

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



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**Financial Management Group**

June 12, 2019

Susan Birch, Director  
MaryAnne Lindeblad, Medicaid Director  
Health Care Authority  
626 8<sup>th</sup> Avenue SE  
Post Office Box 45502  
Olympia, Washington 98504-5502

**RE: WA State Plan Amendment (SPA) Transmittal Number #19-0009 – Approval**

Dear Ms. Birch and Ms. Lindeblad:

We have reviewed the proposed amendment to Attachments 4.19-A, B & C of your Medicaid State plan submitted under transmittal number (TN) 19-0009. This SPA authorizes an alternative payment methodology (APM) for any outpatient health program or facility operated by a tribe or tribal organization that elects to enroll in Washington Medicaid as a Federally-qualified health center (FQHC).

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 and the implementing Federal regulations at 42 CFR 447 Subpart C.

We are pleased to inform you that Medicaid State plan amendment 19-0009 is approved effective as of July 1, 2019. For your files, we are enclosing the HCFA-179 transmittal form and the amended plan pages.

If you have any questions concerning this state plan amendment, please contact Tom Couch, CMS' RO NIRT Representative at 208-861-9838 or [Thomas.Couch@cms.hhs.gov](mailto:Thomas.Couch@cms.hhs.gov).

Sincerely,

A solid black rectangular box redacting the signature of Kristin Fan.

Kristin Fan  
Director

**TRANSMITTAL AND NOTICE OF APPROVAL OF  
STATE PLAN MATERIAL**

1. TRANSMITTAL NUMBER:  
**19-0009**

2. STATE  
Washington

**FOR: HEALTH CARE FINANCING ADMINISTRATION**

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE  
SOCIAL SECURITY ACT (MEDICAID)

TO: REGIONAL ADMINISTRATOR  
HEALTH CARE FINANCING ADMINISTRATION  
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE  
July 1, 2019

5. TYPE OF PLAN MATERIAL (Check One):

NEW STATE PLAN                       AMENDMENT TO BE CONSIDERED AS NEW PLAN                       AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)

6. FEDERAL STATUTE/REGULATION CITATION:  
1902(bb)(6) of the Social Security Act

7. FEDERAL BUDGET IMPACT:  
a. FFY 2019 \$259,000  
b. FFY 2020 \$1,203,000

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

Attachment 4.19-C, Page 3 (removed)

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 PAGE NUMBER OF THE SUPERSEDED PLAN SECTION  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

Attachment 4.19-C, Page 3  
Attachment 4.19-A, Part I, Page 61," and  
"Attachment 4.19-B, Page 51."

10. SUBJECT OF AMENDMENT: Establishing an Alternative Payment Methodology (APM) for Tribal Federally Qualified Health Centers

11. GOVERNOR'S REVIEW (Check One):

- GOVERNOR'S OFFICE REPORTED NO COMMENT                       OTHER, AS SPECIFIED: Exempt  
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED  
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

12. SIGNATURE OF STATE AGENCY OFFICIAL:

13. TYPED NAME:  
MaryAnne Lindeblad

14. TITLE:  
Director

15. DATE SUBMITTED: 3-20-19

16. RETURN TO:

Ann Myers  
Rules and Publications  
Division of Legal Services  
Health Care Authority  
626 8<sup>th</sup> Ave SE MS: 42716  
Olympia, WA 98504-2716

**FOR REGIONAL OFFICE USE ONLY**

17. DATE RECEIVED:

18. DATE APPROVED: JUN 12 2019

**PLAN APPROVED - ONE COPY ATTACHED**

19. EFFECTIVE DATE OF APPROVED MATERIAL:

JUL 01 2019

20. SIGNATURE OF REGIONAL OFFICIAL:

21. TYPED NAME: Kristin Fan

22. TITLE: Director, FMG

23. REMARKS:

5/13/19-State authorized P&I change to block #9.

6/19/19-State authorized a technical change to remove SPA page Attachment 4.19-C, Page 3 because it was a blank page.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State WASHINGTON

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

K. TRIBAL INPATIENT HOSPITAL SERVICES

Inpatient hospital services provided by or through facilities of the Indian Health Service (IHS) that include, at the option of the tribe, facilities operated by a tribe or tribal organization and funded by Title I or V of the Indian Self Determination and Education Assistance Act (also known as Tribal 638 facilities), are paid for each Medicaid beneficiary inpatient stay at the applicable per diem rate published in the Federal Register or Federal Register Notices by IHS. Inpatient hospital services exclude professional services a patient receives in the inpatient setting, which are paid in accordance with the applicable practitioner payment methodologies described in Attachment 4.19-B.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State WASHINGTON

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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.

XXII. TRIBAL OUTPATIENT SERVICES

A. TRIBAL CLINIC

Outpatient clinic services provided by or through facilities of the Indian Health Service (IHS) which includes, at the option of the tribe, facilities operated by a tribe or tribal organization and funded by Title I or V of the Indian Self Determination and Education Assistance Act (also known as Tribal 638 facilities), are paid at the applicable all-inclusive rate published in the Federal Register or Federal Register Notices by IHS.

The applicable published outpatient per visit rate (also known as the outpatient all-inclusive rate) is paid for up to five (5) outpatient visits per Medicaid beneficiary per calendar day for professional services.

An outpatient visit is "A face-to-face or telemedicine contact between any health care professional authorized to provide services under the State Plan and a Medicaid beneficiary for the provision of Title XIX defined services, as documented in the patient's record."

Included in the outpatient per visit rate are laboratory and x-ray services provided on-site and medical supplies incidental to the services provided to the patient. Pharmaceuticals/drugs are outside the all-inclusive rate and are reimbursed under the fee-for-service system at the applicable fee-for-service rate.

B. TRIBAL FQHC - ALTERNATIVE PAYMENT METHODOLOGY

Tribal facilities operating in accordance with section 1905(l)(2)(B) of the Social Security Act and the Indian Self-Determination and Education Assistance Act (Public Law 93-638) and that enroll in Washington Medicaid as a Tribal Federally Qualified Health Center (Tribal FQHC) have agreed through tribal consultation to be paid using an alternative payment methodology (APM) that is the published outpatient all-inclusive rate. The agency allows reimbursement for the same outpatient services and the same number of encounters per day that Tribal 638 facilities provide under this State Plan.

The agency establishes a Prospective Payment System (PPS) methodology for the Tribal FQHCs so that the agency can determine on an annual basis that the published, all-inclusive rate is higher than the PPS rate. The PPS rate is established by reference to the PPS rate that is currently paid to non-tribal FQHCs. Tribal FQHCs are not required to report their costs for the purposes of establishing a PPS rate.