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**State/Territory Name: Washington**

**State Plan Amendment (SPA) # WA 20-0027**

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form
- 3) Approved SPA Pages

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



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**Financial Management Group**

December 7, 2020

MaryAnne Lindeblad  
Medicaid Director  
Washington State Health Care Authority  
P.O. Box 45502  
Olympia, WA 98504-5010

RE: Washington State Plan Amendment (SPA) 20-0027

Dear Ms. Lindeblad:

We have reviewed the proposed amendment to Attachment 4.19-D of your Medicaid state plan submitted under transmittal number (TN) 20-0027 effective for services on or after July 1, 2020. The purpose of this SPA is to increase the Medicaid rates for Assisted Living Facilities, Adult Family Homes, Adult Day Health, Agency Providers, Independent Providers, Nursing Facilities, and Nursing Facility Swing Beds.

We conducted our review of your submittal according to the statutory requirements at sections 1902(a)(2), 1902(a)(13), 1902(a)(30) and 1903(a) of the Social Security Act. We hereby inform you that Medicaid State plan amendment 20-0027 is approved effective July 1, 2020. We are enclosing the CMS-179 and the amended plan pages.

If you have any questions, please call Tom Caughey at (517) 487-8598.

Sincerely,

  
For

Rory Howe  
Acting Director

Enclosure



## STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

STATE: WASHINGTON

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POLICY AND METHODS USED IN ESTABLISHING PAYMENT RATES FOR EACH OF THE OTHER TYPES OF CARE OR SERVICE LISTED IN SECTION 1905 (A) OF THE ACT THAT IS INCLUDED IN THE PROGRAM UNDER THE PLAN (cont.)

## XV. Personal Care Services (cont)

## B. Service Rates

The fee schedule was set as of July 1, 2020, to be effective for dates of service on and after July 1, 2020.

Effective Jan. 1, 2008, the standard hourly rate for individual-provided personal care is based on comparable service units and is determined by the State legislature, based on negotiations between the Governor's Office and the union representing the workers. The rate for personal care services provided by individual providers consists of wages, industrial insurance, paid time off, mileage reimbursement, comprehensive medical, training, seniority pay, training based differentials, and other such benefits needed to ensure a stable, high performing workforce. The agreed-upon negotiated rates schedule is used for all bargaining members.

The rate for personal care services provided by agencies is based on an hourly unit. The agency rate determination corresponds to the rate for individual providers with an additional amount for employer functions performed by the agency.

The rate for personal care provided in assisted living facilities is based on a per day unit. Each participant is assigned to a classification group based on the State's assessment of their personal care needs. The daily rate varies depending on the individual's classification group. The rates are based on components for provider staff, operations, and capital costs. The rate paid to residential providers does not include room and board.

The rate for personal care provided in an adult family home is based on a per day unit and is determined by the State legislature, based on negotiations between the Governor's Office and the union representing Adult Family Homes.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State WASHINGTON

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NURSING FACILITIES AND SWING BED HOSPITALS (cont.)

Section VII. Add-on payment

An add-on payment of \$13 will be included in the daily Medicaid rate that is paid to all nursing facilities. The add-on payment will be set in a manner to capitalize on enhanced federal match assistance percentages during the national emergency declared regarding the COVID-19 virus.

This add-on payment will end on the last day of the calendar quarter in which the last day of the above referenced emergency period ends.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State WASHINGTON

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NURSING FACILITIES AND SWING BED HOSPITALS (cont.)

Section XIV. Adjustments to Prospective Rates other than for Economic Trends and Conditions, Changes in Case Mix, Fluctuation in Licensed Beds or One-Time Specific Authorizations:

The department may grant prospective rate adjustment to fund new requirements imposed by the federal government or by the department, if the department determines a rate increase is necessary in order to implement the new requirement.

Rates may be adjusted prospectively and retrospectively to correct errors or omissions on the part of the department or the facility, or to implement the final result of a provider appeal if needed, or to fund the cost of placing a nursing facility in receivership or to aid the receiver in correcting deficiencies.

Section XV. Rates for Swing Bed Hospitals:

The average rate comprising the swing bed rate for July 1, 2019, is computed by first multiplying each nursing facility's average daily rate of the preceding calendar year (2018) by the facility's approximate number of Medicaid resident days during the preceding year (2018), which yields an approximate total Medicaid payment for each facility for that calendar year.

Total payments to all Medicaid facilities for the preceding calendar year are added which yields the approximate total payment to all facilities for that year, and then the total is divided by statewide Medicaid resident days for the same year to derive a weighted average for all facilities.

The same methodology is followed annually to reset the swing bed rate, effective July 1 of each year. Effective July 1 of each year, the State follows the same methodology to reset the swing bed rate. The swing bed rate is subject to the operation of RCW 74.46.421.

The swing bed rate for SFY 2021 (July 1, 2020, through June 30, 2021) is \$ 217.23.