



STATE OF WASHINGTON  
**HEALTH CARE AUTHORITY**

626 8th Avenue, SE • P.O. Box 45502 • Olympia, Washington 98504-5502

December 10, 2020

**NOTICE**

**Subject: Medicaid State Plan Amendment (SPA) 21-0002 Long Term Support Services COVID Disregard**

**Effective Date: January 1, 2021**

**Description:** The Health Care Authority (HCA) in conjunction with the Department of Social and Health Services (DSHS) intends to submit SPA 21-0002 to facilitate a reasonable timeframe for reducing excess resources accumulated during the current public health emergency by certain individuals subject to the post-eligibility treatment of income (PETI) rules for long-term services and supports (LTSS). PETI rules determine an individual's participation in the cost of care for LTSS.

Due to reasons described below, some individuals have accumulated liquid resources, typically in their bank accounts, which may now exceed Medicaid program limit amounts of \$2,000 for an individual and \$3,000 for a married couple that apply to coverage based on age, blindness, or a disability. HCA and DSHS proposes to disregard these excess funds for a period of twelve months when determining countable resources for eligibility for any program based on supplemental security income rules.

Under Section 6008 of the Families First Coronavirus Response Act (FFCRA), state Medicaid programs may receive a temporary 6.2 percentage point increase in the Federal Medical Assistance Percentage (FMAP), if the state meets all requirements in the Act. These requirements have included not terminating coverage or reducing benefits for individuals determined eligible for Medicaid on or after March 18, 2020. This has prohibited making any change to PETI costs for individuals receiving LTSS, even if they had experienced changes in their circumstances, such as an increase to income and/or a decrease to allowable expenses.

More recently, however, the Centers for Medicare and Medicaid posted an interim rule with comment (IFC) on the Federal Register website, which became effective November 2, 2020, and lifts the restriction of making changes under PETI rules. The new interpretation of requirements under FFCRA now requires states to resume making appropriate changes when individual circumstances change.

SPA 21-0002 is expected to have no effect on annual aggregate payments/expenditures.

SPA 21-0002 is in the development process; therefore, a copy is not yet available for review. HCA would appreciate any input or concerns regarding this SPA. To request a copy when it becomes available or submit comments, please contact the person named below (please note that all comments are subject to public review and disclosure, as are the names of those who comment).

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