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State/Territory Name: WA

State Plan Amendment (SPA) #: 26-0007

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) Companion Letter
- 3) CMS 179 Form/Summary Form (with 179-like data)
- 4) Approved SPA Pages

DEPARTMENT OF HEALTH & HUMAN SERVICES

Centers for Medicare & Medicaid Services
Center for Medicaid & CHIP Services
230 South Dearborn
Chicago, Illinois 60604



Financial Management Group

August 12, 2026

Trinity Wilson, Director
Health Care Authority
PO Box 45502
Olympia, WA 98504-5010

RE: TN 26-0007

Dear Director Wilson,

The Centers for Medicare & Medicaid Services (CMS) has reviewed the proposed Washington state plan amendment (SPA) to Attachment 4.19-B WA 26-0007, which was submitted to update the Fee Schedule effective date of several Medicaid 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 April 1, 2026. 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 James Moreth at (206) 615-2043 or via email at 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

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



Financial Management Group

August 12, 2026

Trinity Wilson, Director
Health Care Authority
PO Box 45502
Olympia, WA 98504-5010

Re: Washington State Plan Amendment (SPA) 26-0007 April 2026 Fee Schedule Dates

Dear Director Wilson:

We are issuing this letter as a companion to the Centers for Medicare & Medicaid Services' (CMS) approval of Washington's State Plan Amendment (SPA) 26-0007. Washington's SPA 26-0007 proposed to update the Fee Schedule effective date of several Medicaid services. During our review of 26-0007, we identified certain issues with Washington's current state plan, which are the subject of this letter.

Fee Schedule Effective Date

1. CMS conducted a same-page review of Attachment 4.19-B, Page 5, item II for Clinic Services. Based on a review of the state's currently approved state plan, CMS recognizes that the language on the page is a part of the state's approved payment methodology for rural health clinics (RHCs) that is described on Attachment 4.19-B, Pages 2 through 5. CMS identified that this approved payment methodology for RHCs is authorized under the clinic benefit in the state plan.

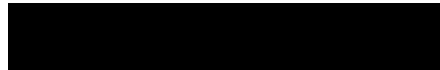
Section 1905(a) of the Social Security Act (the Act) authorizes RHCs as their own Medicaid benefit category at 1905(a)(2)(B), 42 CFR 440.20(b), separate from the clinic benefit at 1905(a)(9), 42 CFR 440.90. As required by 42 CFR 430.10, the state plan must be a comprehensive written statement containing "all information necessary for CMS to determine whether the plan can be approved as a basis for Federal Financial Participation (FFP) in the state program." To ensure compliance with 42 CFR 430.10, the state must revise the state plan to ensure the state has payment authority under the appropriate Medicaid benefit for RHCs. CMS is requesting the state submit a state plan amendment to relocate the approved payment methodology for RHCs that are currently authorized under the clinic benefit on Attachment 4.19-B, Pages 2 through 5 to separate Attachment 4.19-B pages under the RHC benefit. CMS is available to provide technical assistance to Washington as needed.

We are requesting your response on or before November 10, 2026 which is within 90 days from the

date of this companion letter.

If you have any additional questions or need further assistance, please contact James Moreth at (206) 615-2043 or via email at James.Moreth@CMS.HHS.GOV.

Sincerely,

A solid black rectangular box used to redact the signature of Todd McMillion.

Todd McMillion
Director
Division of Reimbursement Review

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

1. TRANSMITTAL NUMBER

2 6 — 0 0 0 7

2. STATE

WA

3. PROGRAM IDENTIFICATION: TITLE OF THE SOCIAL

SECURITY ACT

☒ XIX☐ XXI

4. PROPOSED EFFECTIVE DATE

April 1, 2027 2026

TO: CENTER DIRECTOR

CENTERS FOR MEDICAID & CHIP SERVICES

DEPARTMENT OF HEALTH AND HUMAN SERVICES

5. FEDERAL STATUTE/REGULATION CITATION

42 CFR 433.139

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)

a. FFY 2026\$ 0b. FFY 2027\$ 0

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

Att. 4.19-B pages 5, 14, 16-3, 28a8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION
OR ATTACHMENT (If Applicable)Att. 4.19-B pages 5 (TN 25-0020), 14 (TN 26-0002), 16-3
(TN 25-0020), 28a (TN 26-0002)

9. SUBJECT OF AMENDMENT

April 2026 Fee Schedule Effective Dates

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

Trinity Wilson

13. TITLE

Medicaid and CHIP Director

14. DATE SUBMITTED

May 18, 2026

15. RETURN TO

State Plan Coordinator

POB 42716

Olympia, WA 98504-2716

FOR CMS USE ONLY

16. DATE RECEIVED

5/18/26

17. DATE APPROVED

PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL

4/1/26

19. SIGNATURE OF APPROVING OFFICIAL

20. TYPED NAME OF APPROVING OFFICIAL

Todd McMillion

21. TITLE OF APPROVING OFFICIAL

Director, DRR

22. REMARKS

P&I change to box 4 to correct effective date.

P&I Change to box 7 and 8 to remove page 28a.

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**

II. Clinic Services (cont.)

For clients enrolled with a managed care contractor, and effective April 1, 2014, the State anticipates that the managed care contractor will pay each clinic an encounter rate that is at least equal to the PPS rate specific to each clinic.

To ensure that the appropriate amounts are being paid to each clinic, the State will perform an analysis of the managed care contractor's data at least quarterly and verify that the payments made by the managed care contractor in the previous quarter were in compliance with Section 1902(bb)(5)(A) of the SSA. This process will apply to clinics reimbursed under the APM rate methodology and to clinics reimbursed under the PPS rate methodology.

At no time will a managed care organization be at risk for or have any claim to the supplemental payment portion of the rate which will be reconciled to ensure accurate payment of the obligated funds.

Covered services for Medicaid-Medicare patients are reimbursed as detailed in Supplement 1 to Attachment 4.19 (B), pages 1, 2, and 3.

Encounters are limited to one per client per day, except when:

- The client needs to be seen by different practitioners with different specialties; or
- The client needs to be seen multiple times on the same day due to unrelated diagnoses.

D. Non-hospital-owned Freestanding Ambulatory Surgery Centers

Freestanding ambulatory surgery centers (ASCs) are reimbursed in a manner similar to Medicare's ASC reimbursement model in effect prior to January 1, 2008. All ASC procedure codes are fit into one of nine payment groups, with each group having its own payment rate. New procedure codes are associated with the appropriate payment group based on their weights, which are set by CMS under its payment methodology in effect from January 1, 2008, forward. Any new procedure code is put into the payment group containing weights with which it is most similar. The agency pays for the first billed procedure code at 100%, the second at 50% and the third and subsequent procedure codes at zero.

Implantable devices are paid separately. For devices, the ASC bills the agency the amount the facility paid for the device, based on a manufacturer's invoice. The agency pays the invoiced amount.

Except as otherwise noted in the plan, fee schedule rates are the same for both governmental and private providers of these services. The agency's rates were set as of April 1, 2026, and are effective for dates of services on and after that date.

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**

VI. Dental Services and Dentures

- A. The Medicaid agency pays directly to the specific provider the lesser of the usual and customary charge or a fee based on an agency fee schedule for dentures and dental services that are provided within their specific scope of practice by dentists, dental hygienists, denturists, and dental health aide therapists* (under supervision of a dentist within their scope of practice as defined under state law. The supervising licensed practitioner assumes professional responsibility for the services provided by the unlicensed practitioner and the licensed practitioner bills for services furnished by unlicensed practitioners) throughout the state. There are no geographical or other variations in the fee schedule. **Technical correction: Dental health aide therapists added per SPA 17-0027 approved 6/21/2023 effective 7/23/2017.*
- B. The usual and customary charge is defined as that fee usually charged for a given service by an individual dentist, dental hygienist, dental health aide therapist, or denturist to private patients (e.g., that provider's usual fee) and which fee is within the range of usual fees charged by dentists, dental hygienists, or denturists of similar training and experience.
- C. Except as otherwise noted in the plan, fee schedule rates are the same for both governmental and private providers of dentures, dental services and dental hygiene.
- See 4.19-B I, General, #G for the agency's website where the fee schedules are published.
- The agency's fee schedule rate was set as of April 1, 2026, and is effective for services provided on or after that date.
- D. Under the Oral Health Connections pilot program, eligible dental providers are paid an enhanced rate to provide up to three additional periodontal treatments (for a total of four) per calendar year to adult Medicaid clients who have diabetes or who are pregnant. The Oral Health Connections pilot program is effective for dates of service on or after January 1, 2019. This pilot program ended on December 31, 2023.
- E. Eligible dental providers are paid an enhanced rate to provide additional dental services to eligible clients age 5 and under as described in Attachment 3.1-A and 3.1-B section 10.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

STATE: WASHINGTON

VIII. Institutional Services (cont)

A. Outpatient hospital services (cont)

2. Fee Schedule

For non-CAH hospitals and covered services not paid using the OPPS rate, the agency pays the lesser of the usual and customary charge or a fee based on an agency fee schedule for covered procedures.

Services paid using the agency's fee schedule include, but are not limited to, physical therapy, occupational therapy, speech/language therapy, corneal transplants, and other hospital services as identified and published by the agency.

3. Actual Acquisition Cost

Certain high-cost prescribed drugs delivered during an outpatient hospital stay are paid at actual acquisition cost. These drugs are exempt from the EAPG bundled payment. These drugs are identified and published on the state's website and published outpatient fee schedule.

Except as otherwise noted in the plan, fee schedule rates are the same for both governmental and private providers of outpatient hospital services. The agency's outpatient fee schedule is effective for services provided on and after April 1, 2026. The fee schedule is updated quarterly in a budget neutral manner. See 4.19-B, I, General, #G for the agency's website where the fee schedules are published.