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**State/Territory Name: Washington**

**State Plan Amendment (SPA) #: 15-0030**

This file contains the following documents in the order listed:

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



DEPARTMENT OF HEALTH & HUMAN SERVICES  
Centers for Medicare & Medicaid Services  
Seattle Regional Office  
701 Fifth Avenue, Suite 1600, MS/RX-200  
Seattle, WA 98104

Division of Medicaid & Children's Health Operations

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October 8, 2015

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

**RE: Washington State Plan Amendment (SPA) Transmittal Number 15-0030.**

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 WA 15-0030. This SPA updated the effective date of the conversion factors used to set payment rates for the following services: Adult Primary Health, Children's Primary Health, Laboratory Services, Maternity Services, and all other services.

This SPA is approved with an effective date of July 1, 2015.

If you have any additional questions or require any further assistance, please contact me, or have your staff contact James Moreth at (360) 943-0469 or [James.Moreth@cms.hhs.gov](mailto:James.Moreth@cms.hhs.gov).

Sincerely,

Digitally signed by David L. Meacham -S  
DN: c=US, o=U.S. Government, ou=HHS,

David L. Meacham  
Associate Regional Administrator

cc:

Ann Myers, Washington Health Care Authority

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

1. TRANSMITTAL NUMBER:  
**15-0030**

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  
July 1, 2015

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) of the Social Security Act

7. FEDERAL BUDGET IMPACT:  
a. FFY 2015 \$0  
b. FFY 2016 \$0

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

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 PAGE NUMBER OF THE SUPERSEDED PLAN SECTION  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

Supplement 3 to Attachment 4.19-B

Supplement 3 to Attachment 4.19-B

10. SUBJECT OF AMENDMENT

Conversion Factors Update

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

☐ GOVERNOR'S OFFICE REPORTED NO COMMENT

☐ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED

☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

☒ OTHER, AS SPECIFIED: Exempt

12. SIGNATURE OF STATE AGENCY OFFICIAL:

16. RETURN TO:  
Ann Myers

13. TYPED NAME:  
MARYANNE LINDEBLAD

Office of Rules and Publications  
Legal and Administrative Services  
Health Care Authority

14. TITLE:  
MEDICAID DIRECTOR

626 8<sup>th</sup> Ave SE MS: 42716  
Olympia, WA 98504-2716

15. DATE SUBMITTED:

8-12-15

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED:

8/12/15

18. DATE APPROVED: 10/8/15

19. EFFECTIVE DATE OF APPROVED MATERIAL:  
7/1/15

20. SIGNATURE:

21. TYPED NAME:

David L. Meacham

22. TITLE:

Associate Regional Administrator

23. REMARKS:

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

STATE: WASHINGTON

Conversion Factors

Maximum allowable fees are established and updated using the Resource Based Relative Value Scale (RBRVS) methodology as adopted in the Medicare Fee Schedule Data Base (MFSDB). The MFSDB relative value units (RVU) are established by CMS, and have three components: work, practice expense, and malpractice. These RVUs are geographically adjusted (multiplied) each year by the statewide average geographic practice cost indices (GPCI) for Washington State, as published annually in the Federal Register. The adjusted RVUs are then multiplied by a service-specific conversion factor to derive a fee for each procedure.

Washington calculates the conversion factor through modeling. Modeling is the process of projecting fees into the coming year by using the previous full fiscal year's utilization data. The agency establishes budget neutrality each year when determining its conversion factors. If there is a mandate by the legislature, the conversion factor will then increase or decrease based on that mandate.

The agency has unique conversion factors for: adult primary health care, including E&M office visits; anesthesia services; children's primary health care services, including office visits and EPSDT screens; laboratory services; maternity services, including antepartum care, deliveries, and postpartum care; and all other services (e.g., radiological services, surgical services, consultations, etc.).

The programs listed in Attachment 4.19-B may fall into one or more categories of the conversion factors listed below, depending on the covered codes for that particular program. Each conversion factor category follows the corresponding sections of the CPT and HCPCS code books.

Conversion factors as of July 1, 2015:

Adult primary health: 18.9  
Anesthesia services: 21.2  
Children's primary health: 29.00  
Laboratory services: 0.83  
Maternity services: 25.25  
All other services: 20.71

TN# 15-0030	Approval Date	Effective Date 7/1/15
Supersedes	10/8/15	
TN# 15-0010		