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State/Territory Name: WA

State Plan Amendment (SPA) #: 24-0036

This file contains the following documents in the order listed:

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
Center for Medicaid & CHIP Services
230 South Dearborn
Chicago, Illinois 60604

Financial Management Group

October 29, 2024

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

RE: TN 24-0036

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 24-0036, which was submitted to CMS on August 14, 2024. This plan amendment updated language to clarify current practices, updated the link for Washington's Medicaid State Plan, and other clarifications. These changes are for clarification purposes only; payment methodologies are not changing.

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 pages.

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.

Sincerely,

[redacted]

Todd McMillion
Director
Division of Reimbursement Review

DEPARTMENT OF HEALTH ANDHUMAN SERVICES
CENTERS FOR MEDICARE & MEDICAID SERVICES

FORM APPROVED
OMB No. 0938-0193

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL

FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES

1. TRANSMITTAL NUMBER: 24-0036

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, 2024

5. FEDERAL STATUTE/REGULATION CITATION
1902(a) of the Social Security Act

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)
a. FFY 2024 $ 0
b. FFY 2025 $ 0

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT
Attachment 4.19-B pages 6, ~~7a~~, 7b, 22, 22a, ~~23a~~, 24a, ~~24b, 45~~

8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT *(If Applicable)*
Attachment 4.19-B pages 6 (TN# 23-0002), ~~7a (TN# 18-0016~~), 7b (TN# 21-0019), 22 (TN# 15-0018), 22a (TN# 18-0005), ~~23a (TN# 23-0049)~~, 24a (TN# 17-0037~~), 24b (TN# 15-0014), 45 (TN# 22-0021)~~

9. SUBJECT OF AMENDMENT
Miscellaneous payment methodology updates to remove specific administrative code references and add statements that rates may be increased by the state legislature

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]

12. TYPED NAME
Charissa Fotinos, MD, MSc

13. TITLE
Medicaid and Behavioral Health Medical Director

14. DATE SUBMITTED
August 14, 2024

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

FOR CMS USE ONLY

16. DATE RECEIVED
8/14/24

17. DATE APPROVED
October 29, 2024

PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL
7/1/24

19. SIGNATURE OF APPROVING OFFICIAL
[redacted]

20. TYPED NAME OF APPROVING OFFICIAL
Todd McMillion

21. TITLE OF APPROVING OFFICIAL
Director, DRR

22. REMARKS

10/16/24- P&I change to Boxes 7 and 8 to remove pages 7a, 23a, 24b, and 45.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
STATE: WASHINGTON

POLICY AND METHODS USED IN ESTABLISHING PAYMENT RATES FOR EACH OF THE OTHER TYPES OF CARE OR SERVICE LISTED IN SECTION 1905 (A) OF THE ACT THAT IS INCLUDED IN THE PROGRAM UNDER THE PLAN

III. Physician Services

A. Maximum allowable fees are established and updated using the Resource Based Relative Value Scale (RBRVS) methodology as adopted in the Medicare Fee Schedule Data Base (MFSDB). In this methodology, the agency uses CMS-established relative value units (RVU) multiplied by both the Geographic Practice Cost Indices (GPCI) for Washington State (supplied by the Federal Register) and the conversion factors specific to Washington. The agency's conversion factor that is annually adjusted based on utilization and budget neutrality from year-to-year. For the current conversion factor, and further description, see Supplement 3 to Attachment 4.19-B.

B. Other codes are reimbursed using flat fee (based upon market value, other state's fees, budget impacts, etc.), acquisition cost (the cost of the actual item being billed), Medicare Laboratory Fee Schedule, CMS ASP file, and/or Point of Sale (POS) actual acquisition cost (AAC).

Except as otherwise noted in the plan, fee schedule rates are the same for both governmental and private providers of physician services. See 4.19-B I, General, #G for the agency's website where the fee schedules are published.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

STATE: WASHINGTON

POLICY AND METHODS USED IN ESTABLISHING PAYMENT RATES FOR EACH OF THE OTHER TYPES OF CARE OR SERVICE LISTED IN SECTION 1905 (A) OF THE ACT THAT IS INCLUDED IN THE PROGRAM UNDER THE PLAN

III. Physician Services (cont)

H. Pediatric Vaccine Administration and Evaluation and Management

The Medicaid agency pays an enhanced rate for pediatric vaccine administration codes and evaluation and management (E&M) codes for services provided on and after October 1, 2018, for clients age 20 and younger. The agency determines the base rates according to the RBRVS methodology described in Supplement 3 to Attachment 4.19-B. The enhanced rate is a calculated flat percentage increase over the base rates. See 4.19-B.I. General, #G, for the agency's website where the fee schedules are published.

I. Enhanced payments for Medication for Opioid Use Disorder (MOUD) (formerly known as Medication Assisted Treatment (MAT))

1. Effective October 1, 2018, the Medicaid agency pays an enhanced rate to qualified providers for selected evaluation and management (E/M) codes when Medication for Opioid Use Disorder (MOUD) is part of the visit. The enhanced rate is the Medicare rate for the selected codes.
2. The agency does not pay the enhanced rate when the service is billed on the same date as a separately billable opioid treatment billed by any Opioid Treatment Program licensed by the Department of Health.
3. The agency pays one enhanced payment per day per client.

J. Adult Evaluation and Management

The Medicaid agency pays an enhanced rate for adult vaccine administration codes and evaluation and management (E&M) codes for services provided on and after October 1, 2021, for clients age 21 and above. The agency determines the base rates according to the RBRVS methodology described in Supplement 3 to Attachment 4.19-B. See 4.19-B.I. General, #G, for the agency's website where the fee schedules are published.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

STATE: WASHINGTON

POLICY AND METHODS USED IN ESTABLISHING PAYMENT RATES FOR EACH OF THE OTHER TYPES OF CARE OR SERVICE LISTED IN SECTION 1905 (A) OF THE ACT THAT IS INCLUDED IN THE PROGRAM UNDER THE PLAN

IX. Other Noninstitutional Services (cont.)

F. Early and Periodic Screening, Diagnostic, and Treatment (EPSDT)

Except as otherwise noted in the plan, fee schedule rates are the same for both governmental and private providers of EPSDT services. The Medicaid agency pays the lesser of the usual and customary charge or a fee based on an agency fee schedule.

EPSDT fees are established and updated using the Resource Based Relative Value Scale (RBRVS) methodology as adopted in the Medicare Fee Schedule Data Base (MFSDB). In this methodology, the agency uses CMS-established relative value units (RVU) multiplied by the Geographic Practice Cost indices (GPCI) and the conversion factors, both of which are specific to Washington. In conformance with 1905(r) of the Act, all medically necessary diagnosis and treatment services are provided regardless of whether the service is included in the plan. Limitations do not apply other than based on medical necessity. Current conversion factors and descriptions are found in Supplement 3 to Attachment 4.19-B. Washington's Medicaid State Plan may be found at https://www.hca.wa.gov/about-hca/programs-and-initiatives/apple-health-medicaid/related-laws-and-rules

The agency pays providers an enhanced rate or the allowed amount, whichever is higher, per EPSDT health screening examination for children in foster care. The enhanced is a flat fee for these services, which is based on market value, other states' fees, historical pricing, and comparable services.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

STATE: WASHINGTON

POLICY AND METHODS USED IN ESTABLISHING PAYMENT RATES FOR EACH OF THE OTHER TYPES OF CARE OR SERVICE LISTED IN SECTION 1905 (A) OF THE ACT THAT IS INCLUDED IN THE PROGRAM UNDER THE PLAN

IX. Other Noninstitutional Services (cont.)

School-based healthcare services

The fees for the codes under School-based Healthcare Services are established and updated using the Resource Based Relative Value Scale (RBRVS) methodology as adopted in the Medicare Fee Schedule Data Base (MFSDB). In this methodology, the agency uses CMS-established relative value units (RVUs) multiplied by the Geographic Practice Cost Indices (GPCI) and the conversion factors, both of which are specific to Washington. Current conversion factor, service descriptions, and their effective dates are found in Supplement 3 to Attachment 4.19-B. Washington's Medicaid State Plan may be found at https://www.hca.wa.gov/about-hca/programs-and-initiatives/apple-health-medicaid/related-laws-and-rules

Codes not valued under the RVU methodology are reimbursed using flat rate. These fees are based upon market value, other states' fees, budget impacts, etc.

Except as otherwise noted in the plan, fee schedule rates for school-based healthcare services are the same as the rates paid to similar providers within the community outside of the school setting. See 4.19-B I, General, #G, for the agency's website where the fee schedules are published.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

STATE: WASHINGTON

POLICY AND METHODS USED IN ESTABLISHING PAYMENT RATES FOR EACH OF THE OTHER TYPES OF CARE OR SERVICE LISTED IN SECTION 1905 (A) OF THE ACT THAT IS INCLUDED IN THE PROGRAM UNDER THE PLAN

IX. Other Noninstitutional Services (cont)

M. Licensed or Otherwise State-Approved Freestanding Birthing Centers

The fees for the majority of codes under freestanding birthing centers are established and updated using the Resource Based Relative Value Scale (RBRVS) methodology as adopted in the Medicare Fee Schedule Data Base (MFSDB). In this methodology, the State uses CMS-established relative value units (RVU) multiplied by the Geographic Practice Cost Indices (GPCI) and the conversion factors, both of which are specific to Washington. Current conversion factor descriptions are found in Supplement 3 to Attachment 4.19-B.

Other codes are reimbursed using CMS DMEPOS Fee Schedule, flat fee (based upon market value, other state's fees, budget impacts, etc.), acquisition cost (the cost of the actual item being billed). Drugs administered at the birthing center are reimbursed according to Medicare's Average Sales Price (ASP) methodology except when no ASP rate is available. When no Medicare drug file rate is available, the drug is paid at the same actual acquisition cost (AAC) methodology as would be applied if the drug were dispensed through a pharmacy and paid through Point-Of-Sale (POS) system.

The birthing center facility fee is consistent across birthing centers. This facility fee is based on 90% of the average hospital facility rate for a non-complicated delivery with a one day inpatient stay. Facility fee payments are made only when the delivery is performed in a facility licensed as a childbirth center by the Washington State Department of Health and approved by the agency. The facility fee includes all room charges for mother and baby, equipment, supplies, anesthesia administration, and paid medication. The facility fee does not include other drugs, professional services, lab charges, ultrasound, other x-rays, blood draws, or injections.

Except as otherwise noted in the plan, fee schedule rates are the same for both governmental and private providers of these services. See 4.19-B, I, General, #G for the agency's website where the fee schedules are published.