



STATE OF WASHINGTON
HEALTH CARE AUTHORITY

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July 27, 2023

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7500 Security Boulevard
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Dear Mr. Tsai and Ms. Rashid:

SUBJECT: Medicaid Transformation Project (MTP) | Section 1115 Medicaid Demonstration Waiver

The Washington State Health Care Authority (HCA) is pleased to submit the enclosed amendment request for our state's Section 1115 Medicaid demonstration waiver. We call this the Medicaid Transformation Project (MTP).

Our initial MTP waiver period ended on June 30, 2023. In July 2022, HCA and the Department of Social and Health Services (DSHS) applied to CMS to renew MTP. The MTP renewal is called MTP 2.0. On June 30, 2023, CMS approved MTP to continue for an additional five years, beginning July 1, 2023.

About the amendment

HCA and DSHS are requesting an amendment to the **current MTP 2.0 waiver**, which would authorize:

- Medicaid coverage for former foster care youth (FFCC)—also known as Alumni coverage in Washington—from other states who turn (or turned) 18 prior to January 1, 2023.
- Continuous enrollment for the Children's Health Insurance Program (CHIP) coverage for CHIP children during the first six years of their lives.

We appreciate the guidance CMS provided in letter [SHO 22-003](#) on December 16, 2022. This amendment request aligns with the new requirements set forth in that letter.

Note: Washington State is also submitting a State Plan Amendment (SPA) to cover foster youth from other states who turn 18 after January 1, 2023, as per Section 1002 of the Support Act. Between both authorities (the amendment and SPA), Washington State will be able to cover all foster care youth from out of state, regardless of when they turn 18.

Medicaid coverage for FFCC from other states who turn (or turned) 18 prior to January 1, 2023.

If approved, this amendment would authorize Medicaid coverage for FFCC from other states who turn (or turned) 18 prior to January 1, 2023. Coverage will remain until enrollees reach age 26. This flexibility is necessary to align coverage for FFCC who are not covered under the Support Act's mandatory coverage policy for those who turn 18 on or after January 1, 2023. This coverage would apply through December 31, 2030.

Washington estimates 180 FFCC enrollees will be eligible for coverage during the MTP 2.0 period (2023–2028). Allowing access to health services for FFCC ensures continued coverage as enrollees transition into adulthood.

Continuous enrollment for CHIP coverage for CHIP children during the first six years of their lives.

If approved, this amendment would allow CHIP children to be continuously enrolled until the end of the month in which their sixth birthday falls. We are requesting to expand this federal authority under the current MTP 2.0 waiver to provide continuous enrollment to children, ages zero through five, who are enrolled in CHIP with incomes up to 317 percent of the Federal Poverty Level (FPL).

Under this requested amendment, Washington estimates 16,707 enrollees will be continuously enrolled during the 2024–2028 period.

Note: in Washington's MTP 2.0 application, we sought new federal authority to provide continuous Medicaid enrollment for children who have incomes below 215 percent FTL at the time of application.

How this amendment will help Washington State

If approved, this amendment (to the current MTP 2.0 waiver) will allow Washington State to continue providing coverage and ensuring access to health services for children and individuals who are at risk of discontinuity in care. Continuous and comprehensive access to coverage is especially important for children and individuals experiencing health and behavioral issues. Inconsistent coverage or disruption of coverage could lead to unmet health care needs and delays in diagnoses, preventive services, and treatment.

Gaps in coverage are also **higher for children of color, ages zero to six**. For every 100 children within this group, Washington data show **46 to 63 months of disruption in coverage over five years**. When children and individuals have access to coverage, they are more likely to have improved short- and long-term health outcomes and a better quality of life.

Washington State is committed to meeting the goals and implementing this amendment request. We thank you for the opportunity to build on our MTP accomplishments and look forward to working with CMS to advance this request.

Daniel Tsai, Deputy Administrator and Director
Mehreen Rashid, Acting Director and Deputy Director of the SDG
July 27, 2023
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Sincerely,



Charissa Fotinos, MD, MSc
Medicaid and Behavioral Health Medical Director

cc: Susan E. Birch, Director, EXO, HCA
Jilma Meneses, Secretary, EXE, DSHS
Mich'l Needham, Chief Policy Officer, PD, HCA
Diona Kristian, Project Officer, SDG, CMS
Edwin Walaszek, State Monitoring Lead, Medicaid and CHIP Operations Group, CMS

Washington State Medicaid Transformation Project

Section 1115 Medicaid demonstration waiver amendment request

July 26, 2023

Washington State
Health Care Authority



Washington State
Department of Social
& Health Services

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Introduction

The Health Care Authority (HCA) and Department of Social and Health Services (DSHS) oversee Washington State's Section 1115 Medicaid demonstration waiver, called the Medicaid Transformation Project (MTP). The initial MTP waiver period ended on June 30, 2023.

In July 2022, HCA and DSHS applied to the Centers for Medicare & Medicaid Services (CMS) to renew MTP. The MTP renewal is called **MTP 2.0**. On June 30, 2023, CMS approved MTP to continue for an **additional five years**, beginning July 1, 2023.

HCA and DSHS are requesting an amendment to the **current MTP 2.0 waiver**, which would authorize:

1. Medicaid coverage for former foster care youth (FFCC) from other states who turn (or turned) **18 prior to January 1, 2023**. Coverage will remain until enrollees reach age 26. **Note:** Washington is also submitting a State Plan Amendment (SPA) to cover foster youth from other states who turn **18 after January 1, 2023**, as per Section 1002 of the Support Act. Between both authorities (the amendment and SPA), Washington State will be able to cover all foster care youth from out of state, regardless of when they turn 18.
2. Continuous enrollment for the Children's Health Insurance Program (CHIP) coverage for CHIP children during the first six years of their lives.

Washington State's Medicaid program

In Washington State, the Health Care Authority (HCA) manages Washington's Medicaid and Children's Health Insurance Program (CHIP) programs under "Apple Health." As of December 2022, there were a total of 2,286,441 Apple Health-eligible clients in Washington State. Of these, 99,921 were American Indian/Alaska Native.

Description of amendment request

Medicaid coverage for FFCC from other states who turn (or turned) 18 prior to January 1, 2023.

In alignment with guidance provided by CMS in letter [SHO 22-003](#) on December 16, 2022, this amendment request would authorize Medicaid coverage for FFCC from other states who turn (or turned) 18 prior to January 1, 2023. Coverage will remain until enrollees reach age 26. This flexibility is necessary to align coverage for FFCC who are not covered under the Support Act's mandatory coverage policy for those who turn 18 on or after January 1, 2023. This coverage would apply through December 31, 2030.

Continuous enrollment for CHIP coverage for CHIP children during the first six years of their lives.

In Washington's MTP 2.0 application, we sought new federal authority to provide continuous Medicaid enrollment for children who have incomes below 215 percent of the Federal Poverty Level (FPL) at the time of application. If approved, this amendment would allow CHIP children to be continuously enrolled until the end of the month in which their sixth birthday falls.

We are requesting to expand this federal authority under the current MTP 2.0 waiver to provide continuous enrollment to children, ages zero through five who are enrolled in CHIP with incomes **up to 317 percent FPL**. This amendment would ensure continuous enrollment for all children enrolled in Medicaid or CHIP.

Now, more than ever before, we need to ensure uninterrupted coverage and access to health care and health-related social needs (HRSN) services for children. Continuous enrollment will keep young children connected to coverage and care without the risk of coverage losses and discontinuity of care. Through this amendment request, Washington seeks to ensure that young children get the care they need when they need it. This will help children begin school ready to learn.

Expenditure and waiver authorities

Table 1: new expenditure authorities

FFCC coverage: authority to receive federal financial participation (FFP) to provide full Medicaid state plan benefits to FFCC from other states who turn (or turned) 18 prior to January 1, 2023. Coverage will remain until enrollees reach age 26. These are the same benefits that the state will provide under the state plan to FFCC from other states who turn (or turned) 18 after January 1, 2023.

Continuous enrollment for CHIP children: authority to receive FFP for the continuous enrollment of CHIP children, even if a child's family income exceeds eligibility limits.

Table 2: new waiver authorities

42 CFR 457.343: to enable the state to waive the annual redetermination requirements, including required procedures for reporting and acting on changes (other than a change in residence to out of state).

Amendment benefits and cost-sharing requirements

Benefits provided under this amendment request will not differ from those provided under the Medicaid state plan. Also, the cost-sharing requirements will not differ from those provided under the Medicaid state plan.

Eligibility and enrollment

Existing eligibility criteria will continue for each existing MTP program.

The populations affected by this amendment request are:

1. FFCC who were in foster care under the responsibility of another state and turn (or turned) 18 prior to January 1, 2023. Washington State estimates 30 FFCC from other states will be eligible under this amendment each year. During March 1, 2023–December 31, 2028, Washington estimates **180 enrollees will be eligible** under this amendment.
2. Children in CHIP who are zero through five years old, even if a child's family income exceeds eligibility limits. Washington estimates 3,167 enrollees will be continuously enrolled in the first year under this amendment. During January 1, 2024–December 31, 2028, Washington estimates **16,707 enrollees will be eligible** under this amendment.

Table 3: existing eligibility criteria

Eligibility group name	Federal regulation citation	Income level
FFCC who were in foster care under the responsibility of another state and turn (or turned) 18 prior to January 1, 2023	42 CFR 435.150	None
Children in CHIP who are 0 through 5 years old	42 CFR 457.310	317 FPL

Delivery system and payment rates for services

We are not seeking any changes to the existing Apple Health delivery systems. Apple Health enrollees will continue to access care through delivery systems defined in the state plan, Section 1932, 1915 (b), 1915 (c), 1915 (k), and other waivers in place. These delivery systems include managed care—managed care organizations (MCOs) and primary care case management—and fee-for-service (FFS).

Implementation of the amendment

In addition to this amendment request, Washington is submitting a SPA to cover foster youth from other states who turn 18 after January 1, 2023, as per Section 1002 of the Support Act. Between both authorities (the amendment and SPA), Washington State will be able to cover all foster care youth from out of state, regardless of when they turn 18. This authority will be effective upon amendment approval and will result in aligned coverage for the FFCC who are not covered under the Support Act’s mandatory coverage policy.

Washington is seeking to implement continuous enrollment for CHIP children, ages zero through five by July 1, 2024. In the meantime, we continue to prepare for continuous enrollment for children under Medicaid, which the state will implement because of MTP 2.0’s approval.

Amendment financing and budget/allotment neutrality

We propose to finance the non-federal share of expenditures under the FFCC request using state general funds. The state will cover FFCC who were in foster care under the responsibility of another state and turn (or turned) 18 prior to January 1, 2023, under 1115(a)(2) expenditure authority. CMS advised that expenditures under this amendment will be treated as “pass-through” for the purposes of budget neutrality.¹

Figure 1 below provides a summary of expenditures for the covered FFCC under this amendment. We project a total of 180 individual enrollees during March 1, 2023–December 31, 2028, with projected expenditures of \$680,000.

Figure 2 shows the estimated enrollment and expenditures for continuous enrollment for children under CHIP through June 30, 2028. Figure 3 shows historical CHIP enrollment.

Figures 4 and 5 include a budget neutrality summary and outlines with-waiver expenditures (including actuals plus projections) for demonstration year (DY) 1-11. The full budget neutrality analysis is available in Appendix A.

Figure 1: summary of expenditures for FFCC

Time period	Total projected individuals	Member months	Projected expenditures (total computable)
3/1/2023 - 12/31/2023	30	300	\$96,000.00
1/1/2024 - 12/31/2024	30	360	\$116,000.00
1/1/2025 - 12/31/2025	30	360	\$117,000.00
1/1/2026 - 12/31/2026	30	360	\$117,000.00
1/1/2027 - 12/31/2027	30	360	\$117,000.00
1/1/2028 - 12/31/2028	30	360	\$117,000.00
Totals	180	2100	\$680,000.00

¹ CMS Information Bulletin, November 21, 2016. <https://www.medicaid.gov/federal-policy-guidance/downloads/cib112116.pdf>

Figure 2: summary of CHIP continuous enrollment and expenditure estimates

Time period	Total projected individuals	Projected expenditures (total computable)
7/1/2023 - 12/31/2023	1,584	\$1,821,000
1/1/2024 - 12/31/2024	3,167	\$3,772,000
1/1/2025 - 12/31/2025	3,385	\$3,901,000
1/1/2026 - 12/31/2026	3,385	\$3,901,000
1/1/2027 - 12/31/2027	3,385	\$3,901,000
1/1/2028 - 6/30/2028	1,693	\$1,950,500
Totals	16,599	\$19,246,500

Figure 3: summary of historical CHIP enrollment

CHIP - Historical Enrollment*	
Time period	Children enrolled
FFY2019	90,139
FFY2020	80,322
FFY2021	81,870

*Data from the CHIP annual report.

Figure 4: with-waiver total expenditures for DY 1-6

With-Waiver Total Expenditures		DEMONSTRATION YEARS (DY)						Total
		1	2	3	4	5	6	
Medicaid Per Capita								
Non-Expansion Adults Only	Total	\$4,128,545,882	\$4,588,771,480	\$2,571,343,736	\$2,635,814,574	\$2,462,044,246	\$3,120,610,267	
	PMPM	\$923.34	\$1,042.24	\$593.86	\$592.83	\$527.36	\$637.09	
	Mem-Mon	4,471,332	4,402,815	4,329,881	4,446,163	4,688,653	4,898,188	
Medicaid Aggregate - WW only								
DSHP		\$192,631,582	\$181,286,354	\$118,903,920	\$48,777,084	\$54,118,830	\$1	
DSRIP		\$242,100,000	\$232,600,000	\$179,180,434	\$143,510,023	\$63,250,000	\$101,679,588	
MAC and TSOA Not Eligible		\$0	\$1,587	\$1,438	\$3,150	\$600	\$575.00	
TOTAL		\$4,563,277,464	\$5,002,659,420	\$2,869,429,628	\$2,828,104,831	\$2,579,413,676	\$3,222,290,431	\$ 21,065,175,351
BASE VARIANCE								
Excess Spending from Hypotheticals		(\$34,622,988)	(\$396,258,255)	\$137,153,241	\$382,736,241	\$926,978,160	\$456,493,666	\$1,015,986,399
1115A Dual Demonstration Savings (state preliminary estimate)								
1115A Dual Demonstration Savings (OACT certified)								
Carry-Forward Savings From Prior Period								
NET VARIANCE								\$1,015,986,399

Figure 5: with-waiver total expenditures for DY 7-11

With-Waiver Total Expenditures		DEMONSTRATION YEARS (DY)					Total
		7	8	9	10	11	
Medicaid Per Capita							
Non-Expansion Adults Only	Total	\$2,781,415,702	\$2,952,688,731	\$3,164,576,507	\$3,391,727,785	\$3,635,246,067	
	PMPM	\$639.57	\$676.98	\$720.16	\$766.10	\$814.97	
	Mem-Mon	4,348,867	4,361,586	4,394,256	4,427,247	4,460,563	
Medicaid Aggregate - WW only							
Designated State Health Programs (DSHP)		\$86,901,142	\$130,301,924	\$132,738,665	\$127,542,163	\$122,516,106	
TOTAL		\$2,868,316,844	\$3,082,990,655	\$3,297,315,172	\$3,519,269,948	\$3,757,762,173	\$ 16,525,654,792
BASE VARIANCE							
Excess Spending from Hypotheticals		\$416,856,752	\$416,067,643	\$446,519,422	\$486,533,021	\$528,413,330	\$2,294,390,168
1115A Dual Demonstration Savings (state preliminary estimate)							
1115A Dual Demonstration Savings (OACT certified)							
Carry-Forward Savings From Prior Period							\$1,015,986,399
NET VARIANCE							\$3,310,376,566

Evaluation design

The current evaluation design is available in Appendix B. Washington State proposes to continue our current evaluation of all existing MTP programs under MTP 2.0. We will include and evaluate this amendment under the coverage policies approved by CMS for MTP 2.0 and submit the evaluation design.

Amendment new, continued, and enhanced hypotheses/focus

The state will test the following hypotheses in our evaluation of MTP 2.0. However, we anticipate it will be necessary to refine these hypotheses within the final evaluation design, based on input from Washington State’s MTP independent external evaluator, public comment, and subject matter experts.

Below are the parameters from the evaluation design that apply to this amendment.

Table 4: MTP 2.0 evaluation hypotheses

New, continuing, or enhanced	Hypothesis	Evaluation method/data source
Goal 1: expand access to Medicaid for FFCC who were in foster care in another state and are now applying for Medicaid in the state in which they live.		
New	Beneficiaries will be continuously enrolled for 12 months.	Examine Medicaid claims of the number of beneficiaries continuously enrolled. The state will submit the specific evaluation methodology upon approval of MTP 2.0 via the revised evaluation design.
Goal 2: improve or maintain health outcomes for FFCC.		
New	Beneficiaries will have access to key health services, including primary care, behavioral health treatment, and hospital services.	Examine Medicaid claims of Ambulatory Care Visits, Behavioral Health Encounters, Emergency Department (ED) Visits, and Inpatient Visits. The state will submit the specific evaluation methodology upon approval of MTP 2.0 via the revised evaluation design.
New	Beneficiaries experience high-quality care (as defined by National Quality Forum (NQF) measures)	Examine Medicaid claims of: <ul style="list-style-type: none"> • Chlamydia Screening in Women (CHL) • Initiation and Engagement of Alcohol and Other Drug Treatment (IET) • Cervical Cancer Screening (CCS) • Antidepressant Medication Management (AMM) – Continuous Phase • Follow-up after Hospitalization for Mental Illness (FUH) • Use of Opioids at High Dosage (OHD) • Asthma Medication Ratio for People with Asthma (AMR) • Annual Monitoring for Patients Eligible for Persistent Medication (MPM)

		The state will submit the specific evaluation methodology upon approval of MTP 2.0 via the revised evaluation design.
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Goal 3: Increase continuity of coverage for children ages 0 through 5 under CHIP

New	MTP 2.0 will reduce gaps in coverage for young children enrolled in CHIP, including racial and ethnic groups who experience disproportionately higher rates of churn. (Churn is the temporary loss of Medicaid coverage in which enrollees disenroll and then re-enroll within a short period of time.)	Examine enrollment data by age, race, and ethnicity to determine churn over time. The state will submit the specific evaluation methodology upon approval of MTP 2.0 via the revised evaluation design.
New	MTP 2.0 will reduce the uninsured rate for children in Washington, including racial and ethnic groups who experience disproportionately high uninsured rates.	Examine enrollment data by age, race, and ethnicity to determine changes in insured rates over time. The state will submit the specific evaluation methodology upon approval of MTP 2.0 via the revised evaluation design.

Appendices

Appendix A: budget neutrality workbook

Visit our website to [view this workbook](#).

Appendix B: approved Medicaid transformation evaluation design

Visit our website to [view this document](#).

Appendix C: full public notice (also the executive summary)

See below.

Appendix D: Washington State Register notice (abbreviated public notice)

See below.

Appendix E: webpage outline

See below.

Appendix F: Dear Tribal Leader Letter (DTLL)

See below.

Appendix G: transparency, public comment, and tribal consultation process

See below.

Appendix H: CHIP allotment neutrality

Visit our website to [view this spreadsheet](#).

Executive summary

Section 1115 Medicaid demonstration waiver amendment request

Overview

Washington State's Medicaid program

In Washington State, the Health Care Authority (HCA) manages Washington's Medicaid and Children's Health Insurance Program (CHIP) programs under "Apple Health." As of December 2022, there were a total of 2,286,441 Apple Health-eligible clients in Washington State. Of these, 99,921 were American Indian/Alaska Native.

Amendment request

HCA and the Department of Social and Health Services (DSHS) oversee Washington State's Section 1115 Medicaid demonstration waiver, called the Medicaid Transformation Project (MTP). The initial MTP waiver ended on June 30, 2023.

In July 2022, HCA and DSHS applied to the Centers for Medicare & Medicaid Services (CMS) to renew MTP. The MTP renewal is called **MTP 2.0**. On June 30, 2023, CMS approved MTP to continue for an **additional five years**, beginning July 1, 2023.

HCA and DSHS are requesting an amendment to the current MTP 2.0 waiver, which would authorize:

1. Medicaid coverage for former foster care children (FFCC)—also known as Alumni coverage in Washington—from other states who turn (or turned) 18 prior to January 1, 2023
2. Continuous enrollment for the Children's Health Insurance Program (CHIP) coverage for CHIP children during the first six years of their lives

Goals of the amendment request

Medicaid coverage for FFCC from other states who turn (or turned) 18 prior to January 1, 2023

In alignment with guidance provided by CMS in [letter SHO 22-003](#) on December 16, 2022, this amendment request would authorize Medicaid coverage for FFCC from other states who turn (or turned) 18 prior to January 1, 2023. Coverage will remain until enrollees reach age 26. This flexibility is necessary to align coverage for FFCC who are not covered under the Support Act's mandatory coverage policy for those who turn 18 on or after January 1, 2023. This coverage would apply through December 31, 2030.

Continuous enrollment for CHIP coverage for CHIP children during the first six years of their lives

In Washington's MTP 2.0 application, we sought new federal authority to provide continuous Medicaid enrollment for children who have incomes below 215 percent of the Federal Poverty Level (FPL) at the time of application. If approved, this amendment would allow CHIP children to be continuously enrolled until the end of the month in which their sixth birthday falls.

The state is requesting to expand this federal authority (under the current MTP 2.0 waiver) to provide continuous enrollment to children, ages zero through five, who are enrolled in CHIP with incomes up to 317 percent FPL. This amendment would ensure continuous enrollment for all children enrolled in Medicaid or CHIP.

Through this amendment request, Washington seeks to ensure that young children get the care they need when they need it. This will help children begin school ready to learn.

Eligibility

Washington’s amendment request does not impact the MTP eligibility criteria that is already approved. Existing eligibility will continue for each existing MTP program. The eligibility groups for this amendment are included below.

Table 1: eligibility groups

Eligibility group name	Federal regulation citation	Income level
FFCC who were in foster care under the responsibility of another state and turn (or turned) 18 prior to January 1, 2023	42 CFR 435.150	None
Children in CHIP who are 0 through 5 years old	42 CFR 457.310	317 FPL

Benefits and cost-sharing

Benefits provided under this amendment request will not differ from those provided under the Medicaid state plan. Also, the cost-sharing requirements will not differ from those provided under the Medicaid state plan.

Enrollment

The populations affected by this amendment request are:

1. FFCC who were in foster care under the responsibility of another state and turn (or turned) 18 prior to January 1, 2023. Washington State estimates 30 FFCC from other states will be eligible under this amendment each year. During March 1, 2023–December 31, 2028, Washington estimates **180 enrollees will be eligible** under this amendment.
2. Children in CHIP who are zero through five years old, even if a child’s family income exceeds eligibility limits. Washington estimates 3,167 enrollees will be continuously enrolled in the first year under this amendment. During January 1, 2024–December 31, 2028, Washington estimates **16,707 enrollees will be eligible** under this amendment.

Health care delivery system

Washington State is not seeking any changes to the existing Apple Health delivery systems. Apple Health enrollees will continue to access care through delivery systems defined in the state plan, Section 1932, 1915 (b), 1915 (c), 1915 (k), and other waivers in place. These delivery systems include managed care—managed care organizations (MCOs) and primary care case management—and fee-for-service (FFS).

Annual costs and budget neutrality

Washington State proposes to finance the non-federal share of expenditures under the FFCC request using state general funds. The state will cover FFCC who were in foster care under the responsibility of another state and turn (or turned) 18 prior to January 1, 2023, under 1115(a)(2) expenditure authority.

Below are summary tables of the waiver expenditures and enrollment data.

Figure 1: summary of expenditures for FFCC

Time period	Total projected individuals	Member months	Projected expenditures (total computable)
3/1/2023 - 12/31/2023	30	300	\$96,000.00
1/1/2024 - 12/31/2024	30	360	\$116,000.00
1/1/2025 - 12/31/2025	30	360	\$117,000.00
1/1/2026 - 12/31/2026	30	360	\$117,000.00
1/1/2027 - 12/31/2027	30	360	\$117,000.00
1/1/2028 - 12/31/2028	30	360	\$117,000.00
Totals	180	2100	\$680,000.00

Figure 2: summary of CHIP continuous enrollment and expenditures

Time period	Total projected individuals	Projected expenditures (total computable)
7/1/2023 - 12/31/2023	1,584	\$1,821,000
1/1/2024 - 12/31/2024	3,167	\$3,772,000
1/1/2025 - 12/31/2025	3,385	\$3,901,000
1/1/2026 - 12/31/2026	3,385	\$3,901,000
1/1/2027 - 12/31/2027	3,385	\$3,901,000
1/1/2028 - 6/30/2028	1,693	\$1,950,500
Totals	16,599	\$19,246,500

Figure 3: summary of historical CHIP enrollment

CHIP - Historical Enrollment*	
Time period	Children enrolled
FFY2019	90,139
FFY2020	80,322
FFY2021	81,870

*Data from the CHIP annual report.

Figure 4: with-waiver total expenditures for demonstration year (DY) 1-6

With-Waiver Total Expenditures		DEMONSTRATION YEARS (DY)						Total
		1	2	3	4	5	6	
Medicaid Per Capita								
Non-Expansion Adults Only	Total	\$4,128,545,882	\$4,588,771,480	\$2,571,343,736	\$2,635,814,574	\$2,462,044,246	\$3,120,610,267	
	PMPM	\$923.34	\$1,042.24	\$593.86	\$592.83	\$527.36	\$637.09	
	Mem-Mon	4,471,332	4,402,815	4,329,881	4,446,163	4,668,653	4,898,188	
Medicaid Aggregate - WW only								
DSHP		\$192,631,582	\$181,286,354	\$118,903,920	\$48,777,084	\$54,118,830	\$1	
DSRIP		\$242,100,000	\$232,600,000	\$179,180,434	\$143,510,023	\$63,250,000	\$101,679,588	
MAC and TSOA Not Eligible		\$0	\$1,587	\$1,438	\$3,150	\$600	\$575.00	
TOTAL		\$4,563,277,464	\$5,002,659,420	\$2,869,429,528	\$2,828,104,831	\$2,579,413,676	\$3,222,290,431	\$ 21,065,175,351
BASE VARIANCE								
Excess Spending from Hypotheticals		(\$34,622,988)	(\$396,258,255)	\$137,153,241	\$382,736,241	\$926,978,160	\$456,493,666	\$1,015,986,399
1115A Dual Demonstration Savings (state preliminary estimate)								
1115A Dual Demonstration Savings (OACT certified)								
Carry-Forward Savings From Prior Period								
NET VARIANCE								\$1,015,986,399

Figure 5: with waiver total expenditures for DY 7-11

With-Waiver Total Expenditures		DEMONSTRATION YEARS (DY)					Total
		7	8	9	10	11	
Medicaid Per Capita							
Non-Expansion Adults Only	Total	\$2,781,415,702	\$2,952,688,731	\$3,164,576,507	\$3,391,727,785	\$3,635,246,067	
	PMPM	\$639.57	\$676.98	\$720.16	\$766.10	\$814.97	
	Mem-Mon	4,348,867	4,361,586	4,394,256	4,427,247	4,460,563	
Medicaid Aggregate - WW only							
Designated State Health Programs (DSHP)		\$86,901,142	\$130,301,924	\$132,738,665	\$127,542,163	\$122,516,106	
TOTAL		\$2,868,316,844	\$3,082,990,655	\$3,297,315,172	\$3,519,269,948	\$3,757,762,173	\$ 16,525,654,792
BASE VARIANCE							
Excess Spending from Hypotheticals		\$416,856,752	\$416,067,643	\$446,519,422	\$486,533,021	\$528,413,330	\$2,294,390,168
1115A Dual Demonstration Savings (state preliminary estimate)							
1115A Dual Demonstration Savings (OACT certified)							
Carry-Forward Savings From Prior Period							\$1,015,986,399
NET VARIANCE							\$3,310,376,566

Evaluation design

Washington State proposes to continue our current evaluation of all existing MTP programs under MTP 2.0. We will include and evaluate this amendment under the coverage policies approved by CMS for MTP 2.0 and submit the evaluation design. We anticipate it will be necessary to refine these hypotheses within the final evaluation design, based on input from Washington State’s MTP independent external evaluator, public comment, and subject matter experts.

Below are the parameters from the evaluation design that apply to this amendment.

Table 2: evaluation design parameters

Specific testable hypotheses	<ul style="list-style-type: none"> Beneficiaries will be continuously enrolled for 12 months. Beneficiaries will have access to key health services, including primary care, behavioral health treatment, and hospital services. Beneficiaries experience high-quality care (as defined by National Quality Forum (NQF) measures). MTP 2.0 will reduce gaps in coverage for young children enrolled in CHIP, including racial and ethnic groups who experience disproportionately higher rates of churn. (Churn is the temporary loss of Medicaid coverage in which enrollees disenroll and then re-enroll within a short period of time.) MTP 2.0 will reduce the uninsured rate for children in Washington, including racial and ethnic groups who experience disproportionately high uninsured rates.
Evaluation method data sources	<p>Examine Medicaid claims of the number of beneficiaries continuously enrolled. We will submit the specific evaluation methodology via the revised evaluation design.</p> <p>Examine Medicaid claims of Ambulatory Care Visits, Behavioral Health Encounters, Emergency Department (ED) Visits, and Inpatient Visits. We will submit the specific evaluation methodology via the revised evaluation design.</p> <p>Examine Medicaid claims of:</p> <ul style="list-style-type: none"> Chlamydia Screening in Women (CHL) Initiation and Engagement of Alcohol and Other Drug Treatment (IET) Cervical Cancer Screening (CCS) Antidepressant Medication Management (AMM) – Continuous Phase Follow-up after Hospitalization for Mental Illness (FUH) Use of Opioids at High Dosage (OHD) Asthma Medication Ratio for People with Asthma (AMR) Annual Monitoring for Patients Eligible for Persistent Medication (MPM)

The state will submit the specific evaluation methodology via the revised evaluation design.

Examine enrollment data by age, race, and ethnicity to determine churn over time. We will submit the specific evaluation methodology via the revised evaluation design.

List of requested waiver and expenditures authorities

Table 3: new expenditure authorities

FFCC coverage: authority to receive federal financial participation (FFP) to provide full Medicaid state plan benefits to FFCC from other states who turn (or turned) 18 prior to January 1, 2023. Coverage will remain until enrollees reach age 26. These are the same benefits that the state will provide under the state plan to FFCC from other states who turn (or turned) 18 after January 1, 2023.

Continuous enrollment for CHIP children: authority to receive FFP for the continuous enrollment of CHIP children, even if a child's family income exceeds eligibility limits.

Table 4: new waiver authorities

42 CFR 457.343: to enable the state to waive the annual redetermination requirements, including required procedures for reporting and acting on changes (other than a change in residence to out of state).



STATE OF WASHINGTON
HEALTH CARE AUTHORITY

626 8th Avenue, SE • P.O. Box 45502 • Olympia, Washington 98504-5502

April 19, 2023

NOTICE

Subject: Washington State Medicaid Transformation Project (MTP) waiver—
amended notice of MTP waiver amendment request and public
comment period

Purpose: If approved, the MTP amendment would provide health care coverage to
youth and children, who are some of Washington’s most vulnerable
people

This notice amends the notice filed under WSR#23-08-043—new information is underlined
below.

The Health Care Authority (HCA) invites you to provide public comment on the draft
amendment application for the Medicaid Transformation Project (MTP). MTP is Washington
State’s Section 1115 demonstration waiver from the Centers for Medicare & Medicaid Services
(CMS). **The public comment period begins Thursday, April 20 and ends Monday, May 22.**

HCA and the Department of Social and Health Services (DSHS) are requesting an amendment to
the current MTP waiver, which would authorize:

- Medicaid coverage for former foster care youth (also known as Alumni coverage in
Washington) from other states who turn (or turned) 18 prior to January 1, 2023.
- Continuous enrollment for Children’s Health Insurance Program (CHIP) coverage for
CHIP children during the first six years of their lives.

Learn more at hca.wa.gov/about-hca/programs-and-initiatives/medicaid-transformation-project-mtp/mtp-amendment-request.

Public comment period

As part of the amendment request, HCA will hold a public comment period from April 20 to
May 22, 2023. During this time, people can share their feedback on the amendment request or
MTP.

OFFICE OF THE CODE REVISER
STATE OF WASHINGTON
FILED

DATE: April 04, 2023

TIME: 3:24 PM

WSR 23-08-077

Public comment is open to anyone who would like to share feedback. HCA encourages health care and social service providers, Accountable Communities of Health, Tribal Nations, Indian health care providers, managed care organizations, hospitals and health systems, medical associations, community-based organizations, and the public to provide feedback.

The deadline to provide public comment is Monday, May 22, 2023, at 5:00 p.m. Pacific Standard Time. Share comments by emailing medicaidtransformation@hca.wa.gov. More information—including the draft amendment request, executive summary, upcoming public hearings, and additional ways to provide public comment—are available at hca.wa.gov/about-hca/programs-and-initiatives/medicaid-transformation-project-mtp/mtp-amendment-request. (Please note all comments are subject to public review and disclosure, as are the names of those who comment.)

For additional information, contact:

Name: Chase Napier, MTP director

Program: Policy Division, MTP

Address: Washington State Health Care Authority
P.O. Box 45502
Olympia, WA 98504-5502

Email: medicaidtransformation@hca.wa.gov



OFFICE OF THE CODE REVISER
STATE OF WASHINGTON
FILED

DATE: March 30, 2023

TIME: 11:14 AM

WSR 23-08-043

STATE OF WASHINGTON

HEALTH CARE AUTHORITY

626 8th Avenue, SE • P.O. Box 45502 • Olympia, Washington 98504-5502

April 19, 2023

NOTICE

Subject: Washington State Medicaid Transformation Project (MTP) waiver—
Notice of MTP waiver amendment request and public comment period

Purpose: If approved, the MTP amendment would provide health care coverage to youth and children, who are some of Washington's most vulnerable people

The Health Care Authority (HCA) invites you to provide public comment on the draft amendment application for the Medicaid Transformation Project (MTP). MTP is Washington State's Section 1115 demonstration waiver from the Centers for Medicare & Medicaid Services (CMS). **The public comment period begins Thursday, April 20 and ends Monday, May 22.**

HCA and the Department of Social and Health Services (DSHS) are requesting an amendment to the current MTP waiver, which would authorize:

- Medicaid coverage for former foster care youth (also known as Alumni coverage in Washington) from other states who turn (or turned) 18 prior to January 1, 2023.
- Continuous enrollment for Apple Health (Medicaid) coverage for children under the Children's Health Insurance Program (CHIP) during the first six years of their lives.

Learn more at hca.wa.gov/about-hca/programs-and-initiatives/medicaid-transformation-project-mtp/mtp-amendment-request.

Public comment period

As part of the amendment request, HCA will hold a public comment period from April 20 to May 22, 2023. During this time, people can share their feedback on the amendment request or MTP.

Public comment is open to anyone who would like to share feedback. HCA encourages health care and social service providers, Accountable Communities of Health, Tribal Nations, Indian health care providers, managed care organizations, hospitals and health systems, medical associations, community-based organizations, and the public to provide feedback.

The deadline to provide public comment is Monday, May 22, 2023, at 5:00 p.m. Pacific Standard Time. Share comments by emailing medicaidtransformation@hca.wa.gov. More information—including the draft amendment request, executive summary, upcoming public

hearings, and additional ways to provide public comment—are available at hca.wa.gov/about-hca/programs-and-initiatives/medicaid-transformation-project-mtp/mtp-amendment-request. (Please note all comments are subject to public review and disclosure, as are the names of those who comment.)

For additional information, contact:

Name: Chase Napier, MTP director

Program: Policy Division, MTP

Address: Washington State Health Care Authority
P.O. Box 45502
Olympia, WA 98504-5502

Email: medicaidtransformation@hca.wa.gov

[MTP amendment request page](#)

The Health Care Authority (HCA) invites you to provide public comment on our draft amendment application for the Medicaid Transformation Project (MTP). MTP is Washington State's Section 1115 demonstration waiver from the Centers for Medicare & Medicaid Services (CMS).

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HCA and the Department of Social and Health Services (DSHS) are requesting an amendment to the current MTP waiver, which would authorize:

- Medicaid coverage for former foster care youth (FFCC)—also known as Alumni coverage in Washington—from other states who turn (or turned) 18 prior to January 1, 2023.
- Continuous enrollment for the Children's Health Insurance Program (CHIP) coverage for CHIP children during the first six years of their lives.

On this page

- [Scheduled public hearings](#)
- [Public comment](#)
- [About the amendment](#)
- [About MTP](#)
- [Resources](#)

[Scheduled public hearings](#)

HCA will host two virtual public hearings to share information about the MTP amendment request. Attendees will have an opportunity to ask questions and provide comments. No registration required.

Show up on one of these dates:

- [Thursday, May 4 from 10-11 a.m.](#)
- [Monday, May 15 from 10-11 a.m.](#)

If you are unable to attend, we'll be posting the recordings from each public hearing on this page.

Live captioning may be available: Communication Access Real-time Transcription (CART) services, or live closed captioning, may be available for this event, on demand. To request this accommodation, please submit a request to medicaidtransformation@hca.wa.gov as soon as possible. We will make every effort to accommodate this request but cannot guarantee that a CART writer will be available.

[Public comment](#)

Public comment is open to anyone who would like to share feedback. We encourage health care and social service providers, Accountable Communities of Health (ACHs), Tribal Nations, Indian health care providers (IHCPs), managed care organizations, hospitals and health systems, medical associations, community-based organizations, the public, and others to provide input.

Share your feedback by:

1. Attending a public hearing (see dates and times above)
2. Emailing us at medicaidtransformation@hca.wa.gov
3. Mailing us at:
Washington State Health Care Authority, Policy Division

Regarding: MTP amendment public comment

Attention: Tamarra Henshaw P.O. Box 45502 Olympia, WA 98504-5502

The deadline to provide public comment is **Monday, May 22, 2023, at 5:00 p.m. Pacific Standard Time.**

[About the amendment](#)

Medicaid coverage for FFCC from other states who turn (or turned) 18 prior to January 1, 2023.

If approved, this amendment request would authorize Medicaid coverage for FFCC from other states who turn (or turned) 18 prior to January 1, 2023. Coverage will remain until enrollees reach age 26. This flexibility is necessary to align coverage for FFCC who are not covered under the Support Act's mandatory coverage policy for those who turn 18 on or after January 1, 2023. This coverage would apply through December 31, 2030.

During March 1, 2023–December 31, 2028, Washington estimates **180 enrollees will be eligible** under this amendment.

Continuous enrollment for CHIP coverage for CHIP children during the first six years of their lives.

If approved, this amendment would allow CHIP children to be continuously enrolled until the end of the month in which their sixth birthday falls. We are requesting to expand this federal authority under the current MTP waiver to provide continuous enrollment to children, ages zero to six, who are enrolled in CHIP with incomes **up to 317 percent FPL.**

During January 1, 2024–December 31, 2028, Washington estimates **16,707 enrollees will be eligible** under this amendment.

[About MTP](#)

All work under MTP benefits people enrolled in Apple Health (Medicaid). MTP allows our state to improve Washington's health care system using federal Medicaid funding. Our current MTP waiver is scheduled to expire on June 30, 2023. In 2022, HCA and DSHS applied to CMS to renew MTP for an additional five years.

[Learn more about MTP.](#)

[Resources](#)

Amendment

- MTP waiver renewal application - draft (full application)
 - Appendix A: budget neutrality workbook
 - Appendix B: approved Medicaid transformation evaluation design
 - Appendix C: full public notice (also the executive summary)
 - Appendix D: Washington State Register notice (abbreviated public notice)
 - Appendix E: webpage outline
 - Appendix F: Dear Tribal Leader Letter
- MTP amendment executive summary, which also serves as Appendix C

Public comment:

See the public comment section above for ways to provide your feedback with us.



STATE OF WASHINGTON
HEALTH CARE AUTHORITY
626 8th Avenue, SE • P.O. Box 45502 • Olympia, Washington 98504-5502

July 6, 2023

Dear Tribal Leader:

SUBJECT: Amendment Request for the current Medicaid Transformation Project (MTP) Section 1115 Demonstration Waiver

In accordance with section 1902(a)(73)(A) of the Social Security Act regarding the solicitation of advice prior to the submission of any Medicaid State Plan Amendment (SPA) or waiver likely to have a direct effect on Indians, Indian Health Programs, or Urban Indian Organizations, the Health Care Authority (HCA) hereby seeks your advice on the following matter.

HCA and the Department of Social Health and Services (DSHS) will submit an amendment request to the Centers for Medicare & Medicaid Services (CMS) for Washington's Section 1115 Medicaid demonstration waiver. This waiver is called the Medicaid Transformation Project (MTP).

Last year, HCA and DSHS applied to CMS to renew MTP for an additional five years. The MTP renewal is called MTP 2.0. On June 30, 2023, CMS approved MTP 2.0, which began July 1, 2023.

About the amendment

HCA and DSHS are requesting an amendment to the **current MTP waiver** (July 1, 2023–December 31, 2028), which would authorize:

- Medicaid coverage for former foster care youth (FFCY)—also known as Alumni coverage in Washington—from other states who turn (or turned) 18 prior to January 1, 2023.
- Continuous enrollment in the Children's Health Insurance Program (CHIP) for children during the first six years of their lives.

We are following the guidance CMS provided in letter [SHO 22-003](#) from December 2022. This amendment request aligns with the new requirements set forth in that letter.

Note: HCA is also submitting a State Plan Amendment (SPA) to cover foster youth from other states who turn 18 after January 1, 2023, as per Section 1002 of the Support Act. Between both authorities (the amendment and SPA), Washington State will be able to cover all foster care youth from out of state, regardless of when they turn 18.

At the **June 14 Monthly Tribal Meeting**, we discussed this amendment with Tribal members. The meeting was from 1-5 p.m., held on Zoom at <https://us02web.zoom.us/j/89908784932>.

Description of amendment

Medicaid coverage for FFCY from other states who turn (or turned) 18 prior to January 1, 2023

If approved, this amendment would authorize Medicaid coverage for FFCY from other states who turn (or turned) 18 prior to January 1, 2023. Coverage will remain until enrollees reach age 26. This flexibility is necessary to align coverage for FFCY who are not covered under the Support Act's mandatory coverage policy for those who turn 18 on or after January 1, 2023. This coverage would apply through December 31, 2030.

Washington estimates **180 FFCY enrollees** will be eligible for coverage during 2023–2028. Allowing access to health services for FFCY ensures continued coverage as enrollees transition into adulthood.

Continuous enrollment in CHIP for children during the first six years of their lives.

If approved, this amendment would allow children covered by CHIP to be continuously enrolled in the program until the end of the month in which their sixth birthday falls. We are requesting to expand this federal authority under the current MTP waiver to provide continuous enrollment to children, ages zero to six, who are enrolled in CHIP with incomes up to 317 percent of the Federal Poverty Level (FPL).

Under this requested amendment, Washington estimates **16,707 enrollees** will be continuously enrolled during 2024–2028.

Anticipated impact on American Indians/Alaska Natives and Indian health care providers

HCA anticipates these amendments will have a positive impact on American Indians/Alaska Natives and the Indian health care providers in Washington State. Gaps in coverage are **higher for children of color, ages zero to six**. For every 100 children within this group, Washington data show **46 to 63 months of disruption in coverage over five years**. This amendment will nullify that disruption in coverage.

How this amendment will help youth and children in our state

If approved, this amendment (to the current MTP waiver) will allow Washington State to continue providing coverage and ensuring access to health services for children and individuals who are at risk of discontinuity in care. Continuous and comprehensive access to coverage is especially important for children and individuals experiencing health and behavioral issues. Inconsistent coverage or disruption of coverage could lead to unmet health care needs and delays in diagnoses, preventive services, and treatment.

When children and individuals have access to coverage, they are more likely to have improved short- and long-term health outcomes and a better quality of life.

Copy available

A draft of the MTP amendment request will be available on and after Thursday, April 20, 2023, at hca.wa.gov/about-hca/programs-and-initiatives/medicaid-transformation-project-mtp/mtp-amendment-request.

Dear Tribal Leader
July 6, 2023
Page 3

Comments and questions

HCA welcomes any input or concerns that Tribal representatives wish to share regarding the amendment request or MTP. To provide comments, please contact Chase Napier, MTP Director, at chase.napier@hca.wa.gov on or before Friday, July 14, 2023.

Please contact Aren Sparck, Tribal Affairs Administrator, at 360-725-1649 or aren.sparck@hca.wa.gov if you have Tribal affairs-related questions or concerns.

Please forward this information to any interested party.

Sincerely,



Charissa Fotinos, MD, MSc
Medicaid and Behavioral Health Medical Director

By email

cc: Aren Sparck, Tribal Affairs Administrator, OTA, HCA
Mich'l Needham, Chief Policy Officer, PD, HCA
Chase Napier, MTP Director, PD, HCA

Transparency, public comment, and Tribal Consultation process

Transparency and public comment process

HCA released a Washington State Register Notice on April 19, 2023 along with a GovDelivery announcement. These communications preceded public comment and introduced the opportunity for comment submission and participation in one of two public hearings. Public comment remained open from April 20 through May 22, 2023. The recorded public hearings are included below:

- [Recording of May 4 public hearing](#)
- [Recording of May 15 public hearing](#)

Tribal Consultation process

HCA presented at the Monthly Tribal Meeting on June 14, 2023. Following the presentation, HCA sent a Dear Tribal Leader Letter further detailing the amendment request, anticipated impacts, and providing an opportunity for further consultation and/or submission of feedback. Comments were requested by the deadline of July 14, 2023. No comments were received during the tribal presentation or following the DTLL.

Summary of public comments

1. **One commenter shared their concern on the timing of implementing the continuous coverage for Medicaid children and the continuous coverage for Children's Health Insurance Program (CHIP) children after the Public Health Emergency (PHE).**

Health Care Authority's (HCA's) response:

We appreciate this feedback. With the recent approval of the amendment for Medicaid children, we are quickly working on the details of this implementation for the Medicaid population and should have more to share soon. We do not currently have state authority to provide continuous enrollment for CHIP children but will be seeking authority for this population in 2024, if the amendment request is approved. We also plan to concurrently approve this policy for children in state-only coverage to align with Medicaid and CHIP children, as we receive authority.

2. **One commenter shared their concern on the termination of coverage for Medicaid/CHIP children under age six and former foster care children (FFCC) after the PHE. They recommend HCA and the Department of Social and Health Services (DSHS) work with Centers for Medicare & Medicaid Services (CMS) to stop or slow the redetermination process.**

HCA's response:

We recognize the concern and appreciate the feedback. We are currently working with the goal to prevent and manually restore any coverage that may inadvertently end for any Medicaid (federal and state-funded) children, ages 0-6, between May 2023 and the time we have systems support.

We will continue to process redeterminations for the entire Apple Health caseload, including children, ages 0-6, as planned by their existing renewal date for Apple Health. We don't yet have authority to include CHIP in this policy.

In January 2023, we implemented both rule and system functionality for FFCC from other states. Since then, we've been accepting applications in accordance with an approval effective date of January 1, 2023. We don't see these FFCC being included in redeterminations because out-of-state youth have never been included in Apple Health coverage before, and we don't know who they are until they apply.