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**State/Territory Name: WA**

**State Plan Amendment (SPA) #: 24-0025**

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 Street  
Chicago, Illinois 60604



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**Financial Management Group**

October 9, 2024

Charissa Fotinos, Director  
Health Care Authority  
PO Box 45502  
Olympia, WA 98504-5010

RE: TN 24-0025

Dear director Fotinos:

The Centers for Medicare & Medicaid Services (CMS) has reviewed the proposed Washington state plan amendment (SPA) to Attachment 4.19-B WA 24-0025, which was submitted to CMS on July 16, 2024. This plan amendment clarified the language and payment methodology for Rehabilitative/Behavioral 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 July 1, 2024. 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 DRR analyst James Moreth at (206) 615-2043 or via email at [James.Moreth@CMS.HHS.GOV](mailto:James.Moreth@CMS.HHS.GOV).

Sincerely,

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

Todd McMillion  
Director  
Division of Reimbursement Review

Enclosures

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

1. TRANSMITTAL NUMBER <u>2 4 — 0 0 2 5</u>	2. STATE <u>WA</u>
3. PROGRAM IDENTIFICATION: TITLE OF THE SOCIAL SECURITY ACT <input checked="" type="radio"/> XIX <input type="radio"/> XXI	
4. PROPOSED EFFECTIVE DATE <u>July 1, 2024</u>	
6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars) a. FFY <u>2024</u> \$ <u>0</u> b. FFY <u>2025</u> \$ <u>0</u>	
5. FEDERAL STATUTE/REGULATION CITATION <u>1902(a) of the Act</u>	8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable) <u>Attachment 4.19-B page 21a (TN# 23-0041)</u>
7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT <u>Attachment 4.19-B page 21a</u>	

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

9. SUBJECT OF AMENDMENT  
Rehabilitative/Behavioral Health Services Payment Methodology Language Clarifications

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  
[Redacted Signature]

12. TYPED NAME  
Charissa Fotinos, MD, MSc

13. TITLE  
Medicaid and Behavioral Health Medical Director

14. DATE SUBMITTED  
July 16, 2024

15. RETURN TO  
State Plan Coordinator  
POB 42716  
Olympia, WA 98504-2716

<b>FOR CMS USE ONLY</b>	
16. DATE RECEIVED <u>7/16/24</u>	17. DATE APPROVED <u>October 9, 2024</u>
<b>PLAN APPROVED - ONE COPY ATTACHED</b>	
18. EFFECTIVE DATE OF APPROVED MATERIAL <u>7/1/24</u>	19. SIGNATURE OF APPROVING OFFICIAL [Redacted Signature]
20. TYPED NAME OF APPROVING OFFICIAL <u>Todd McMillion</u>	21. TITLE OF APPROVING OFFICIAL <u>Director, DRR</u>

22. REMARKS

## STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

STATE: WASHINGTON

## D. Rehabilitative Services

3. Behavioral health (substance use disorders (SUD), mental health (MH), and MH/SUD co-occurring disorder (COD)) treatment services

Payment for behavioral health treatment services is provided to state-licensed facilities on a fee-for-service basis for specific services. The Medicaid Agency pays the lesser of the usual and customary charge or a fee based on a Medicaid Agency fee schedule. There is no room and board paid for these services. Qualified professionals are paid by the facility to provide services within their scope of practice as defined by state law.

Behavioral health codes are reimbursed using a flat fee based upon market value, other states' fees, budget impacts, historical pricing, and/or comparable services. Providers may receive additional payment for increased services furnished to individuals who meet specialized health services requirements.

Except as otherwise noted in the plan, payment for these services is based on fee schedule rates, which are the same for both governmental and private providers of behavioral health services. The agency's fee schedule rate was set as of July 1, 2024, and is effective for dates of service on and after that date. See 4.19-B I, General, #G, for the agency's website where the fee schedules are published.

## A. Tribal Residential Substance Use Disorder Treatment Facilities

Payment to residential substance use disorder treatment facilities of the Indian Health Service (IHS), which includes, at the option of the tribe, residential substance use disorder treatment facilities operated by a tribe or tribal organization and funded by Title I or V of the Indian Self Determination and Education Assistance Act (also known as tribal residential substance use disorder treatment facilities), will be at a per patient, per day facility-specific rate for residential substance use disorder treatment services (including intensive residential treatment, withdrawal management, and recovery house services as applicable for the facility) for youth and adult patients, each rate negotiated with the respective tribe(s) or tribal organization for a base calendar year. During the negotiations, the state and the tribe or tribal organization may agree for the tribal facility to be responsible for the state share of financial participation in accordance with 42 C.F.R. § 433.51. The rate negotiated for a base calendar year will be adjusted annually thereafter, based on the percentage increase or decrease of the inpatient hospital per diem rate published each year in the Federal Register by the U.S. Department of Health and Human Services' Indian Health Service, under the authority of Sections 321(a) and 322(b) of the Public Health Service Act (42 U.S.C. § 1601 et seq.).