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State/Territory Name: **District of Columbia**

State Plan Amendment (SPA) #: **24-0003**

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
601 E. 12th St., Room 355
Kansas City, Missouri 64106



Medicaid and CHIP Operations Group

February 21, 2024

Melisa Byrd
Senior Deputy Director/Medicaid Director
Department of Health Care Finance
441 4th Street, NW, 9th Floor, South
Washington, DC 20001

Re: DC State Plan Amendment (SPA) #24-0003

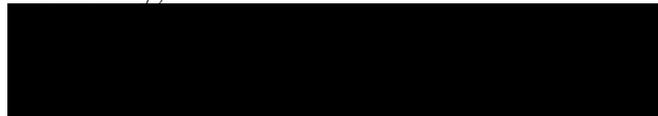
Dear Director Byrd:

The Centers for Medicare & Medicaid Services (CMS) reviewed your Medicaid State Plan Amendment (SPA) submitted under transmittal number (TN) #24-0003. This amendment proposes 1) to supply assurances that it is complying with new third party liability requirements authorized under the Consolidated Appropriations Act, 2022 and 2) to provide clarity on the state's option to adopt a new flexibility on creating liens for injury settlement proceeds attributable to future medical expenses.

We conducted our review of your submittal according to statutory requirements in Title XIX of the Social Security Act and implementing regulations at section 1902(a)(25)(I). This letter is to inform you that the District of Columbia's Medicaid SPA #24-0003 was approved on February 21, 2024, with an effective date of February 1, 2024.

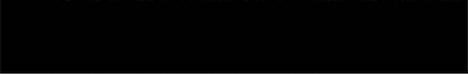
If you have any questions, please contact Terri Fraser at 410-786-5573 or via email at Terri.Fraser@cms.hhs.gov.

Sincerely,



James G. Scott, Director
Division of Program Operations

cc: Mario Ramsey

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES		1. TRANSMITTAL NUMBER: DC 24-0003	2. STATE: District of Columbia
		3. PROGRAM IDENTIFICATION: TITLE <u>XIX</u> OF THE SOCIAL SECURITY ACT	
TO: CENTER DIRECTOR CENTERS FOR MEDICARE & MEDICAID SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES		4. PROPOSED EFFECTIVE DATE: February 1, 2024	
5. FEDERAL STATUTE/REGULATION CITATION: 42 CFR §433.137, 42 USC §1396a (25)(I)(ii)(I), 42 USC §1396a (25)(I)(II), 42 USC §1396a (25)(I)(iii), and <i>Gallardo v. Marstiller</i> , 596 U.S. 420 (2022).		6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars): a. FFY <u>2024</u> : 0 b. FFY <u>2025</u> : 0	
7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Attachment 4.22-B, p. 1a-1b 1, 1a, and 1a.1 (New)		8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable): TN# 87-7, Attachment 4.22-B, p. 1a-1b TN 21-0019 Attachment 4.22-B p. 1 and 1a	
9. SUBJECT OF AMENDMENT: To comply with CMS Guidance Letter SMD # 23-002 , which requires states to laws in effect that bar liable third-party payers from refusing payment for an item or service solely on the basis that such item or service did not receive prior authorization under the third-party payer's rules. Additionally, SMD # 23-002 permits a state to create a lien over injury settlement proceeds attributable to future medical expenses.			
10. GOVERNOR'S REVIEW (Check One)			
<input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT		<input checked="" type="checkbox"/> OTHER, AS SPECIFIED: D.C. Act: <u>22-434</u>	
<input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED			
<input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL			
11. SIGNATURE OF STATE AGENCY OFFICIAL 		15. RETURN TO Melisa Byrd Senior Deputy Director/Medicaid Director Department of Health Care Finance 441 4 th Street, NW, 9 th Floor, South Washington, DC 20001	
12. TYPED NAME Melisa Byrd			
13. TITLE Senior Deputy Director/Medicaid Director			
14. DATE SUBMITTED 01-02-2024			
FOR CMS USE ONLY			
16. DATE RECEIVED 01/03/2024		17. DATE APPROVED 02/21/2024	
PLAN APPROVED – ONE COPY ATTACHED			
18. EFFECTIVE DATE OF APPROVED MATERIAL 02/01/2024		19. SIGNATURE 	
20. TYPED NAME OF APPROVING OFFICIAL James G. Scott		21. TITLE OF APPROVING OFFICIAL Director, Division of Program Operations	
22. REMARKS 2/15/2024 - Per the District's request, P&I changes made to Boxes 7 and 8. (TF)			

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State/Territory: District of Columbia

Requirements for Thirty Party Liability –
Payment of Claims

1,Ad

<u>Citation</u>	4.22-B
Section 1902(a)(25)(E) 42 CFR 433.139(b)(3)(i)	(1) The State will make payment for pediatric preventive services, including early and periodic screening, diagnosis, and treatment services covered under the state plan, without regard to third party liability and seek reimbursement from any liable third party to the extent of such legal liability.
Section 1902(a)(25)(F) 42 CFR 433.139(b)(3)(ii)	(2) For services covered under the plan that are provided to an individual on whose behalf child support enforcement is being carried out by the State Title IV-D agency, the State will make payment for such services without regard to third party liability that is derived (through insurance or otherwise) from the parent whose obligation to pay support is being enforced by the State Title IV-D agency, and seek reimbursement from such liable third party to the extent of legal liability, under the following conditions: a) The provider first bills the third party for the services. b) At least 100 days have elapsed since the date the provider initially billed the third party, or within 30 days, the state determines making payment is cost-effective and necessary to ensure access to care. c) The provider has not received payment for the services. d) An attestation form executed by the provider is attached to the claim certifying that conditions (a) through (c) have been met.
Section 1902(a)(25)(E) 42 CFR 433.139(b)(3)(i)	(3) The State shall make payments without regard to third party liability for pediatric preventive services unless a determination related to cost-effectiveness and access to care that warrants cost avoidance for up to 90 days has been made.
Section 1902(a)(25)(E)	(4) The State will use standard coordination of benefits cost avoidance when processing claims for prenatal services, labor and delivery, and postpartum care claims.

42 CFR 433.139(f)(2)	<p>(5) Third party recovery for casualty and health claims</p> <p><u>Casualty claims:</u> The State will seek recovery of reimbursement from a liable third party on all claim types equal to \$50 or more.</p> <p><u>Health claims:</u> The State will seek recovery of reimbursement from a liable third party on all claim types regardless of dollar amount or period of time. All recoveries are sought within the time limits specified in 433.139(d).</p>
42 CFR 433.139(f)(3)	<p>(6) Third party recovery for casualty and health claims</p> <p><u>Casualty claims:</u> The State will seek recovery of reimbursement from a particular liable third party on all claim types when the accumulated total of all claim types equals \$50 or more.</p> <p><u>Health claims:</u> The State will seek recovery of reimbursement from a particular liable third party on all claim types without accumulating billings by dollar amount or period of time. All recoveries are sought within the time limits specified in 433.139(d).</p>
1902(a)(25)(I)	<p>(7) Barring responsible third parties from refusing to pay for items or services based solely on the absence of prior authorization</p> <p>The State will implement laws that bar responsible third-party payers from refusing payment for an item or service solely on the basis that the third-party payer did not grant prior approval for said item or service, according to the responsible third-party payer's rules. If the responsible third-party requires prior authorization, the responsible third-party must accept the authorization provided by the State that the item or service is covered under the State Plan. This complies with section 202 of the Consolidated Appropriations Act (CAA); P.L. 117-103.</p>

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State/Territory: District of Columbia

Requirements for Thirty Party Liability –
Payment of Claims

1902(a)(25)(I)	(8) Modification to the required timeframe for a third-party payer to respond to a state inquiry regarding a health care claim Third-party payers are required to respond to a state inquiry regarding a health care claim within sixty (60) days of receiving the inquiry. This complies with section 202 of the CAA, 2022; P.L.
<i>Gallardo v. Marstiller</i> , 596 U.S. 420 (2022).	(9) Third party recovery from injury settlement proceeds attributable to future medical expenses The State <u>will not</u> seek recovery from settlement funds or jury awards granted to a Medicaid beneficiary for future medical care.