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State/Territory Name: Washington

State Plan Amendment (SPA) # WA 26-0005

This file contains the following documents in the order listed:

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

Financial Management Group

July 21, 2026

Trinity Wilson
Medicaid Director Health Care Authority
PO Box 45502
Olympia, WA 98504-5010
RE: TN 26-0005

Dear Director Wilson:

The Centers for Medicare & Medicaid Services (CMS) has reviewed the proposed Washington state plan amendment (SPA) to Attachment 4.19-A, WA 26-0005, which was submitted to CMS on April 23, 2026. This plan amendment adds information regarding per diem payments to hospitals for acute inpatient withdrawal management services provided to certain post-partum people.

We reviewed your SPA submission for compliance with statutory requirements, including in sections 1902(a)(2), 1902(a)(13), 1902(a)(30), 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, 2027. 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 Tom Caughey at 517-487-8598 or via email at tom.caughey@cms.hhs.gov.

Sincerely,

[redacted]

Rory Howe
Director
Financial Management Group

Enclosures

DEPARTMENT OF HEALTH AND HUMAN 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: 26 — 0005

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
January 1, 2027

5. FEDERAL STATUTE/REGULATION CITATION
42 CFR 433.139

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)
a. FFY 2027 $ 1,060,922
b. FFY 2028 $ 1,414,563

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT
Attachment 4.19-A, Part 1, page 32

8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT *(If Applicable)*
Attachment 4.19-A, Part 1, page 32 (TN 24-0004)

9. SUBJECT OF AMENDMENT

Enhanced Payment for Acute Withdrawal Management Services for Postpartum People with Diagnosis of Drug/Alcohol Use

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
Trinity Wilson

13. TITLE
Medicaid Director

14. DATE SUBMITTED
April 23, 2026

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

FOR CMS USE ONLY

16. DATE RECEIVED
April 23, 2026

17. DATE APPROVED
July 21, 2026

PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL
January 1, 2027

19. SIGNATURE OF APPROVING OFFICIAL
[redacted]

20. TYPED NAME OF APPROVING OFFICIAL
Rory Howe

21. TITLE OF APPROVING OFFICIAL
Director, Financial Management Group

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

E. PER DIEM, PER CASE, AND RCC PAYMENT METHODS (cont)

1. Per diem rate

a. Per diem rates determination for specialty services

Washington State Medicaid uses per diem rates to pay for claims grouped into specialty services. APR-DRG classifications identified as specialty services are grouped into:

- Psychiatric Services. Psychiatric claims are claims with a psychiatric diagnosis (i.e., assigned to a psychiatric DRG classification).
- Rehabilitation Services. Rehabilitation claims are claims with a rehabilitation diagnosis (i.e., assigned to a rehabilitation DRG classification).
- Withdrawal Management Services. Withdrawal management claims are claims assigned to a withdrawal management DRG classification
    - Acute Hospital Inpatient Withdrawal Management Services for Post-Partum People. Withdrawal management services for post-partum people are identified by the existence of both a substance use disorder diagnosis and a diagnosis of substance use complicating the puerperium. These services receive the same per diem rate as other withdrawal management services, with an enhancement applied for the additional Medicaid-covered services required for post-partum people. Effective January 1, 2027, the enhancement is a flat fee schedule add-on to the withdrawal management per diem and is posted on HCA's website. See 4.19-B I, General #G, for the agency's website where the fee schedules are published.
- Substance-Using Pregnant People (SUPP) Program Services. SUPP Program services are claims with units of service (days) submitted with revenue code 129 in the claim record.
- Long-term civil commitment psychiatric services. Long-term psychiatric commitments are psychiatric claims for 90 or more days with a psychiatric diagnosis and a legal commitment.