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# State/Territory Name: Washington

# State Plan Amendment (SPA) # WA 23-0029

This file contains the following documents in the order listed:

- Approval Letter
  CMS 179 Form
- 3) Approved SPA Pages

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



### **Financial Management Group**

December 7, 2023

Sue Birch, Acting Medicaid Director Health Care Authority PO Box 45502 Olympia, WA 98504-5010

RE: Washington State Plan Amendment (SPA) 23-0029

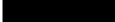
Dear Director Birch:

We have reviewed the proposed amendment to Attachment 4.19-A of your Medicaid state plan submitted under transmittal number (TN) 23-0029 effective for services on or after January 1, 2024. The purpose is to updates the services payable in addition to the Administrative Day rate.

We conducted our review of your submittal according to the statutory requirements at sections 1902(a)(2), 1902(a)(13), 1902(a)(30), 1903(a), and 1923 of the Social Security Act. We hereby inform you that Medicaid State plan amendment 23-0029 is approved effective January 1, 2024. We are enclosing the CMS-179 and the amended plan pages.

If you have any questions, please call Tom Caughey at (517) 487-8598.

Sincerely,



Rory Howe Director

Enclosure

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES	
TO: CENTER DIRECTOR CENTERS FOR MEDICAID & CHIP SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES	4. PROPOSED EFFECTIVE DATE January 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 \$ 443,531 b. FFY 2025 \$ 482,423
7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT Attachment 4.19 A Part 1 page 22a	8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable) Attachment 4.19-A Part 1 page 22a (TN# 21-0031)
9. SUBJECT OF AMENDMENT	
Administrative Day Rate	
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
	15. RETURN TO State Plan Coordinator
12. TYPED NAME Charissa Fotinos MD, MSc	POB 42716 Olympia, WA 98504-2716
13. TITLE Medicaid and Behavioral Health Medical Director	
14. DATE SUBMITTED October 26, 2023	
16. DATE RECEIVED	17. DATE APPROVED
	December 7, 2023
PLAN APPROVED - ONE COPY ATTACHED	
18. EFFECTIVE DATE OF APPROVED MATERIAL January 1, 2024	19. SIGNATURE OF APPROVING OFFICIAL
20. TYPED NAME OF APPROVING OFFICIAL Rory Howe	21. TITLE OF APPROVING OFFICIAL Director, FMG
22. REMARKS	

Pen and Ink requested for box 6a and 6b by the state on 11/13/2023.

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

State WASHINGTON

### METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES FOR INPATIENT HOSPITAL SERVICES (cont)

### C. GENERAL REIMBURSEMENT POLICIES (cont.)

10. Readmission Policy (cont)

Effective January 1, 2018, readmissions occurring within 14 days of discharge, to the same or a different hospital that group to the same medical diagnostic category, may be reviewed to determine if the second admission was necessary or avoidable. If the second admission is determined to be unnecessary, reimbursement will be denied. If the admission was avoidable, the two admissions may be combined and a single DRG payment made. If two different DRG assignments are involved, reimbursement for the appropriate DRG will be based upon a utilization review of the case.

11. Administrative Days Policy

Administrative days are those days of hospital stay wherein an acute inpatient level of care is no longer necessary, and an appropriate non-inpatient hospital placement is not available.

Administrative days are reimbursed at the statewide average Medicaid nursing home per diem rate. Pharmaceuticals and other medically necessary ancillary services as determined by the agency are reimbursed using the ratio of cost to charges method.

When a hospital admission is solely for a stay until an appropriate sub-acute placement can be made or for a postpartum parent rooming with an infant being monitored for NAS/NOWS, the hospital may be reimbursed at the Administrative Day per diem rate and the cost of pharmaceuticals dispensed to the post-partum parent from the date of admission. The Administrative Day rate is adjusted November 1. For DRG-exempt cases, administrative days are identified during the length of stay review process.