

DEPARTMENT OF HEALTH & HUMAN SERVICES  
Centers for Medicare & Medicaid Services  
Seattle Regional Office  
2201 Sixth Avenue, Mail Stop 43  
Seattle, Washington 98121



**DIVISION OF MEDICAID & CHILDREN'S HEALTH OPERATIONS**

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**JUN 28 2013**

Dorothy Frost Teeter, Director  
MaryAnne Lindeblad, Medicaid Director  
Health Care Authority  
Post Office Box 45502  
Olympia, Washington 98504-5010

RE: Washington State Plan Amendment (SPA) Transmittal Number 13-08

Dear Ms. Teeter and Ms. Lindeblad:

The Centers for Medicare & Medicaid Services (CMS) Seattle Regional Office has completed its review of State Plan Amendment (SPA) Transmittal Number 13-08. This SPA implements Health Homes as authorized under Section 2703 of the Patient Protection and Affordable Care Act in fourteen counties in WA: Pierce, Clark, Cowlitz, Klickitat, Skamania, Wahkiakum, Asotin, Benton, Columbia, Franklin, Garfield, Kittitas, Walla Walla, and Yakima. We understand the state will be submitting additional SPAs to cover additional areas of the state. To qualify for enrollment in a health home, Medicaid participants must have one chronic condition and be at risk of developing another. The chronic conditions are specified in the SPA and include:

- Mental Health Condition
- Substance Abuse Disorder
- Asthma
- Diabetes
- Heart Disease
- Cancer
- Cerebrovascular disease
- Coronary artery disease
- Dementia or Alzheimer's disease
- Intellectual disability or disease
- HIV/AIDS
- Renal failure
- Chronic respiratory conditions
- Neurological disease, and
- Gastrointestinal, hematological and musculoskeletal conditions.

The state indicates that it will use a predictive risk modeling score of 1.5 or higher as evidence that the individual is “at risk of developing” another chronic condition. The WA risk score is based on the Chronic Illness & Disability Payment System and Medicaid-Rx risk groupers where a risk score of 1.5 means a beneficiary's expected future medical expenditures is expected to be 50% greater than the base reference group, the WA SSI disabled population.

This SPA designates that specified provider-types may be approved as health home providers, in accordance with Section 1945(h)(5) of the Social Security Act.

This SPA is approved with an effective date of July 1, 2013. The state plan pages for this SPA were submitted and approved through the Medicaid Model Data Lab. Enclosed is a copy of the CMS 179 form and the approved pages for incorporation into the Washington state plan.

In accordance with the statutory provisions at Section 1945(c)(1) of the Social Security Act, for payments made to health home providers under this amendment, during the first eight fiscal quarters that the SPA is in effect, July 1, 2013 through June 30, 2015, the federal medical assistance percentage ( FMAP) rate applicable to such payments shall be equal to 90 per cent. The FMAP rate for payments made to health home providers will return to the state's published FMAP rate on July 1, 2015.

This approval is inclusive of the state's agreement to collect and report information required for the evaluation of the health home model. States are also encouraged to report on the CMS' recommended core set of quality measures, as outlined in State Medicaid Director letter #13-001 (January 15, 2013).

This approval is also subject to the following, which were agreed to during a conference call on Monday, June 24, 2013, between the Washington State Medicaid Director, Ms. MaryAnne Lindeblad, other state staff, and CMS:

- The state will not inappropriately restrict the number of Health Home providers, and will accept any willing and qualified provider; and
- As soon as possible, the state will remove current language from state Administrative Code which permits the state to restrict the number of Health Home providers.

The CMS looks forward to receiving verification that the state has permanently amended the Washington Administrative Code regarding Health Home provider restrictions as agreed, and has implemented any needed changes in the process used to enroll qualified and willing providers.

If you have any questions regarding this state plan amendment, please contact me or have your staff contact Tania Seto at [Tania.Seto@cms.hhs.gov](mailto:Tania.Seto@cms.hhs.gov) or at 206-615-2343.

Sincerely,



Carol J.C. Peverly  
Associate Regional Administrator  
Division of Medicaid and Children's Health  
Operations

Enclosure

cc: Jane Beyer, Assistant Secretary, DSHS, Behavioral Health and Service Integration  
Administration