 1,551,729 | 1,309,936 | 118.46% |
| 85 | UNITED COMMUNITY | 1,090,423 | 1,061,769 | 102.70% |
| 86 | UPMC – BEAVER VALLEY | 1,988,793 | 1,729,218 | 115.01% |
| 87 | UPMC – BRADDOCK MED CENTER | 4,253,651 | 3,862,516 | 110.13% |
| 88 | UPMC – ST MARGARET | 1,393,957 | 976,165 | 142.80% |
| 89 | WASHINGTON | 6,484,107 | 5,433,342 | 119.34% |
| 90 | WAYNE COUNTY MEMORIAL | 1,877,237 | 1,702,194 | 110.28% |
| 91 | WESTMORELAND | 3,308,792 | 2,778,232 | 119.10% |
| 92 | WILLIAMSPORT | 4,654,407 | 4,036,710 | 115.30% |
| 93 | WYOMING VALLEY HEALTH CARE SYSTEM | 8,129,747 | 8,066,118 | 100.79% |

Commonwealth of Pennsylvania
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| Item | Facility Name | Estimated Total Reimbursement A | Costs Which Must Be Incurred B | Rate-to-Cost Coverage C=A/B |
|---|---|---|---|---|
| ***Inpatient Psychiatric Facilities*** | | | | |
| 1 | ALBERT EINSTEIN | $ 4,026,157 | $ 2,907,696 | 138.47% |
| 2 | ALTOONA | 1,443,767 | 1,323,315 | 109.10% |
| 3 | AUH – MT SINAI | 3,071,985 | 1,661,384 | 184.91% |
| 4 | AUH – CITY AVENUA | 283,065 | 248,617 | 113.86% |
| 5 | BROWNSVILLE | 109,198 | 98,941 | 110.37% |
| 6 | BRYN MAWR | 900,912 | 740,972 | 121.59% |
| 7 | BUTLER COUNTY MEMORIAL | 1,375,255 | 1,326,398 | 103.68% |
| 8 | CENTRE COMMUNITY | 837,094 | 788,416 | 106.17% |
| 9 | CHARTER FAIRMOUNT INSTITUTE | 7,602,471 | 7,498,893 | 101.38% |
| 10 | CLARION PSYCH CENTER | 4,657,223 | 2,724,397 | 170.95% |
| 11 | COMMUNITY MEDICAL CENTER | 1,494,384 | 1,472,420 | 101.49% |
| 12 | CONEMAUGH VALLEY | 2,114,458 | 1,719,802 | 122.95% |
| 13 | CROZER CHESTER | 3,296,481 | 3,141,636 | 104.93% |
| 14 | EDGEWATER | 2,080,697 | 1,773,489 | 117.32% |
| 15 | EUGENIA HOSPITAL | 9,214,778 | 7,373,862 | 124.97% |
| 16 | FIRST HOSP. WYOMING VALLEY | 3,942,164 | 3,683,166 | 107.03% |
| 17 | FORBES METRO HEALTH CNTR | 204,911 | 128,788 | 159.11% |
| 18 | FORBES REG. HEALTH CNTR | 1,183,815 | 1,123,451 | 105.37% |
| 19 | GNADEN HUETTEN | 1,212,132 | 1,096,861 | 110.51% |
| 20 | HAHNEMANN HOSPITAL | 6,050,032 | 4,067,711 | 148.73% |
| 21 | HORSHAM HOSPITAL | 8,515,218 | 5,828,106 | 146.11% |
| 22 | HOSP UNIV OF PENNA | 2,598,447 | 2,182,358 | 119.07% |
| 23 | HUNTINGTON | 1,249,829 | 1,224,475 | 102.07% |
| 24 | JEFFERSON HEALTH SERV | 1,454,766 | 1,426,158 | 102.01% |
| 25 | LAKEWOOD PSYCH HOSP | 1,749,877 | 1,732,499 | 101.00% |
| 26 | LANCASTER GENERAL | 998,749 | 819,485 | 121.88% |
| 27 | MEADOWS PSYCH CENTER | 4,197,422 | 3,344,512 | 125.50% |
| 28 | MED COLL HOSP – BUCKS | 3,198,981 | 2,001,168 | 159.86% |
| 29 | MED COLL HOSP – MAIN | 18,346,462 | 10,001,351 | 183.44% |
| 30 | MERCY CATHOLIC – MISERICORD | 1,024,198 | 975,884 | 104.95% |
| 31 | MERCY HOSPITAL – PGH | 586,395 | 464,083 | 126.36% |
| 32 | MERCY PROVIDENCE – PGH | 6,248,482 | 5,287,308 | 118.18% |
| 33 | MILTON HERSHEY | 2,753,564 | 2,751,168 | 100.09% |
| 34 | NAT'L HOSP FOR KIDS IN CRISIS | 6,847,713 | 6,287,758 | 108.91% |
| 35 | NEUMANN MEDICAL CENTER | 1,896,446 | 1,606,091 | 125.92% |
| 36 | NORTHWESTERN | 6,260,259 | 5,260,418 | 119.01% |
| 37 | PHILA CHILD GUIDANCE | 3,469,978 | 2,858,819 | 121.38% |
| 38 | PHILA PSYCH CENTER (Belmont) | 4,624,815 | 3,767,287 | 122.76% |
| 39 | PHILHAVEN | 4,797,279 | 4,544,482 | 105.56% |
| 40 | POCONO HOSPITAL | 1,084,608 | 1,083,883 | 100.07% |
| 41 | PRESBYT MED CTR OF UPH | 1,250,224 | 1,041,673 | 120.02% |
| 42 | PRESBYT UNIV HOSPITAL | 41,459,025 | 33,847,868 | 122.49% |
| 43 | ROBERT PACKER | 358,779 | 313,210 | 114.55% |
| 44 | SHARON | 2,428,076 | 2,042,266 | 118.89% |
| 45 | SOMERSET COMMUNITY | 772,127 | 475,566 | 162.36% |
| 46 | ST FRANCIS – NEW CASTLE | 1,099,300 | 1,087,557 | 101.08% |
| 47 | TEMPLE | 4,475,567 | 3,842,717 | 116.47% |
| 48 | U OF PGH MED CTR – SOUTHSIDE | 63,865 | 62,066 | 102.90% |
| 49 | UPMC – BEAVER VALLEY | 2,185,142 | 2,048,470 | 106.67% |
| 50 | WARREN GENERAL | 416,114 | 381,075 | 109.19% |
| 51 | WASHINGTON | 1,199,509 | 1,073,186 | 111.77% |

Commonwealth of Pennsylvania
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| Item | Facility Name | Estimated Total Reimbursement A | Costs Which Must Be Incurred B | Rate-to-Cost Coverage C=A/B |
|---|---|---|---|---|
| ***Inpatient Rehabilitation Facilities*** | | | | |
| 1 | ALBERT EINSTEIN | $ 3,125,066 | $ 2,733,975 | 114.30% |
| 2 | AUH – MT SINAJ | 555,508 | 492,602 | 112.77% |
| 3 | BUTLER COUNTY MEMORIAL | 1,474,555 | 1,466,108 | 100.58% |
| 4 | CHILDRENS SEASHORE HOUSE | 10,351,249 | 9,719,459 | 106.50% |
| 5 | H/S REHAB OF GREATER PGH | 710,891 | 710,006 | 100.12% |
| 6 | JEANNETTE DIST MEMORIAL | 16,416 | 15,527 | 105.73% |
| 7 | LGH – SUSQUEHANNA DIV. | 1,787,177 | 1,132,233 | 157.85% |
| 8 | MERCY HOSPITAL – PGH | 277,040 | 259,595 | 106.72% |
| 9 | PRESBYT MED CTR OF UPH | 2,296,741 | 2,247,141 | 102.21% |
| 10 | TEMPLE | 865,313 | 847,836 | 102.06% |
| 11 | VALLEY FORGE D&A | 8,652,102 | 8,638,869 | 100.15% |

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| Item | Facility Name | Estimated Total Reimbursement A | Costs Which Must Be Incurred B | Rate-to-Cost Coverage C=A/B |
|---|---|---|---|---|
| ***Acute Care General Hospitals*** | | | | |
| 1 | ALBERT EINSTEIN | $ 14,704,734 | $ 11,080,902 | 132.70% |
| 2 | AMERICAN ONCOLOGICAL | 915,572 | 837,482 | 109.32% |
| 3 | ASHLAND REG MED CTR | 364,300 | 250,646 | 145.34% |
| 4 | AUH – GRADUATE HOSPITAL | 2,516,635 | 1,643,846 | 153.09% |
| 5 | AUH – CITY AVENUE | 3,156,761 | 1,434,161 | 220.11% |
| 6 | AUH – MT SINAI | 1,050,091 | 580,513 | 180.89% |
| 7 | AUH – PARKVIEW | 2,268,665 | 1,571,914 | 144.32% |
| 8 | BARNES KASSON | 345,145 | 336,852 | 102.46% |
| 9 | BLOOMSBURG | 601,484 | 539,907 | 111.41% |
| 10 | BROWNSVILLE | 467,075 | 435,775 | 107.18% |
| 11 | BUCKTAIL MEDICAL CENTER | 13,474 | 12,455 | 108.18% |
| 12 | CARLISLE HOSPITAL | 910,508 | 885,092 | 102.87% |
| 13 | CHESTNUT HILL | 1,107,507 | 1,005,181 | 110.18% |
| 14 | CHILDRENS HOSPITAL – PGH | 12,074,209 | 11,037,683 | 109.39% |
| 15 | CHILDRENS HOSPITAL – PHIL | 14,083,329 | 10,532,119 | 133.72% |
| 16 | COMMUNITY GENERAL OSTEOPATHIC | 424,909 | 383,867 | 110.69% |
| 17 | COMMUNITY HOSP OF LANCASTER | 1,298,598 | 1,225,833 | 105.94% |
| 18 | CORRY MEMORIAL | 370,373 | 363,915 | 101.77% |
| 19 | DELAWARE COUNTY | 1,418,773 | 1,339,241 | 105.94% |
| 20 | DELAWARE VALLEY | 1,249,778 | 779,682 | 160.29% |
| 21 | ELLWOOD CITY | 408,641 | 320,734 | 127.41% |
| 22 | EPHRATA COMMUNITY | 496,453 | 486,711 | 102.00% |
| 23 | EPISCOPAL | 10,505,504 | 8,244,096 | 127.43% |
| 24 | FORBES REG. HEALTH CNTR | 1,486,038 | 1,273,161 | 116.72% |
| 25 | GNADEN HUETTEN | 517,147 | 498,479 | 103.74% |
| 26 | GOOD SAMARITAN – LEBANON | 1,333,408 | 1,160,723 | 114.88% |
| 27 | HAHNEMANN HOSPITAL | 11,242,902 | 8,863,271 | 126.85% |
| 28 | HAZLETON GENERAL HOSPITAL | 590,310 | 339,194 | 174.03% |
| 29 | HIGHLAND HEALTH CENTER | 552,865 | 488,758 | 113.12% |
| 30 | HOSP HOME FOR JEWISH AGED | 6,215 | 5,362 | 115.90% |
| 31 | HOSP UNIV OF PENNA | 15,791,491 | 11,419,636 | 138.28% |
| 32 | J F KENNEDY MEMORIAL | 1,928,903 | 1,748,412 | 110.32% |
| 33 | JAMESON MEMORIAL | 1,430,407 | 1,428,539 | 100.13% |
| 34 | JEANNETTE DIST MEMORIAL | 780,217 | 737,155 | 105.84% |
| 35 | LANKENAU | 1,667,742 | 1,565,508 | 106.53% |
| 36 | LEE HOSPITAL | 1,348,387 | 1,223,715 | 110.19% |
| 37 | LEHIGH VALLEY | 8,949,604 | 7,213,288 | 124.07% |
| 38 | MCKEESPORT | 2,629,656 | 2,290,920 | 114.79% |
| 39 | MEADVILLE | 1,687,111 | 1,668,012 | 101.15% |
| 40 | MED COLL HOSP – BUCKS | 834,362 | 797,802 | 104.58% |
| 41 | MED COLL HOSP – BUCKS | 10,321,543 | 7,348,627 | 140.46% |
| 42 | MEMORIAL – YORK | 1,345,051 | 1,206,423 | 111.49% |
| 43 | MERCY CATHOLIC – FITZGERALD | 3,766,309 | 2,359,261 | 159.64% |
| 44 | MERCY CATHOLIC – MISERICORD | 5,565,371 | 3,251,489 | 171.16% |
| 45 | MERCY HOSPITAL – PGH | 7,670,009 | 5,809,411 | 132.03% |
| 46 | MERCY HOSPITAL – SCRANTON | 2,413,581 | 2,153,004 | 112.10% |
| 47 | MERCY HOSPITAL – WILKES-BAR | 1,987,473 | 1,539,411 | 129.11% |
| 48 | METRO HEALTH CENTER | 1,452,546 | 1,293,441 | 112.30% |
| 49 | MID VALLEY | 126,899 | 100,879 | 125.79% |
| 50 | MILLCREEK COMMUNITY | 969,189 | 823,483 | 117.69% |
| 51 | MILTON HERSHEY | 10,312,972 | 9,650,468 | 106.86% |
| 52 | MINERS HOSPITAL | 357,420 | 287,009 | 124.53% |

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|---|---|---|---|---|
| 53 | MINERS MEMORIAL MED CTR | 246,668 | 216,249 | 114.07% |
| 54 | MONSOUR | 1,176,313 | 1,095,375 | 107.39% |
| 55 | MONTGOMERY | 2,161,549 | 1,652,554 | 130.80% |
| 56 | MOSES TAYLOR | 1,164,770 | 953,517 | 122.16% |
| 57 | NASON HOSPITAL | 226,501 | 220,918 | 102.53% |
| 58 | NAZARETH | 2,100,300 | 1,742,733 | 120.52% |
| 59 | NEUMANN MEDICAL CENTER | 2,522,491 | 1,893,947 | 133.19% |
| 60 | NORTH PENN | 464,113 | 427,766 | 108.50% |
| 61 | NORTHEASTERN | 2,920,529 | 2,785,756 | 104.84% |
| 62 | NORTHWEST MEDICAL CENTER | 1,653,682 | 1,346,547 | 122.81% |
| 63 | NPHS – ST JOSEPHS | 7,024,763 | 6,493,452 | 108.18% |
| 64 | PAOLI MEMORIAL | 364,378 | 290,871 | 125.27% |
| 65 | PHILIPSBURG AREA | 284,565 | 248,411 | 114.55% |
| 66 | PODIATRY HOSPITAL | 85,954 | 69,857 | 123.04% |
| 67 | POTTSTOWN MEMORIAL | 1,390,518 | 1,337,275 | 103.98% |
| 68 | POTTSVILLE HOSPITAL | 920,958 | 876,509 | 105.07% |
| 69 | PRESBYT UNIV HOSPITAL | 24,667,679 | 21,166,272 | 116.54% |
| 70 | PUNXSUTAWNEY | 519,290 | 511,196 | 101.58% |
| 71 | ROXBOROUGH MEMORIAL | 1,055,820 | 1,010,141 | 104.52% |
| 72 | SHADYSIDE | 4,173,131 | 3,452,079 | 120.89% |
| 73 | SHARON | 1,439,317 | 1,334,976 | 107.82% |
| 74 | SOMERSET COMMUNITY | 905,020 | 845,699 | 107.01% |
| 75 | ST CHRISTOPHERS | 15,431,314 | 11,093,064 | 139.11% |
| 76 | ST FRANCIS CENTRAL | 1,694,596 | 1,352,907 | 125.26% |
| 77 | ST FRANCIS – NEW CASTLE | 784,778 | 636,688 | 123.26% |
| 78 | SUBURBAN GENERAL – NORRISTO | 1,020,970 | 750,917 | 135.96% |
| 79 | TEMPLE | 22,514,890 | 15,649,684 | 143.87% |
| 80 | TEMPLE – LOWER BUCKS | 1,610,533 | 1,594,084 | 101.03% |
| 81 | THOMAS JEFFERSON | 12,256,294 | 10,349,198 | 118.43% |
| 82 | TITUSVILLE | 660,338 | 605,939 | 108.98% |
| 83 | TYLER MEMORIAL | 588,396 | 510,984 | 115.15% |
| 84 | U OF PGH MED CTR – SOUTHSIDE | 791,350 | 662,969 | 119.36% |
| 85 | UNITED COMMUNITY | 556,103 | 537,280 | 103.50% |
| 86 | UPMC – BEAVER VALLEY | 982,679 | 875,798 | 112.20% |
| 87 | UPMC – BRADDOCK MED CENTER | 2,251,012 | 1,956,762 | 115.04% |
| 88 | UPMC – ST MARGARET | 722,470 | 494,328 | 146.15% |
| 89 | WASHINGTON | 3,329,047 | 2,751,582 | 120.99% |
| 90 | WAYNE COUNTY MEMORIAL | 960,140 | 861,853 | 111.40% |
| 91 | WESTMORELAND | 1,687,301 | 1,407,575 | 119.87% |
| 92 | WILLIAMSPORT | 2,377,557 | 2,043,501 | 116.35% |
| 93 | WYOMING VALLEY HEALTH CARE SYSTEM | 4,151,186 | 4,085,764 | 101.60% |

Commonwealth of Pennsylvania
Facilities Determined to be Potentially Economic and Efficient
January 1, 1997 to December 31, 1997 Rate Period

| Item | Facility Name | Estimated Total Reimbursement A | Costs Which Must Be Incurred B | Rate-to-Cost Coverage C=A/B |
|---|---|---|---|---|
| ***Inpatient Psychiatric Facilities*** | | | | |
| 1 | ALBERT EINSTEIN | $ 2,075,473 | $ 1,471,536 | 141.04% |
| 2 | ALTOONA | 736,313 | 670,201 | 109.86% |
| 3 | AUH – MT SINAI | 1,737,870 | 841,072 | 206.63% |
| 4 | AUH – CITY AVENUA | 177,833 | 125,947 | 141.20% |
| 5 | BROWNSILLE | 56,873 | 50,123 | 113.47% |
| 6 | BRYN MAWR | 459,464 | 375,184 | 122.46% |
| 7 | BUTLER COUNTY MEMORIAL | 701,374 | 671,348 | 104.47% |
| 8 | CENTRE COMMUNITY | 426,913 | 399,397 | 106.89% |
| 9 | CHARTER FAIRMOUNT INSTITUTE | 3,891,354 | 3,795,883 | 102.52% |
| 10 | CLARION PSYCH CENTER | 2,377,068 | 1,378,697 | 172.41% |
| 11 | COMMUNITY MEDICAL CENTER | 762,126 | 745,231 | 102.27% |
| 12 | CONEMAUGH VALLEY | 1,078,388 | 870,764 | 123.84% |
| 13 | CROZER CHESTER | 1,675,245 | 1,591,389 | 105.27% |
| 14 | EDGEWATER | 1,066,038 | 897,335 | 118.80% |
| 15 | EUGENIA HOSPITAL | 4,737,195 | 3,735,302 | 126.82% |
| 16 | FIRST HOSP. WYOMING VALLEY | 2,050,716 | 1,870,320 | 109.65% |
| 17 | FORBES METRO HEALTH CNTR | 104,505 | 65,110 | 160.50% |
| 18 | FORBES REG. HEALTH CNTR | 603,742 | 568,782 | 106.15% |
| 19 | GNADEN HUETTEN | 618,186 | 555,341 | 111.32% |
| 20 | HAHNEMANN HOSPITAL | 3,120,870 | 2,059,412 | 151.54% |
| 21 | HORSHAM HOSPITAL | 4,473,631 | 2,951,505 | 151.57% |
| 22 | HOSP UNIV OF PENNA | 1,347,025 | 1,105,012 | 121.90% |
| 23 | HUNTINGTON | 640,867 | 620,080 | 103.35% |
| 24 | JEFFERSON HEALTH SERV | 741,932 | 722,222 | 102.73% |
| 25 | LAKEWOOD PSYCH HOSP | 901,123 | 876,426 | 102.82% |
| 26 | LANCASTER GENERAL | 509,373 | 415,158 | 122.69% |
| 27 | MEADOWS PSYCH CENTER | 2,164,661 | 1,692,679 | 127.88% |
| 28 | MED COLL HOSP – BUCKS | 1,631,478 | 1,013,715 | 160.94% |
| 29 | MED COLL HOSP – MAIN | 9,727,863 | 5,065,627 | 192.04% |
| 30 | MERCY CATHOLIC – MISERICORD | 553,345 | 494,300 | 111.95% |
| 31 | MERCY HOSPITAL – PGH | 299,064 | 235,044 | 127.24% |
| 32 | MERCY PROVIDENCE – PGH | 3,175,962 | 2,675,894 | 118.69% |
| 33 | MILTON HERSHEY | 1,404,341 | 1,393,134 | 100.80% |
| 34 | NAT'L HOSP FOR KIDS IN CRISIS | 3,650,928 | 3,177,396 | 114.90% |
| 35 | NEUMANN MEDICAL CENTER | 1,001,932 | 762,642 | 131.38% |
| 36 | NORTHWESTERN | 3,211,764 | 2,663,283 | 120.59% |
| 37 | PHILA CHILD GUIDANCE | 1,676,156 | 1,447,901 | 115.76% |
| 38 | PHILA PSYCH CENTER (Belmont) | 2,375,889 | 1,907,896 | 124.53% |
| 39 | PHILHAVEN | 2,442,623 | 2,299,940 | 106.20% |
| 40 | POCONO HOSPITAL | 553,151 | 548,898 | 100.77% |
| 41 | PRESBYT MED CTR OF UPH | 657,113 | 525,724 | 124.99% |
| 42 | PRESBYT UNIV HOSPITAL | 21,188,884 | 17,128,961 | 123.70% |
| 43 | ROBERT PACKER | 182,978 | 158,573 | 115.39% |
| 44 | SHARON | 1,238,330 | 1,034,428 | 119.71% |
| 45 | SOMERSET COMMUNITY | 393,788 | 240,820 | 163.52% |
| 46 | ST FRANCIS – NEW CASTLE | 581,007 | 550,516 | 105.54% |
| 47 | TEMPLE | 2,329,876 | 1,946,385 | 119.70% |
| 48 | U OF PGH MED CTR – SOUTHSIDE | 32,571 | 31,413 | 103.68% |
| 49 | UPMC – BEAVER VALLEY | 1,069,544 | 1,037,542 | 103.08% |
| 50 | WARREN GENERAL | 212,219 | 192,981 | 109.97% |
| 51 | WASHINGTON | 611,745 | 543,511 | 112.55% |

Commonwealth of Pennsylvania
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| Item | Facility Name | Estimated Total Reimbursement A | Costs Which Must Be Incurred B | Rate-to-Cost Coverage C=A/B |
|---|---|---|---|---|
| ***Inpatient Rehabilitation Facilities*** | | | | |
| 1 | ALBERT EINSTEIN | $ 1,504,552 | $ 1,383,990 | 108.71% |
| 2 | AUH – MT SINAI | 271,025 | 249,378 | 108.68% |
| 3 | BUTLER COUNTY MEMORIAL | 752,024 | 742,062 | 101.34% |
| 4 | CHILDRENS SEASHORE HOUSE | 5,621,143 | 4,915,340 | 114.36% |
| 5 | H/S REHAB OF GREATER PGH | 362,549 | 358,418 | 101.15% |
| 6 | JEANNETTE DIST MEMORIAL | 8,014 | 7,863 | 101.92% |
| 7 | LGH – SUSQUEHANNA DIV. | 914,345 | 573,612 | 159.40% |
| 8 | MERCY HOSPITAL – PGH | 141,292 | 131,476 | 107.47% |
| 9 | PRESBYT MED CTR OF UPH | 1,179,822 | 1,134,111 | 104.03% |
| 10 | TEMPLE | 451,183 | 429,438 | 105.06% |
| 11 | VALLEY FORGE D&A | 4,460,652 | 4,374,764 | 101.96% |