

## **Table of Contents**

**State/Territory Name: DC**

**State Plan Amendment (SPA) #: 25-0001**

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  
230 South Dearborn  
Chicago, Illinois 60604



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**Financial Management Group**

April 10, 2025

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 25-0001

Dear Byrd:

The Centers for Medicare & Medicaid Services (CMS) has reviewed the proposed DC state plan amendment (SPA) to Attachment 4.19-B, 25-0001 which was submitted to CMS on February 4, 2025. This plan amendment is to update the fee schedule reimbursement rates for home health services.

We reviewed your SPA submission for compliance with statutory requirements including in sections 1902(a)(2), 1902(a)(13), 1902(a)(30), and 1903 as it relates to the identification of an adequate source for the non-federal share of expenditures under the plan, as required by 1902(a)(2), of the Social Security Act and the applicable implementing Federal regulations.

Based upon the information provided by the State, we have approved the amendment with an effective date of January 1, 2025. We are enclosing the approved CMS-179 and a copy of the new state plan page.

If you have any additional questions or need further assistance, please contact Lindsay Michael at 410-786-7197 or [Lindsay.michael@cms.hhs.gov](mailto:Lindsay.michael@cms.hhs.gov).

Sincerely,



Todd McMillion, Director  
Division of Reimbursement Review


Enclosures

<b>TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL</b> <b>FOR: CENTERS FOR MEDICARE &amp; MEDICAID SERVICES</b>	1. TRANSMITTAL NUMBER: <b>DC 25-0001</b>	2. STATE: <b>District of Columbia</b>
	3. PROGRAM IDENTIFICATION: <b>TITLE XIX OF THE SOCIAL SECURITY ACT</b>	
TO: CENTER DIRECTOR CENTERS FOR MEDICARE & MEDICAID SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES	4. PROPOSED EFFECTIVE DATE: <b>January 1, 2025</b>	
5. FEDERAL STATUTE/REGULATION CITATION: <b>42 CFR §§ 440.70, and 447.200</b>	6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars): a. <b>FFY 2025: \$41.03</b> b. <b>FFY 2026: \$50.42</b>	
7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: <b>Attachment 4.19-B: Pages 4c and 13a</b>	8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable): <b>Attachment 4.19-B: Pages 4c and 13a</b>	

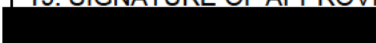
9. SUBJECT OF AMENDMENT:  
**Update the fee schedule reimbursement rates for home health services.**

10. GOVERNOR'S REVIEW (Check One)

<input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT	<input checked="" type="checkbox"/> OTHER, AS SPECIFIED: <b>D.C. Act 22-434</b>
<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  <b>Melisa Byrd</b> <b>Senior Deputy Director/Medicaid Director</b> <b>Department of Health Care Finance</b> <b>441 4<sup>th</sup> Street, NW, 9<sup>th</sup> Floor, South</b> <b>Washington, DC 20001</b>
12. TYPED NAME <b>Melisa Byrd</b>	
13. TITLE <b>Senior Deputy Director/Medicaid Director</b>	
14. DATE SUBMITTED <b>February 4, 2025</b>	

**FOR CMS USE ONLY**

16. DATE RECEIVED <b>2/4/25</b>	17. DATE APPROVED <b>April 10, 2025</b>
<b>PLAN APPROVED – ONE COPY ATTACHED</b>	
18. EFFECTIVE DATE OF APPROVED MATERIAL <b>1/1/25</b>	19. SIGNATURE OF APPROVING OFFICIAL 
20. TYPED NAME OF APPROVING OFFICIAL <b>Todd McMillion</b>	21. TITLE OF APPROVING OFFICIAL <b>Director, DRR</b>

22. 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 January 1, 2025, 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%)
- 8.13% 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

**Supplemental Payments**

(a) Effective on or after May 12, 2024, through March 31, 2025, DHCF will make supplemental payments to strengthen the direct service workforce and to increase the pay of direct support professionals who are likely to be paid at or near the minimum/living wage for delivering the following State Plan services:

- 1905(a) Home Health Agency- Personal Care Aides; Home Health Aides

Supplemental payments will be disbursed to provider agencies in annual, lump sum allotments.

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 October 1, 2023 and is effective for services provided on or after that date. All rates are published on DHCF's website at <https://www.dc-medicaid.com/dcwebportal/nonsecure/feeScheduleDownload>.

- 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 January 1, 2025 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 January 1, 2024 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.
- VII. The DHCF fee schedule for Clinic services, referenced at paragraph 9 was set as of February 1, 2024 and is effective for services provided on or after that date.
- VIII. The DHCF fee schedule for Medication Therapy Management was set as of July 1, 2024 and is effective for services provided on or after that date.