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State/Territory Name: Washington

State Plan Amendment (SPA) # WA 22-0018

This file contains the following documents in the order listed:

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

DEPARTMENT OF HEALTH AND HUMAN SERVICES
Centers for Medicare & Medicaid Services
7500 Security Boulevard, Mail Stop S2-26-12
Baltimore, MD 21244-1850



Financial Management Group

August 2, 2022

Dr. Charissa Fotinos, Acting Medicaid Director
Health Care Authority
PO Box 45502
Olympia, WA 98504-5010

RE: Washington State Plan Amendment (SPA) 22-0018

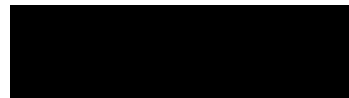
Dear Ms. Fotinos:

We have reviewed the proposed amendment to Attachment 4.19-A of your Medicaid state plan submitted under transmittal number (TN) 22-0018 effective for services on or after July 1, 2022. The purpose is to update required implement changes to payments to hospitals meeting certain criteria for Sole Community Hospitals (SCHs). SCHs will receive a higher reimbursement rate if they designate with a single bed certification.

We conducted our review of your submittal according to the statutory requirements at sections 1902(a)(2), 1902(a)(13), 1902(a)(30), 1903(a), and 1923 of the Social Security Act. We hereby inform you that Medicaid State plan amendment 22-0018 is approved effective July 1, 2022. We are enclosing the CMS-179 and the amended plan pages.

If you have any questions, please call Tom Caughey at (517) 487-8598.

Sincerely,



Rory Howe
Director

Enclosure

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL
FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES**

1. TRANSMITTAL NUMBER

2 2 — 0 0 1 8

2. STATE

WA

3. PROGRAM IDENTIFICATION: TITLE OF THE SOCIAL SECURITY ACT



XIX



XXI

TO: CENTER DIRECTOR
CENTERS FOR MEDICAID & CHIP SERVICES
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE

July 1, 2022

5. FEDERAL STATUTE/REGULATION CITATION

1902 of the Social Security Act

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)

a. FFY 2022 \$ 0

b. FFY 2023 \$ 0

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

Attachment 4.19-A Part 1 pages 26a

8. PAGENUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (if Applicable)

Attachment 4.19-A Part 1 pages

9. SUBJECT OF AMENDMENT

Inpatient Sole Community Hospital Rate Enhancement

10. 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

11. SIGNATURE OF STATE AGENCY OFFICIAL

12. TYPED NAME

Charissa Fotinos, MD, MSc

13. TITLE

Medicaid and Behavioral Health Medical Director

14. DATE SUBMITTED

June 29, 2022

15. RETURN TO

State Plan Coordinator
Office of Rules & Publications
Health Care Authority
POB 42716
Olympia, WA 98504

FOR CMS USE ONLY

16. DATE RECEIVED

June 29, 2022

17. DATE APPROVED

August 2, 2022

PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL

July 1, 2022

19. APPROVING OFFICIAL

20. TYPED NAME OF APPROVING OFFICIAL

Rory Howe

21. TITLE OF APPROVING OFFICIAL

Director, FMG

22. REMARKS

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State WASHINGTON

**METHODS AND STANDARDS FOR ESTABLISHING
PAYMENT RATES FOR INPATIENT HOSPITAL SERVICES (cont.)**

C. GENERAL REIMBURSEMENT POLICIES (cont.)

- (d) Reduce preventable emergency room (ER) visits. Hospitals will develop and submit a plan to the agency addressing five sections of possible ER intervention, community partnerships, data reporting, strategic plan for prevention of visits, ER visit follow-up, and participation in continuing education. Each section may be approved or not approved by the agency. A hospital will be awarded 10 points for all five sections begin approved, five points for four sections, three points for three sections, no points for two sections or less. Psychiatric, rehabilitation, and cancer hospitals are not included in this measurement.
- (e) Patient discharges with prescriptions for multiple antipsychotic medications. Documentation must appear in the medical record with appropriate justification for discharging the patient with two or more routine antipsychotic medication prescriptions. A hospital will be awarded 10 points for 31% or greater medical records with appropriate justifications, five points for 21-30%, three points for 11-20%, and no points for 10% or less. Hospitals that do not have behavioral health units are not included in this measurement.

For dates of admission July 1, 2014, and after, a quality incentive payment of “an additional one percent increase in inpatient hospital rates” will be added to inpatient hospital payments for all qualifying non-critical access hospital providers.

Effective July 1, 2014, quality measures for the quality incentive payment for inpatient hospitals are listed at <http://www.hca.wa.gov/medicaid/hospitalpymt/Pages/inpatient.aspx>

21. Rate enhancement for Sole Community Hospitals

For Sole Community Hospitals’ rate enhancements, the agency multiplies an in-state hospital’s specific conversion factor and per diem rates by a multiplier if the hospital meets all of the following criteria:

- Be certified by CMS as a sole community hospital as of January 1, 2013
- Have a level III adult trauma service designation from the Washington State Department of Health as of January 1, 2014
- Have less than one hundred fifty acute care licensed beds in fiscal year 2011
- Be owned and operated by the state or a political subdivision
- Not participate in the full cost payment through certified public expenditures (CPE) program

As of July 1, 2021, an additional increase may be applied for hospitals that accept single bed certifications.

Enhancement Multipliers				
Hospital category	Effective Dates			
	7/1/2015 – 6/30/2018	7/1/2018 – 6/30/2021	7/1/2021 – 6/30/2022	7/1/2022 – 6/30/2022
Sole Community Hospital	1.25	1.5	1.0	1.25
Sole Community Hospital accepting single bed certification per RCW 71.05.745	NA	NA	1.5	1.5