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State/Territory Name: Washington

State Plan Amendment (SPA) #: WA-26-0013

This file contains the following documents in the order listed:

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

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



Managed Care Group

August 12, 2026

Ryan Moran, HCA Director
Trinity Wilson, Medicaid and CHIP Director
Health Care Authority
Post Office Box 45502
Olympia, WA 98504-5010

Re: CMS Approval of Washington State Plan Amendment (SPA) WA-26-0013

Dear Directors Moran and Wilson:

The Centers for Medicare & Medicaid Services (CMS) completed review of Washington's 1932 State Plan Amendment (SPA) Transmittal Number WA-26-0013, submitted on July 29, 2026. The purpose of this SPA is to update attachment 4.30 of the Washington State Plan to more fully describe the State's approach to conducting oversight of its managed care plans, identify non-compliance, and ensure any violations are remediated.

We conducted our review of this amendment according to statutory requirements of Title XIX of the Social Security Act and implementing Federal regulations. This letter is to inform you that Washington Medicaid SPA Transmittal Number WA-26-0013 is approved effective July 1, 2026.

CMS approval of this SPA is conditioned on the state's continued compliance with Medicaid program integrity requirements, including 42 CFR 438 and 42 CFR 455. The state must ensure that the state and its managed care plans appropriately support program integrity activities, including the prevention, detection, investigation, referral, and resolution of fraud, waste, and abuse through appropriate staffing, oversight, controls, data, analytics, reporting, audits, and other actions. The state is responsible for monitoring all aspects of the managed care program, including the performance of every managed care plan related to program integrity as required in 42 CFR 438.66(b)(9). Any material changes to managed care plans' program integrity responsibilities must be clearly effectuated through the state's managed care contracts submitted to CMS for review and approval in accordance with 42 CFR 438.3(a).

Directors Moran, Wilson letter

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If you have any questions regarding this amendment, please contact John Kivisaari at (312) 353-0508 or John.Kivisaari@cms.hhs.gov.



Bill Brooks
Director
Division of Managed Care Operations

cc: Jason McGill, WA HCA
Ann Myers, WA HCA
Matt Rodriguez, DMCO
Shantrina Roberts, DMCO

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

1. TRANSMITTAL NUMBER

2 6 — 0 0 1 3

2. STATE

WA3. 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, 2027~~ July 1, 20265. FEDERAL STATUTE/REGULATION CITATION
42 CFR Part 438 Subpart I; Sections 1903(m) & 1932 of the Act

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)

a. FFY 2028 \$ 0
b. FFY 2027 \$ 0

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

Att. 4.30 pages 2, 2a (new)

8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION
OR ATTACHMENT (If Applicable)

Att. 4.30 page 2 (TN# 03-015)

9. SUBJECT OF AMENDMENT

Sanctions for MCOs and PCCMs Update

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 Wilson13. TITLE
Medicaid and CHIP Director14. DATE SUBMITTED
July 29, 2026

15. RETURN TO

State Plan Coordinator
POB 42716
Olympia, WA 98504-2716**FOR CMS USE ONLY**

16. DATE RECEIVED

17. DATE APPROVED

PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL

19. SIGNATURE

20. TYPED NAME OF APPROVING OFFICIAL

21. TITLE OF APPROVING OFFICIAL

22. REMARKS

On August 6, 2026, Washington State staff authorized CMS to make the following "pen and ink" change to this form 179:

- Box 4: update the proposed effective date from July 1, 2027 to July 1, 2026.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State Washington

Citation Sanctions for MCOs and PCCMs

1932(e)
42 CFR 428.726

- (a) The State will monitor for violations that involve the actions and failure to act specified in 42 CFR Part 438 Subpart I and to implement the provisions in 42 CFR 438 Subpart I, in a manner specified below:

The State imposes sanctions in accordance with Section 1932(e) of the Social Security Act (the Act) and 42 CFR Part 438, Subpart I; state law; and the State's contracts with managed care organizations (MCOs).

In addition to adhering to established monitoring and auditing processes, ensuring that the MCOs are compliant with contract terms and applicable laws and regulations, the State will work closely with the MCOs through technical assistance, sanctions, and/or other penalties as appropriate to address and correct instances of noncompliance.

The State will provide technical assistance to ensure the MCOs address violations, including establishing clear expectations and offering guidance on a plan for resolution. The State will provide oversight to ensure the MCOs resolve violations with a defined timeline and monitor the violations for repeat instances.

If violations persist or are significant, the State may impose sanctions or other penalties in accordance with the State's contracts with the MCOs.

- (b) The State uses the definition below of the threshold that would be met before an MCO is considered to have repeatedly committed violations of section 1903(m) and thus subject to imposition of temporary management:

The State would impose temporary management only when the MCO repeatedly fails to meet substantive requirements in Sections 1903(m) or 1932 of the Act. All other incidents of repeated violations would be handled through termination of the contract for services rather than temporary management.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State Washington

- (c) The State's contracts with MCOs provide that payments provided for under the contract will be denied for new enrollees when, and for so long as, payment for those enrollees is denied by CMS under 42 CFR 438.730(e).
- Not applicable; the State does not contract with MCOs, or the State does not choose to impose intermediate sanctions on PCCMs.