DEPARTMENT OF HEALTH & HUMAN SERVICES

Centers for Medicare & Medicaid Services

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

AUG 15 2008

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

RE: WA Transmittal 08-007

Dear Ms. Arnold-Williams:

The Department of Social and Health Services submitted Washington Title State Plan Transmittal 08-007 to the Centers for Medicare & Medicaid Services (CMS) for review and approval. This amendment increases the number of allowable outpatient mental health visits for children to a maximum of twenty 60-minute visits per year.

The CMS have completed the review of this transmittal along with the additional information submitted July 10, 2008. The amendment is approved effective July 1, 2008, 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

Sincerely,

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

cc: Doug Porter, Assistant Secretary

DEPARTMENT OF HEALTH AND HUMAN SERVICES
HEALTH CARE FINANCING ADMINISTRATION

FORM APPROVED
OMB NO. 0938-0193

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL

FOR: HEALTH CARE FINANCING ADMINISTRATION

1. TRANSMITTAL NUMBER: **08-007**

2. STATE: Washington

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 $466,000
b. FFY 2009 $ 1,982,000

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

Attachment 3.1-A, pages 18, 21, 20 (P+I)
Attachment 3.1-B, pages 18, 21, 22 (P+I)
Numbered page 9w
Attachment 4.19-B, pages 6, 25 (P+I)

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 PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT *(If Applicable)*:

Attachment 3.1-A, pages 18, 21, 20 (P+I)
Attachment 3.1-B, pages 18, 21, 22 (P+I)
Numbered page 9w
Attachment 4.19-B, pages 6, 25 (P+I)

10. SUBJECT OF AMENDMENT:

Children's Outpatient Mental Health Benefits

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:
March 10, 2008

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: MAR 10 2008

18. DATE APPROVED: AUG 15 2008

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL: JUL 1 2008

20. SIGNATURE OF REGIONAL OFFICIAL:
Roberta K. Wade

21. TYPED NAME:
Roberta K. Richards

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

23. REMARKS:
Per e-mail changes authorized by the state on 7/15/08.
Per e-mail changes authorized by the state on 8/12/08.

State: WASHINGTON

Citation 1.6 14. Managed Care (cont'd)

Service (1)	State Plan Approved (2)	1915(b)(3) Waiver Services (3)	MCO/PHP Capitated Reimburse-ment (4)	Fee-for-Service Reimburse-ment (5)	Fee-for-Service Reimbursement impacted by MCO/PHP (6)
Mental Health Services *The current HO contract requires 1 evaluation per year for adults. For children, evaluation(s) as necessary, medication management, and 20 visits to a mental health professional are covered. Clients may receive services from the plan or self-refer to a community mental health provider.*	X		X	X	
Nurse midwife	X		X		
Nurse practitioner	X		X		
Nursing Facility	X			X	
Obstetrical services	X		X		
Occupational therapy	X		X		
Other fee-for-service services	X			X	
Other Outpatient Services -- Please Specify					
Other Psych Practitioner					
Outpatient Hospital - All Other	X		X		

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State WASHINGTON

AMOUNT, DURATION, AND SCOPE OF MEDICAL AND REMEDIAL CARE AND SERVICES PROVIDED TO THE CATEGORICALLY NEEDY

5. a. Physicians' services (continued)

(7) Physician visits.

Limited to:

- Two physician visits per month for a client residing in a nursing facility or an intermediate care facility.
- One inpatient hospital visit per client, per day, for the same or related diagnosis.
- One office or other outpatient visit per non-institutionalized client, per day, for an individual physician, except for return visits to an emergency room.

Professional inpatient services during the follow-up period are paid only if they are performed on an emergency basis and are unrelated to the original surgery.

Prior authorization is required for additional services that are medically necessary.

(8) Psychiatric services.

- For adults: Outpatient psychotherapy and electroconvulsive therapy, in any combination - one hour per day, per client, up to a total of twelve hours per calendar year. Includes family or group psychotherapy.

- For children: Outpatient psychotherapy and electroconvulsive therapy, in any combination - one hour per day, per client, up to a total of twenty hours per calendar year. Includes family or group psychotherapy.

- Psychiatric diagnostic interview examinations - one in a calendar year unless an additional evaluation is medically necessary.

Prior authorization is required for additional services that are medically necessary.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State WASHINGTON

AMOUNT, DURATION, AND SCOPE OF MEDICAL AND REMEDIAL CARE AND SERVICES PROVIDED TO THE CATEGORICALLY NEEDY

6. Medical care and any other type of remedial care recognized under State law, furnished by licensed practitioners within the scope of their practice as defined by State law

a. Podiatrists' services

(1) Foot care is covered only for specific medical conditions that must be treated by an M.D., D.O., or podiatrist.

(2) The treatment of flat feet, or non-medically necessary treatment of fungal disease is not covered.

b. Optometrists' services

(1) Frames, lenses, and contact lenses must be ordered from the department's contractor.

(2) The department covers medically necessary eye examinations, refractions, eyeglasses (frames and glasses), and fitting fees as follows:
- Every 24 months for asymptomatic adults 21 years or older; and
- Every 12 months for asymptomatic children 20 years or younger, and clients identified by MAA as developmentally disabled.

(3) The department covers medically necessary contact lenses, as defined in rule. Normal replacement for contact lenses is every 12 months.

(4) Exceptions to numbers (2) and (3) above will be considered for all individuals based on medical necessity.

6. d. Other practitioners' services

All other practitioners covered by the department include, but are not limited to, the following licensed practitioners: psychologists, dental hygienists, denturists, chiropractors (for EPSDT only), dietitians, nutritionists, podiatrists, radiological technicians, and licensed non-nurse midwives. These practitioners are limited to services within their scope of practice.

Counselors, social workers, and other practitioners are covered as specified in other sections of the State Plan and as approved by the department.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State WASHINGTON

AMOUNT, DURATION, AND SCOPE OF MEDICAL AND REMEDIAL CARE AND SERVICES PROVIDED TO THE CATEGORICALLY NEEDY

6. d. Other practitioners' services (cont)

Mental health outpatient services may be provided by the following providers licensed by the state under 42 CFR 440.060(a): Licensed Psychiatric Advanced Nurse Practitioners; Licensed Independent Clinical Social Workers; Licensed Marriage and Family Therapists; and Licensed Mental Health Counselors.

Children's mental health outpatient services may be provided up to twenty hours per calendar year, subject to medical necessity. Prior authorization is required for additional services that are medically necessary.

Mental health payment rate methodology is in accordance with Attachment 4.19-B, page 6.

(1) HRSA does not cover services provided by:
- Acupuncturists
- Christian Science practitioners or theological healers
- Herbalists
- Homeopathists
- Naturopaths
- Masseuses
- Masseurs
- Sanipractors

(2) Licensed non-nurse midwives
- To participate in home births and in birthing centers, midwives must be an HRSA -approved provider.

(3) Psychologists.
- One psychological evaluation per client's lifetime is covered.
- Neuropsychological testing requires prior authorization.
- Children's mental health outpatient services up to twenty hours per calendar year, including evaluation, subject to medical necessity.

(4) Intentionally left blank

(5) Dietitians.
- Medical Nutrition Therapy is a face-to-face interaction between a licensed/certified dietitian and the client and/or client's guardian for the purpose of evaluating and making recommendations regarding the client's nutritional status. The service must be medically necessary and the client must be 20 years of age or younger with an EPSDT referral.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State WASHINGTON

AMOUNT, DURATION, AND SCOPE OF CARE AND SERVICES PROVIDED TO THE MEDICALLY NEEDY GROUPS: ALL

5. a. Physicians' services (cont.)

(6) Physician care plan oversight.

Provided once per client, per month. A plan of care must be established by the home health agency, hospice, or nursing facility, and the physician must provide 30 minutes or more of oversight each calendar month to the client.

(7) Physician standby services.

Must be:

- Requested by another physician; and
- Involve prolonged physician attendance without direct (face-to-face) patient contact.

The service must exceed 30 minutes.

(8) Physician visits.

Limited to:

- Two physician visits per month for a client residing in a nursing facility or an intermediate care facility.
- One inpatient hospital visit per client, per day, for the same or related diagnosis.
- One office or other outpatient visit per non-institutionalized client, per day, for an individual physician, except for return visits to an emergency room.

Professional inpatient services during the follow-up period are only paid if they are performed on an emergency basis and are unrelated to the original surgery.

Prior authorization is required for additional services that are medically necessary.

(9) Psychiatric services:

- For adults: Outpatient psychotherapy and electroconvulsive therapy, in any combination - one hour per day, per client, up to a total of twelve hours per calendar year. Includes family or group psychotherapy.
- For children: Outpatient psychotherapy and electroconvulsive therapy, in any combination - one hour per day, per client, up to a total of twenty hours per calendar year. Includes family or group psychotherapy.
- Psychiatric diagnostic interview examinations - one in a calendar year unless an additional evaluation is medically necessary.

Prior authorization is required for additional services that are medically necessary.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State WASHINGTON

AMOUNT, DURATION, AND SCOPE OF CARE AND SERVICES PROVIDED TO THE MEDICALLY NEEDY GROUPS: ALL

6. d. Other practitioners' services

All other practitioners covered by the department include, but are not limited to, the following licensed practitioners: psychologists, dental hygienists, denturists, chiropractors (for EPSDT only), dietitians, nutritionists, podiatrists, radiological technicians, and licensed non-nurse midwives. These practitioners are limited to services within their scope of practice.

Counselors, social workers, and other practitioners are covered as specified in other sections of the State Plan and as approved by the department.

Mental health outpatient services may be provided by the following providers licensed by the state under 42 CFR 440.060(a): Licensed Psychiatric Advanced Nurse Practitioners; Licensed Independent Clinical Social Workers; Licensed Marriage and Family Therapists; and Licensed Mental Health Counselors.

Children's mental health outpatient services may be provided up to twenty hours per calendar year, subject to medical necessity. Prior authorization is required for additional services that are medically necessary.

Mental health payment rate methodology is in accordance with Attachment 4.19-B, page 6.

(1) HRSA does not cover services provided by:
- Acupuncturists
- Christian Science practitioners or theological healers
- Herbalists
- Homeopathists
- Naturopaths
- Masseuses
- Masseurs
- Sanipractors

(2) Licensed non-nurse midwives
- To participate in home births and in birthing centers, midwives must be a HRSA-approved provider.

(3) Psychologists.
- One psychological evaluation per client's lifetime is covered.
- Neuropsychological testing requires prior authorization.
- Children's mental health outpatient services up to twenty hours per calendar year, subject to medical necessity.

(4) Intentionally left blank.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State WASHINGTON

AMOUNT, DURATION, AND SCOPE OF CARE AND SERVICES PROVIDED TO THE MEDICALLY NEEDY GROUPS: ALL

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STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: WASHINGTON

III. Physician Services

A. For physician services, the department pays the lesser of the usual and customary charge or a fee based on a published department fee schedule. The usual and customary charge is the fee charged by a physician to his/her patients.

The agency's rates were set as of 7/1/08 and are effective for dates of services on or after that date. All rates are published on the agency's website.

Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers of physician services and the fee schedule and any annual/periodic adjustments to the fee schedule are published on the agency's website.

B. Maximum allowable fees are established and updated using the Resource Based Relative Value Scale (RBRVS) methodology as adopted in the Medicare Fee Schedule Data Base (MFSDB).

The MFSDB relative value units (RVU) are geographically adjusted each year by the statewide average Geographic Practice Cost Indices (GPCI) for Washington State as published annually in the Federal Register. The adjusted RVU are multiplied by a service-specific conversion factor to derive a fee for each procedure.

The department currently has unique conversion factors for Children's primary health care services, including office visits and EPSDT screens; Adult primary health care, including office visits; Maternity services, including antepartum care, deliveries, and postpartum care; Anesthesia services; Laboratory services; Radiological services; Surgical services; Consultations; etc. The department establishes budget neutrality each year when determining its conversion factors, then updates the conversion factors by any increase or decrease mandated by the Legislature.

C. When no MFSDB RVU exists, the department may apply a set fee to the procedure or determine payment based on documentation by the provider. The department determines a set fee for drugs administered in the provider's office based on a percentage of the Average Wholesale Price (AWP) as determined by Medicare. The department determines a set fee for those professional procedures without an assigned RVU by either assigning a proxy RVU based on similar procedures, or by reviewing the medical documentation of the procedure and paying a percentage of the provider's usual and customary charge. Those procedures without RVU's are updated annually with publication of the MFSDB RVU in the Federal Register.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: WASHINGTON

X. All Other Practitioners

"All other practitioners" refers to other practitioners as described in section 6.d of Attachments 3.1-A and 3.1-B.

The department pays the lesser of the usual and customary charge, or a fee based on a department fee schedule.

The agency's rates were set as of 7/1/08 and are effective for services on and after that date. All rates are published on the agency's website.

Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers of services and the fee schedule and any annual/periodic adjustments to the fee schedule(s) are published on the agency's website.

Freestanding birthing centers are reimbursed utilizing a contracted facility fee, using state funds only. The birthing center facility fee is consistent across birthing centers. This facility fee is based on statewide historical cost and is paid by fee schedule.