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State/Territory Name: WA

State Plan Amendment (SPA) #: 21-0019

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form/Summary Form (with 179-like data)
- 3) Approved SPA Pages

DEPARTMENT OF HEALTH & HUMAN SERVICES

Centers for Medicare & Medicaid Services
Center for Medicaid & CHIP Services
233 North Michigan Ave., Suite 600
Chicago, Illinois 60601



Financial Management Group/ Division of Reimbursement Review

February 24, 2022

Susan Birch, Director
DR. Charissa Fotinos, Acting Medicaid Director
Health Care Authority
PO Box 45502
Olympia, WA 98504-5010

RE: Washington State Plan Amendment (SPA) Transmittal Number 21-0019

Dear Ms. Birch and Ms. Fontinos:

We have reviewed the proposed Washington state plan amendment (SPA) to attachment 4.19-B of your state plan, which was submitted to the Centers for Medicare & Medicaid Services (CMS) on September 1, 2021. This plan amendment updated the methodologies for Physician, Mental Health, and Family Planning services.

Based upon the information provided by the state, we have approved the amendment with an effective date of October 1, 2021. We are enclosing the approved CMS-179 and a copy of the new state plan pages.

If you have any additional questions or need further assistance, please contact DRR analyst James Moreth at James.Moreth@cms.hhs.gov or (206) 615-2043.

Sincerely,



Todd McMillion
Director

Enclosures

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL**

1. TRANSMITTAL NUMBER:
21-0019

2. STATE
Washington

FOR: HEALTH CARE FINANCING ADMINISTRATION

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE
SOCIAL SECURITY ACT (MEDICAID)

TO: REGIONAL ADMINISTRATOR
HEALTH CARE FINANCING ADMINISTRATION
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE
October 1, 2021

5. TYPE OF PLAN MATERIAL (*Check One*):

NEW STATE PLAN AMENDMENT TO BE CONSIDERED AS NEW PLAN AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (*Separate Transmittal for each amendment*)

6. FEDERAL STATUTE/REGULATION CITATION:
1902(a), 1905(a) of the Social Security Act

7. FEDERAL BUDGET IMPACT:
a. FFY 2022 \$57,072,141
b. FFY 2023 \$57,072,141

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

Attachment 4.19-B pages 7b, 23, 37

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION
OR ATTACHMENT (*If Applicable*):

Attachment 4.19-B pages 7b, 23, 37

10. SUBJECT OF AMENDMENT:

Payment Methodology for Physician, Family Planning, & Mental Health

11. GOVERNOR'S REVIEW (*Check One*):

GOVERNOR'S OFFICE REPORTED NO COMMENT OTHER, AS SPECIFIED: Exempt
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

12. SIGNATURE OF STATE AGENCY OFFICIAL:

13. TYPED NAME:

Charissa Fotinos, MD, MSc

14. TITLE:

Acting Medicaid Director

15. DATE SUBMITTED:

September 1, 2021

16. RETURN TO:

Ann Myers
Rules and Publications
Division of Legal Services
Health Care Authority
626 8th Ave SE, MS: 42716
Olympia, WA 98504-2716

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED:
September 1, 2021

18. DATE APPROVED:
February 24, 2022

PLAN APPROVED – ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL:
October 1, 2021

20. SIGNATURE OF REGIONAL OFFICIAL:

21. TYPED NAME:

Todd McMillion

22. TITLE:

Director, Division of Reimbursement Review

23. REMARKS:

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

STATE _____ WASHINGTON _____

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.)

IX. Other Noninstitutional Services (cont.)

G. Family Planning Services

The agency pays the lesser of the usual and customary charge, or a fee based on an agency fee schedule for covered family planning services. See 4.19-B I, General, #G for the agency's website where the fee schedules are published.

The agency pays providers an enhanced rate for codes directly related to implant or insertion of Long-Acting Reversible Contraceptives (LARCs). The enhanced rate is a flat fee added to the RBRVS values obtained as described in Supplement 3 to Attachment 4.19-B.

The agency's enhanced rates related to implant or insertion of LARCs is effective September 1, 2015.

The legislature approved an increase in rates for Department of Health's Sexual Reproductive Health Program providers as of October 1, 2021. These rates are a percentage increase above RBRVS methodology as described in Supplement 3 to Attachment 4.19-B.

H. Extended Services For Pregnant Women Through the Sixty Days Postpartum Period

Services include maternity support services, outpatient alcohol and drug treatment, rehabilitation alcohol and drug treatment services, genetic counseling, and smoking cessation counseling. The agency pays the lesser of the usual and customary charge, or a fee based on an agency fee schedule.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

STATE _____ WASHINGTON _____

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.)

XVIII. Mental Health Services

There are two circumstances in which the Medicaid agency will reimburse eligible behavioral health providers under the fee-for-service system. The first circumstance is when a Medicaid population is not eligible for services under the state's Section 1915(b) waiver. The second circumstance is when a contract between the state and a managed care entity that had provided behavioral health services is discontinued. Mental health fee-for-service rates are developed using the methodology below.

When possible, rates are developed using the RBRVS methodology. Rates are established and updated using the Resource Based Relative Value Scale (RBRVS) methodology as adopted in the Medicare Fee Schedule Data Base (MFSDDB). In this methodology, under Washington Administrative Code chapter 182- 531, the State uses CMS-established relative value units (RVU) multiplied by the Geographic Practice Cost Indices (GPCI) and the conversion factors, both of which are specific to Washington. Current conversion factors and descriptions are found in Supplement 3 to Attachment 4.19-B. When providers serve an individual who meets medical necessity for specialized mental health services based on clinical assessment and individual need, the provider will receive an enhanced rate. To increase availability of behavioral health service and incentivize adoption of the primary care behavioral health model, the legislature may increase rates for certain codes. These increases will be a percentage increase to the RBRVS methodology as described above or the flat rate calculated as described below.

If Medicare does not cover a particular approved State Plan service, and thus no RVU exists, codes are reimbursed using a flat fee based upon market value, service rate schedules from other states, budget impacts, historical pricing, and/or comparable services.

Except as otherwise noted in the plan, fee schedule rates are the same for both governmental and private providers of these services. See 4.19-B, I, General, #G for the agency's website where the fee schedules are published.