

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

1. TRANSMITTAL NUMBER:
08-009

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, 2008

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:

7. FEDERAL BUDGET IMPACT:

- a. FFY 2008 \$0
b. FFY 2009 \$0

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

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 PAGE NUMBER OF THE SUPERSEDED PLAN SECTION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

Attachment 4.19-B, page 31
Attachment 4.19-B, page 31 (P+I)
Attachment 4.19-B, page 32 (P+I)
Attachment 3.1-A, pages 10, 65 (P+I)

Attachment 4.19-B, page 31, 32 (P+I)
Appendix C-1, and Appendix C-2 to Supplement
2 to Attachment 3.1-A (P+I)
Attachment 3.1-A, pages 10, 65 (P+I)

10. SUBJECT OF AMENDMENT:

Personal Care Services Fee Schedule Effective Date Change

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:

Robin Arnold-Williams

13. TYPED NAME:

ROBIN ARNOLD-WILLIAMS

14. TITLE:

Secretary

15. DATE SUBMITTED:

4-19-08

16. RETURN TO:

Ann Myers
Department of Social and Health Services
Health and Recovery Services Administration
626 8th Ave SE MS: 45504
Olympia, WA 98504-5504

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED

APR 19 2008

18. DATE APPROVED

AUG 14 2008

PLAN APPROVED, ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL

~~JUL 1 2008~~ ~~JUL 1 2009~~ JUL 1 2009

20. SIGNATURE OF REGIONAL OFFICIAL

Barbara K. Richards

21. TYPED NAME:

Barbara K. Richards

22. TITLE:

Associate Regional Administrator
Division of Medicaid &
Children's Health

23. REMARKS:

Per a inc changes authorized by the state on 1/25/08
Per a inc changes authorized on 7/25/08
Per a inc changes authorized by state on 5/16/2009

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.)

XV. Personal Care Services

State-developed fee schedule rates are the same for both governmental and private providers of the same service (nursing facilities operated by the State of Washington, Dept. of Veterans' Affairs). The fee schedule and any annual/periodic adjustments to the fee schedule are published at <http://adsaweb/management/orm>

A. Payment for services

Services are provided by these provider types:

- State-licensed agencies providing personal care services, consisting of licensed home-care agencies and licensed adult residential care providers who are contracted with the Department. Home health agencies providing personal care services do not require Medicare certification;
- State-licensed adult residential care providers; and
- Individual providers of personal care, who:
 - Must be age 18 or older;
 - Are authorized to work in the United States;
 - Are contracted with the Medicaid agency; and
 - Have passed a Medicaid agency specified background check.

Payment for agency-provided services is at an hourly unit rate, and payment for residential-based services is at a daily rate. Each agency will submit monthly billings to the Social Services Payment System (SSPS), administered by the department, for personal care services provided in each service area.

Payment for an individual provider's services is made directly to the provider via the SSPS. Individual providers of personal care services are under contract to the department.

No payment is made for services beyond the scope of the program or hours of service exceeding the department's authorization. Payments to residential providers are for personal care services only, and do not include room and board services that are provided.

B. Service Rates

The payment methodology described below will sunset on June 30, 2011.

The fee schedule was last updated July 1, 2008, to be effective for dates of service on and after July 1, 2008.

The standard hourly rate for agency-provided services is based on comparable service units and is determined by the state legislature.

Effective Jan. 1, 2008, the standard hourly rate for individual-provided personal care is based on comparable service units and is determined by the state legislature, based on negotiations between the Governor's Office and the union representing the workers.

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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.)

XV. Personal Care Services (continued)

The rate for personal care services consists of two different components of personal care costs. The first component reimburses directly for personal care services provided to medical assistance beneficiaries. The second component is based on cost and reimburses for caregiver training and health insurance of individual personal care providers and personal care workers employed by agencies.

Payment for agency-provided personal care services and individual care providers is based on an hourly unit rate, and payment for residential-based services is based on a multi-hour rate system that considers the client's level of need. Each agency and individual provider will submit monthly billings to the state's payment system. The multi-hour rate for personal care services provided in a residential-based setting varies, based on the classification group in which the beneficiary is assigned. Each beneficiary is assigned to a classification group based on the Department's assessment of their personal care needs. Each classification group also considers the number of hours of service needed by the beneficiary on a daily basis.

Payment provided to agencies and on behalf of individual providers for the caregiver training component of personal care is based on cost. This payment is made separately from the payment for hourly unit payment for individual and agency providers. The multi-hour rate paid to residential-based providers does not include any consideration of cost for room and board or facility cost and the residential providers are not reimbursed separately for any caregiver training or health insurance costs. With regard to personal care workers employed by agencies, this cost is first allocated by the home care agency based on a proportion of ADSA clients in the home care agency to total client population in the home care agency. With regard to individual providers, the individual provider is paid through the state's payment system for actual time spent in training. The cost of training the individual provider is allocated based on a proportion of ADSA – individual personal care providers to total classroom participants. These costs are further allocated based on a proportion of ADSA - medical assistance clients to total ADSA clients. This allocation is performed on a monthly basis; however, the data used within the allocation is on a two-month lag.

Payment provided to agencies, if applicable, and on behalf of individual providers for the health insurance component of personal care is based on cost. This payment is made separately from the payment for hourly unit payment for individual and agency providers. The personal care worker pays a portion of the monthly premium as their co-pay. With regard to individual providers, the remainder of this cost is billed to and paid by ADSA. With regard to personal care workers employed by agencies, the remainder of the cost is first allocated by the home care agency based on a proportion of ADSA clients in the home care agency to total population in the home care agency. These costs are further allocated based on a proportion of ADSA - medical assistance clients to total ADSA clients. This allocation is performed on a monthly basis; however, the data used within the allocation is on a two-month lag.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

STATE: WASHINGTON

25. Home and Community Care for Functionally Disabled elderly individuals, as defined, described and limited in Supplement 2 to attachment 3.1-A, and Appendices A-G to Supplement 2 to Attachment 3.1-A..

 Provided: X Not Provided

26. Personal care services furnished to an individual who is not an inpatient or resident of a hospital, nursing facility, intermediate care facility for the mentally retarded, or institution for mental disease that are:

- A. Authorized for the individual by a physician in accordance with a plan of treatment.
- B. Provided by an individual who is qualified to provide such services and who is not a member of the individual's family, and
- C. Furnished in a home.

<u> X </u> Provided	<u> X </u>	State-Approved (Not Physician's)
		Service Plan Allowed
	<u> X </u>	Services Outside the Home also Allowed.
	<u> X </u>	Limitations Described in
		Attachment 3.1-A, Page 65

27. An alien who is a non-qualified alien or a qualified alien subject to the five-year ban and is otherwise eligible for Medicaid is eligible only for care and services necessary to treat an emergency medical condition as defined in section 1903(v) of the Act.

28. Program of All-Inclusive Care for the Elderly (PACE) services, as described in Supplement 3 to Attachment 3.1-A.

- X Election of PACE: By virtue of this submittal, the State elects PACE as an optional State Plan service.
- No election of PACE: By virtue of this submittal, the State elects to not add PACE as an optional State Plan service.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

STATE: WASHINGTON

25. Personal care services**a. Eligibility for services.**

Persons must living in their own home, Adult Family Home, family foster home, children's group care facility or licensed boarding home.

b. Persons must be determined to be categorically needy and have three ADL needs requiring minimal assistance or one ADL need requiring more than minimal assistance. Personal care services means physical or verbal assistance with activities of daily living (ADL) and instrumental activities of daily living (IADL) due to functional limitations. ADL assistance means physical or verbal assistance with bathing, turning and repositioning, body care, dressing, eating, mobility, medication assistance, toileting, transfer, personal hygiene, nurse delegated tasks, and self-directed treatment. ADL assistance is incidental to the provision of IADL assistance and includes ordinary housework, laundry, essential shopping, wood supply (if wood is the primary source of heat) and transportation assistance.

c. Persons receiving personal care from an Individual Provider have employer authority including hiring, firing, scheduling and supervision of providers.

d. Services are provided by these provider types:

- State-licensed agencies providing personal care services, consisting of licensed home-care agencies and licensed adult residential care providers who are contracted with the Department. Home health agencies providing personal care services do not require Medicaid certification;
- State-licensed adult residential care providers; and
- Individual providers of personal care, who:
 - Must be age 18 or older;
 - Are authorized to work in the United States;
 - Are contracted with the Medicaid agency; and
 - Have passed a Medicaid agency background check.

e. For individuals under 21 years of age, services will be provided in accordance with EPSDT requirements at 1905(r) subject to determination of medical necessity and prior authorization by the Department.