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**State/Territory Name:WA**

**State Plan Amendment (SPA) #: 23-0006**

This file contains the following documents in the order listed:

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

**DEPARTMENT OF HEALTH & HUMAN SERVICES**

Centers for Medicare & Medicaid Services  
Center for Medicaid & CHIP Services  
233 North Michigan Ave., Suite 600  
Chicago, Illinois 60601



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**Financial Management Group/ Division of Reimbursement Review**

March 15, 2023

DR. Charissa Fotinos, Director  
Health Care Authority  
PO Box 45502  
Olympia, WA 98504-5010

**RE: Washington State Plan Amendment (SPA) Transmittal Number 23-0006**

Dear Mrs. Fontinos:

We have reviewed the proposed Washington state plan amendment (SPA) to attachment 4.19-B of your state plan, which was submitted to the Centers for Medicare & Medicaid Services (CMS) on February 15, 2023. This SPA updated the fee schedule effective dates for several Medicaid programs and services. This is a regular, budget neutral update to keep rates and billing codes in alignment with the coding and coverage changes from the Centers for Medicare and Medicaid Services (CMS), the state, and other sources.

Based upon the information provided by the state, we have approved the amendment with an effective date of January 1, 2023. 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 DRR analyst James Moreth at [James.Moreth@cms.hhs.gov](mailto:James.Moreth@cms.hhs.gov) or (206) 615-2043.

Sincerely,



Todd McMillion  
Director

Enclosures

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

1. TRANSMITTAL NUMBER 2 3 — 0 0 0 6 2. STATE WA

3. 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  
**January 1, 2023**

5. FEDERAL STATUTE/REGULATION CITATION  
1902(a) of the Act

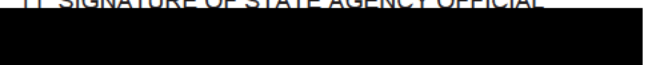
6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)  
a. FFY 2023 \$ 0  
b. FFY 2024 \$ 0

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT  
Attachment 4.19-B pages 14, 16-4, 19

8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable)  
Attachment 14, 16-4, 19

9. SUBJECT OF AMENDMENT  
January 2023 Fee Schedule Updates

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  
Charissa Fotinos MD, MSc  
13. TITLE  
Medicaid and Behavioral Health Medical Director  
14. DATE SUBMITTED  
February 15, 2023

15. RETURN TO  
State Plan Coordinator  
POB 42716  
Olympia, WA 98504-2716


**FOR CMS USE ONLY**

16. DATE RECEIVED 2/15/23

17. DATE APPROVED  
March 15, 2023

**PLAN APPROVED - ONE COPY ATTACHED**

18. EFFECTIVE DATE OF APPROVED MATERIAL  
1/1/23

19. SIGNATURE OF APPROVING OFFICIAL  


20. TYPED NAME OF APPROVING OFFICIAL  
Todd McMillion

21. TITLE OF APPROVING OFFICIAL  
Director, DRR

22. REMARKS

## 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 (cont.)**

## 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, and denturists throughout the state. There are no geographical or other variations in the fee schedule.
- B. The usual and customary charge is defined as that fee usually charged for a given service by an individual dentist, dental hygienist, 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 January 1, 2023 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.
- D. 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

## A. Outpatient hospital services (cont)

## 3. Hospital Outpatient Rate

The “hospital outpatient rate” is a hospital-specific rate having as its base the hospital’s inpatient ratio of costs-to-charges (RCC) adjusted by an outpatient adjustment factor that factors annual cost and charge level changes into the rate. The “hospital outpatient rate” is used to reimburse under OPSS as explained earlier in this subsection, or for non-CAH hospitals exempt from the agency’s OPSS, for all other covered outpatient services (those not mentioned in the previous paragraphs as covered by fee schedule) on the hospital’s outpatient claim.

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 January 1, 2023. 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

## A. Home Health

1. Home Health Agencies are reimbursed per-visit for services provided by acute nursing staff, physical therapy, occupational therapy, speech, hearing and language disorders therapy staff, and home health aides.

Reimbursement rates are determined using a historical base for the per-visit rates by profession, using the Medicare Metropolitan Statistical Area fees. Rate changes made through the Vendor Rate Increase (VRI) may be made only through the legislative process. Selected rates may also be adjusted through a special appropriation directed by the Washington State Legislature. The agency may set rates outside of the legislative process if the agency determines such actions are necessary to maintain access to critical services. The Washington State Legislature approved a \$10.00 per hour rate increase for skilled nursing services provided in a home setting, effective for services provided on and after July 1, 2016.

The agency pays the lesser of the usual and customary charge or a fee based on an agency fee schedule for these services.

Except as otherwise noted in the plan, fee schedule rates are the same for both governmental and private providers of these services. The fee schedule is effective for services provided on and after January 1, 2023. See 4.19-B, I, General, #G for the agency's website where the fee schedules are published.

2. Other Supplies and Services used in the home and other setting

The agency's reimbursement rates include:

- a) Any adjustments or modifications to the equipment that are either required within three months of the delivery date, or are covered under the manufacturer's warranty
- b) Pick-up, delivery, or associated costs such as mileage, travel time, or gas
- c) Telephone calls
- d) Shipping, handling, and postage
- e) Fitting and setting up
- f) Maintenance of rented equipment
- g) Instructions to the client or client's caregiver about the safe and proper use of the equipment and supplies

The equipment, supplies, and services for parenteral nutrition, home infusion therapy, oxygen, and respiratory care are reimbursed using the CMS DMEPOS Fee Schedule less a specified percentage. In April 2012, this specific percentage reduction was established at 3.5 percent as a result of a negotiated agreement with providers. For those items and services that are not listed on CMS DMEPOS Fee Schedule, the agency uses flat fee (based upon market value, other state's fees, budget impacts, etc.) or by-report methodology (based on a percentage of billed charges).

Except as otherwise noted in the plan, fee schedule rates are the same for both governmental and private providers of these services and supplies. See 4.19-B, I, General, #G for the agency's website where the fee schedules are published.