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State/Territory Name: Washington

State Plan Amendment (SPA) # 24-0030

This file contains the following documents in the order listed:

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

DEPARTMENT OF HEALTH & HUMAN SERVICES

Centers for Medicare & Medicaid Services
7500 Security Boulevard, Mail Stop S3-14-28
Baltimore, Maryland 21244-1850



Financial Management Group

September 18, 2024

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

RE: TN 24-0030

Dear Director Fotinos:

The Centers for Medicare & Medicaid Services (CMS) has reviewed the proposed Washington state plan amendment (SPA) to Attachment 4.19-A WA 24-0030, which was submitted to CMS on July 22, 2024. This plan amendment updates the dollar amounts for long-term civil commitment per diem rates and add language regarding per diem rate enhancements for Washington State free standing psychiatric hospitals that contract with the agency to provide services for long-term civil commitment patients.

We reviewed your SPA submission for compliance with statutory requirements, including in sections 1902(a)(2), 1902(a)(13), 1902(a)(30), 1903 as it relates to the identification of an adequate source for the non-federal share of expenditures under the plan, as required by 1902(a)(2), of the Social Security Act and the applicable implementing Federal regulations.

Based upon the information provided by the state, we have approved the amendment with an effective date of July 1, 2024. 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 Tom Caughey at 517-487-8598 or via email at Tom.caughey@cms.hhs.gov.

Sincerely,

A solid black rectangular box redacting the signature of the sender.

Rory Howe
Director
Financial Management Group

Enclosures

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

1. TRANSMITTAL NUMBER

2 4 — 0 0 3 0

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

July 1, 2024

5. FEDERAL STATUTE/REGULATION CITATION

1902(a) of the Act

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)

a. FFY 2024 \$ 1,559,894
b. FFY 2025 \$ 5,459,629

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

Attachment 4.19-A pages 37, 38

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 PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable)

Attachment 4.19-A pages 37 (TN# 24-0004) and 38 (TN# 24-0004)

9. SUBJECT OF AMENDMENT

Long Term Civil Commitment Per Diem for Free Standing Psychiatric Hospitals

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
July 22, 2024

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

FOR CMS USE ONLY

16. DATE RECEIVED
July 22, 2024

17. DATE APPROVED
September 18, 2024

PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL
July 1, 2024

19. SIGNATURE OF APPROVING OFFICIAL

20. TYPED NAME OF APPROVING OFFICIAL
Rory Howe

21. TITLE OF APPROVING OFFICIAL
Director, FMG

22. REMARKS

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State WASHINGTON**METHODS AND STANDARDS FOR ESTABLISHING
PAYMENT RATES FOR INPATIENT HOSPITAL SERVICES**

E. PER DIEM AND RCC PAYMENT METHODS (cont.)

1. Per diem rate (cont.)

d. Per diem rates determination for long-term civil commitment psychiatric services

- ✓ Effective for dates of admission beginning July 1, 2021

Acute Care Hospitals with psychiatric units

- Hospitals that have a 12-month Medicare cost report on file with at least 200 Washington Medicaid psychiatric bed days, will receive a long term psychiatric per diem rate equivalent to their costs documented on their most recent Medicare cost report Hospitals that do not have a 12-month cost report with at least 200 Washington Medicaid psychiatric bed days, will receive a long-term civil commitment psychiatric per diem rate equivalent to the greater of either the average of all acute care hospitals providing long-term civil commitment psychiatric services, in-state provider-specific long-term civil commitment psychiatric per diem rates, or their current short-term psychiatric per diem. This is applied to any hospital that accepts patients committed to a psychiatric facility for a period of 90 days or greater. The Agency set the rate so as not to exceed the amounts provided by the Legislature.

Free Standing Psychiatric hospitals

- Will receive a specific long-term civil commitment psychiatric per diem as directed by the Washington State Legislature and approved by CMS, which may be adjusted in future years to account for additional appropriated funding. In addition to the per diem rate, the hospital may submit supplemental cost data to the authority for consideration. If approved, the appropriate adjustments to the Medicaid inpatient long-term civil commitment psychiatric per diem payment rate of the hospital will be made. Adjustment of costs may include any of the following:
 - Costs associated with professional services and fees not accounted for in the hospital's Medicare cost report or reimbursed separately.
 - Costs associated with the hospital providing the long-term psychiatric patient access to involuntary treatment court services that are not reimbursed separately.
 - Other costs associated with caring for long-term civil commitment psychiatric patients that are not reimbursed separately.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State WASHINGTON**METHODS AND STANDARDS FOR ESTABLISHING
PAYMENT RATES FOR INPATIENT HOSPITAL SERVICES**

E. PER DIEM AND RCC PAYMENT METHODS (cont.)

1. Per diem rate (cont.)

d. Per diem rates determination for long-term civil commitment psychiatric services
- free standing psychiatric hospitals (cont)

- Providers may receive only one of the following enhancements per patient per day:
 - Hospitals that provide services for patients moving from a criminal to civil commitment will receive a rate enhancement for the additional requirements of these patients.
 - Hospitals that provide services for patients with complex medical needs or challenging behaviors will receive a rate enhancement for the additional requirements of these patients.

The Agency sets the rate so as not to exceed the amounts provided by the Legislature. See 4.19-B I, General, #G for the agency's website where the fee schedules are published.