



Region 10
2201 Sixth Avenue, MS/RX 43
Seattle, Washington 98121

DEC 10 2008

Ms. Robin Arnold-Williams, Secretary
Department of Social and Health Services
Post Office Box 45010
Olympia, Washington 98504-5010

RE: Washington State Plan Amendment TN #08-026

Dear Ms. Arnold-Williams:

The Centers for Medicare & Medicaid Services' (CMS) Seattle Regional Office has completed its review of State Plan Transmittal Number #08-026. This amendment implements an income standard increase for the section 1931 population from the AFDC limit to the current TANF income limit. In addition, the State removes income and resource test for State subsidized adoption children. These changes are reflected in Attachment 2.2-A, page 14; Supplement 12 to Attachment 2.6-A, page 3; and Supplement 8a to Attachment 2.6-A, page 9.

This state plan amendment is approved effective July 1, 2008.

If you have any additional questions or require any further assistance, please contact Maria Garza at (206) 615-2542.

Sincerely,

Barbara K. Richards
Associate Regional Administrator
Division of Medicaid and Children's Health
Operations

cc:
Douglas Porter, Assistant Secretary
Ann Myers, State Plan Coordinator

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

1. TRANSMITTAL NUMBER:
08-026

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:
Section 1931 of the Act (P+I)
Section 1902(d)(2) of the Act (P+I)

7. FEDERAL BUDGET IMPACT:
a. FFY 2008 \$ 0
b. FFY 2009 \$ 0

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:
Supplement 1 to Attachment 2.6-A, page 1 (P+I)
Supplement 8a to Attachment 2.6-A p. 9
Attachment 2.2-A page 14 (P+I) (P+I)
Supplement 12 to Attachment 2.6-A p. 3 (P+I)

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable):
Supplement 1 to Attachment 2.6-A, page 1 (P+I)
Attachment 2.2-A, page 14 (P+I)
Supplement 12 to Attachment 2.6-A, page 3 (P+I)

10. SUBJECT OF AMENDMENT:
~~TANF~~ Income Eligibility Levels Update (P+I)

11. 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

12. SIGNATURE OF STATE AGENCY OFFICIAL:
Robin Arnold-Williams

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

13. TYPED NAME:
ROBIN ARNOLD-WILLIAMS

14. TITLE:
Secretary

15. DATE SUBMITTED:
Sept 30, 2008

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED: **SEP 30 2008**

18. DATE APPROVED: **DEC 10 2008**

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL:
JUL - 1 2008 *JUL 01 2008 (pm)*

20. SIGNATURE OF REGIONAL OFFICIAL:
Sharon K. White

21. TYPED NAME:

22. TITLE: **Associate Regional Administrator**

23. REMARKS:
Division of Medicaid & Children's Health

Pen & Inc changes authorized by the state on 11/13/2008.
Pen & Inc changes authorized by the state on 11/24/2008.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State WASHINGTON

Agency*	Citation(s)	Groups Covered
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IV-A

B. Optional Groups Other Than the Medically Needy
(Continued)

1902(a)(10)
(A)(ii)(VIII)
of the Act

/X/

8. A child for whom there is in effect a State adoption assistance agreement (other than under title IV-E of the Act), who, as determined by the State adoption agency, cannot be placed for adoption without medical assistance because the child has special needs for medical or rehabilitative care, and who before execution of the agreement--
- a. Was eligible for Medicaid under the State's approved Medicaid plan; or
 - b. Would have been eligible for Medicaid if the standards and methodologies of the title IV-foster care program were applied rather than the AFDC standards and methodologies.
 - c. There are no income or resource tests for this population.

The State covers individuals under the age of--
 21
 20
 19
 18

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State WASHINGTON

MORE LIBERAL METHODS OF TREATING INCOME UNDER
SECTION 1902(r)(2) OF THE ACT

10. Effective July 1, 2008, disregard the difference between the TANF payment standard by family size, and the AFDC payment standard by family size, as described in Supplement 1 to Attachment 2.6-A, Page 1, of the Medicaid State Plan for institutionalized AFDC-related eligibility groups under 1902(a)(10)(A)(ii)(IV) of the Act.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State WASHINGTON

ELIGIBILITY UNDER SECTION 1931 OF THE ACT (continued)

2. A motor vehicle necessary to transport a physically disabled household member is excluded.
3. An increase in assets is disregarded from the point of application so long as the client remains otherwise continuously eligible.
4. For purposes of the 185% gross income test, income in excess of 185% of the AFDC need standard is excluded.
5. When determining countable income, either fifty percent of all earned income, or \$90 and \$30 and 1/3, (if applicable) and whichever is greater, is exempt.
6. All earned income is excluded in the second or third month for two months starting with the month a family exceeds Section 1931 income standards. This exclusion allows Transitional Medicaid coverage for any family who loses eligibility for Section 1931 Medicaid due to earnings, and will give the family the necessary 12 months of post-1931 eligibility Transitional Medicaid coverage.
7. Diversion cash assistance is not countable as income or a resource in the initial month of Medicaid eligibility.
8. Actual amount of court-ordered child support paid for a child out of the home, is a deduction from earned income.
9. Actual amount of childcare and dependent care, is a deduction from earned income.
10. When determining or re-determining eligibility, a self-employed applicant or recipient may choose to use a standard earned income deduction of \$100 or actual expenses, whichever is most beneficial.
11. Effective July 1, 2008, disregard the difference between the TANF payment standard by family size and the AFDC payment standard by family size, as described in Supplement 1 to Attachment 2.6-A, page 1.

The income and/or resource methodologies that the less restrictive methodologies replace are as follows:

1. And 2. When determining countable resources, the equity value of one car up to \$1500 is exempt.