



DEPARTMENT OF HEALTH & HUMAN SERVICES

Centers for Medicare & Medicaid Services

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

NOV 30 2007

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

Dear Ms. Arnold-Williams:

The Department of Social and Health Services submitted Washington Title XIX State Plan Transmittal 06-012 to the Centers for Medicare & Medicaid Services for review and approval. This amendment made the following changes in the State Medicaid Plan: (1) clarified that home health agencies are not required to be Medicare-certified when providing personal care services; (2) deleted licensed foster care homes as providers of personal care services effective January 1, 2008; (3) replaced the State's in-home authority with the Governor's Office as the entity that negotiates with the union representing individual providers; and (4) delineated the components and methodology for personal care rates. The changes occurred on Pages 31 and 32 of Section 4.19 B.

CMS has completed its review of the transmittal along with the additional information submittals. The amendment is approved effective June 1, 2006, as requested.

If you have additional questions or require further assistance, please contact Lydia Skeen at (206) 615-2339 or [Lydia.Skeen@cms.hhs.gov](mailto:Lydia.Skeen@cms.hhs.gov).

Sincerely,

A handwritten signature in black ink, appearing to read "Barbara K. Richards".

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

cc:

Kathy Leitch, Assistant Secretary  
Doug Porter, Assistant Secretary  
Bea Rector, Office Chief Home and Community Programs  
Chris Imhoff, Medicaid Unit Manager

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

1. TRANSMITTAL NUMBER:  
**06-12**

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  
June 1, 2006

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 2006 \$0
- b. FFY 2007 \$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, page 32 (P+I)  
~~Attachment 3.1-A, page 45 (P+I)~~

Attachment 4.19-B, page 31, page 32 (P+I)  
~~Attachment 3.1-A, page 45 (P+I)~~

10. SUBJECT OF AMENDMENT:

Personal Care Services Reimbursement Provider Qualifications

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*

13. TYPED NAME:  
ROBIN ARNOLD-WILLIAMS

14. TITLE:  
Secretary

15. DATE SUBMITTED: 6/28/06

16. RETURN TO:

Ann Myers, State Plan Coordinator  
Department of Social and Health Services  
Health and Recovery Services Administration  
925 Plum St SE, MS 45533  
Olympia, WA 98504-5533

**FOR REGIONAL OFFICE USE ONLY**

17. DATE RECEIVED: **JUN 28 2006**

18. DATE APPROVED: **NOV 30 2007**

**PLAN APPROVED - ONE COPY ATTACHED**

19. EFFECTIVE DATE OF APPROVED MATERIAL:  
**JUN - 6 2006**

20. SIGNATURE OF REGIONAL OFFICIAL:  
*Barbara K. Richards*

21. TYPED NAME:  
**Barbara K. Richards**

22. TITLE:  
**Acting Associate Regional Administrator  
Division of Medicaid &  
Children's Health**

23. REMARKS:

8/21 P+I change per email from Ann Meyers on 8/16/06 ~~AKatz~~  
to Blocks 8+9 AKatz

9/11/07 - P+I changes authorized by the state.

11/27/07 P+I changes authorized by the state

## 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:

- Agencies providing personal care services, consisting of licensed home-care agencies and adult residential care providers. Home health agencies providing personal care services do not require Medicare certification;
- Through December 31, 2007, licensed foster care homes providing personal care for children; and
- Individual providers of personal care.

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 fee schedule was last updated July 1, 2007 to be effective for dates of service on and after July 1, 2007.

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.

## STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State WASHINGTON

## XV. Personal Care Services (cont)

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, individual care providers, and licensed foster care (licensed foster care only through Dec. 31, 2007) 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.