

## **Table of Contents**

**State/Territory Name: Washington, DC**

**State Plan Amendment (SPA) #: 21-0013**

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**

October 27, 2021

Melisa Byrd  
Senior Deputy Director/Medicaid Director  
441 4<sup>th</sup> Street, NW, 9<sup>th</sup> Floor, South  
Washington, DC 20001

RE: TN 21-0013

Dear Senior Deputy Director:

We have reviewed the proposed D.C. State Plan Amendment (SPA) to Attachment 4.19-B: pages 4c and 13a, which was submitted to the Centers for Medicare & Medicaid Services (CMS) on September 20, 2021. This plan amendment increases the Home Health Therapies rates.

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

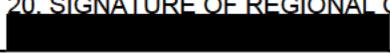
If you have any additional questions or need further assistance, please contact Kristina Mack-Webb at 410-786-8972 or [Kristina.mack-webb@cms.hhs.gov](mailto:Kristina.mack-webb@cms.hhs.gov)

Sincerely,

A solid black rectangular box redacting the signature of Todd McMillion.

Todd McMillion  
Director  
Division of Reimbursement Review

Enclosures

<b>TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL</b>		1. TRANSMITTAL NUMBER: <b>21-0013</b>	2. STATE: <b>District of Columbia</b>
<b>FOR: CENTERS FOR MEDICARE &amp; MEDICAID SERVICES</b>		3. PROGRAM IDENTIFICATION: <b>Title XIX of the Social Security Act</b>	
TO: Regional Administrator Centers for Medicare & Medicaid Services Department of Health and Human Services		4. PROPOSED EFFECTIVE DATE: <b>July 1, 2021</b>	
5. TYPE OF PLAN MATERIAL ( <i>Check One</i> ):  <input type="checkbox"/> NEW STATE PLAN <input type="checkbox"/> AMENDMENT TO BE CONSIDERED AS NEW PLAN <input checked="" type="checkbox"/> AMENDMENT			
COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT ( <i>Separate Transmittal for each amendment</i> )			
6. FEDERAL STATUTE/REGULATION CITATION: <b>42 CFR § 447.200, et seq. and Title XIX of the Social Security Act</b>		7. FEDERAL BUDGET IMPACT: <b>FFY21: \$725</b> <b>FFY22: \$2,900</b>	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: <b>Attachment 4.19-B: pages 4c and 13a</b>		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT ( <i>If Applicable</i> ): <b>Attachment 4.19-B: pages 4c and 13a</b>	
10. SUBJECT OF AMENDMENT: <b>Home Health Therapies Rate Increase</b>			
11. GOVERNOR'S REVIEW ( <i>Check One</i> ) <input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input checked="" type="checkbox"/> OTHER, AS SPECIFIED: <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED <b>D.C. Act: <u>22-434</u></b> <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL			
12. SIGNATURE OF STATE AGENCY OFFICIAL 		16. RETURN TO  Melisa Byrd Senior Deputy Director/Medicaid Director Department of Health Care Finance 441 4 <sup>th</sup> Street, NW, 9 <sup>th</sup> Floor, South Washington, DC 20001	
13. TYPED NAME <b>Melisa Byrd</b>			
14. TITLE <b>Senior Deputy Director/Medicaid Director</b>			
15. DATE SUBMITTED <b>9/20/2021</b>			
<b>FOR REGIONAL OFFICE USE ONLY</b>			
17. DATE RECEIVED <b>September 20, 2021</b>		18. DATE APPROVED <b>October 27, 2021</b>	
<b>PLAN APPROVED – ONE COPY ATTACHED</b>			
19. EFFECTIVE DATE OF APPROVED MATERIAL <b>July 1, 2021</b>		20. SIGNATURE OF REGIONAL OFFICIAL 	
21. TYPED NAME <b>Todd McMillion</b>		22. TITLE <b>Director, Division of Reimbursement Review</b>	
23. REMARKS			

**7b. Home Health Services**

Home Health services and provider qualifications are outlined per Attachment 3.1A, Supplement 1, page 8.1-9r and Attachment 3.1B, Supplement 1, page 7.1-8r. Reimbursement for Home Health Services shall be based on a prospective payment basis established by the State Medicaid Agency in accordance with the reimbursement methodologies outlined in this section and Section 21. For all services provided, the reimbursement will be the lesser of the amount described in Section 21 or derived from the methodology outlined in this section, or the amount charged by the provider.

Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers of Home Health Services. The agency's fee schedule rates for Home Health Services were set as of July 1, 2021 and are effective for services provided on or after that date. All rates are published on the agency's website at: <http://www.dc-medicaid.com>.

**Living Wage Adjustment**

Effective October 1, 2017 and annually thereafter, the reimbursement rates for Home Health Aides shall be adjusted annually with the Living Wage rate published by the District of Columbia, Department of Employment Services. This adjustment entails updating the reimbursement rates to reflect the published living wage amount, to ensure the rates are consistently aligned with current District of Columbia Living wage rates in effect during that fiscal year.

**Inflation Adjustment**

Effective October 1, 2017 and annually thereafter, the reimbursement rates for Skilled Nursing services shall be adjusted annually by the Medicare Economic Index factor for skilled nursing published by the Centers for Medicare and Medicaid Services.

**Administrative Add-ons**

All rate methodologies under this section shall include the following administrative expense add-ons in computing the rate amounts:

- 11% Employee Taxes - This is comprised of the Social Security (6.2%), Medicare (1.45%), Workers Compensation (2%) and Unemployment Benefits (1.18%)
- 8% Employee Benefits - Medical Insurance and Sick Leave Provision
- 18% - Provider Administrative overhead, based on the reviewed Fiscal Year (FY) 2013 cost reports filed by Home Health Agencies for Home Health services

Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers of Medicaid services set forth below. DHCF's fee schedule rate was set as of April 1, 2021 and is effective for services provided on or after that date. All rates are published on DHCF's website at <https://www.dcm Medicaid.com/dcwebportal/home>.

- I. The DHCF fee schedule for dentist and orthodontist services, referenced at subparagraph iii.b. of paragraph 21. Fee-for-Service Providers, was set as of June 1, 2018 and is effective for services provided on or after that date.
- II. The DHCF fee schedule for transportation services, referenced at subparagraph iii.l. of paragraph 21. Fee-for-Service Providers, was set as of October 1, 2018 and is effective for services provided on or after that date.
- III. The DHCF fee schedule for home health services, referenced at subparagraph iii.h. of paragraph 21. Fee-for-Service Providers, was set as of July 1, 2021 and is effective for services provided on or after that date.
- IV. The DHCF fee schedule for medical supplies and equipment services, referenced at subparagraph iii.i. of paragraph 21. Fee-for-Service Providers, was set as of October 1, 2020 and is effective for services provided on or after that date.
- V. The DHCF fee schedule for physician services, referenced at subparagraph iii.a. of paragraph 21. Fee-for-Service Providers, was set as of December 1, 2020 and is effective for services provided on or after that date.
- VI. The DHCF fee schedule for Independently Licensed Behavioral Health Practitioners, referenced at 3.1-A Independently Licensed Behavioral Health Practitioners, was set as of January 1, 2022 and is effective for services provided on or after that date.