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State/Territory Name: Washington

State Plan Amendment (SPA) #: 16-0009

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form
- 3) Approved SPA Pages

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
Seattle Regional Office
701 Fifth Avenue, Suite 1600, MS/RX-200
Seattle, WA 98104



Division of Medicaid & Children's Health Operations

August 1, 2016

Dorothy Frost Teeter, Director
MaryAnne Lindeblad, Medicaid Director
Health Care Authority
Post Office Box 45502
Olympia, Washington 98504-5010

RE: Washington State Plan Amendment (SPA) Transmittal Number 16-0009.

Dear Ms. Teeter and Ms. Lindeblad:

The Centers for Medicare & Medicaid Services (CMS) Seattle Regional Office has completed its review of State Plan Amendment (SPA) Transmittal Number WA 16-0009. This SPA differentiates payments for routine home care based on the beneficiary's length of stay and implements a service intensity add-on payment for services provided in the last seven days of a beneficiary's life in certain circumstances.

This SPA is approved with an effective date of May 1, 2016.

If you have any additional questions or require any further assistance, please contact me, or have your staff contact James Moreth at (360) 943-0469 or James.Moreth@cms.hhs.gov.

Sincerely,

A solid black rectangular box redacting the signature of Frank Schneider.

Frank Schneider
Acting Associate Regional Administrator

cc:
Ann Myers, SPA Coordinator

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

1. TRANSMITTAL NUMBER:
16-0009

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
May 1, 2016

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:
1902(a) of the Social Security Act

7. FEDERAL BUDGET IMPACT:
a. FFY 2016 \$537,441
b. FFY 2017 \$537,441

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

4.19-B, page 30, 30a (P&I)

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 PAGE NUMBER OF THE SUPERSEDED PLAN SECTION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

4.19-B, page 30

10. SUBJECT OF AMENDMENT:

Hospice Services Payment Methodology

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:

13. TYPED NAME:
MaryAnne Lindeblad

14. TITLE:
Director

15. DATE SUBMITTED: 5-10-16

16. RETURN TO:

Ann Myers
Rules and Publications
Division of Legal Services
Health Care Authority
626 8th Ave SE MS: 42716
Olympia, WA 98504-2716

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED: 5/10/16

18. DATE APPROVED: 8/1/16

PLAN APPROVED -- ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL:
5/1/16

20. SIGNATURE OF R

21. TYPED NAME:
Frank Schneider

22. TITLE:
Acting Associate Regional Administrator

23. REMARKS:

6/14/16 - State authorized a P&I change to Box 8

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.)

XIV. Hospice Services

- A. Payment for hospice services is made to a designated hospice provider using the CMS annually published Medicaid hospice rates that are effective from October 1 of each year through Sept. 30 of the following year. With the exception of payment for physician services, Medicaid reimbursement for hospice care will be made at one of the following four pre-determined daily rates. The rates are contingent on the type of service provided that day. The rates are based on the Medicaid guidelines and are wage adjusted. The Medicaid agency uses the Hospice Wage Index published by CMS. The pre-determined daily rates are:

1. Routine Home Care (RHC): Hospice providers are paid one of two levels of RHC for dates of service on and after January 1, 2016. This two-rate payment methodology will result in a higher RHC rate based on payment for days one (1) through sixty (60) of hospice care and a lower RHC rate for days sixty-one (61) or later. A minimum of sixty (60) day's gap in hospice services is required to reset the counter that determines which payment category a participant is qualified for.

2. Continuous Home Care (CHC)

3. Inpatient Respite Care (IRC)

4. General inpatient hospice care

- B. Service Intensity Add-On

Effective for hospice services with dates of service on and after January 1, 2016, hospice services are eligible for an end-of-life service intensity add-on payment when the following criteria are met:

1. The day on which the services are provided is an RHC level of care;
2. The day on which the service is provided occurs during the last seven days of life, and the client is discharged deceased;
3. The service is provided by a registered nurse or social worker that day for at least fifteen minutes and up to four hours total; and
4. The service is not provided by the social worker via telephone.

- C. Hospice Care Furnished to an Individual In a Nursing Facility

The agency pays a hospice nursing facility room and board if the client is admitted to a nursing facility or a hospice care center and is not receiving general inpatient care or inpatient respite care. The additional amount paid to the hospice on behalf of an individual residing in a nursing facility), must equal at least 95% of the per diem rate that DSHS would have paid to the nursing facility for that individual in that facility under the State Plan.

The room and board rates are set by the Department of Social and Health Services (DSHS) and published on the DSHS website at <http://www.aasa.dshs.wa.gov/professional/rates/reports/>.

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.)

XIV. Hospice Services (cont)

- D. The agency reimburses hospice claims through the use of revenue codes used to bill for room and board and revenue codes used to bill for the hospice daily rate.
- E. The agency does not pay for face-to-face encounters to recertify a hospice client.
- F. The agency pays the lesser of the usual and customary charge or a fee based on an agency fee schedule for the professional service provided for pediatric palliative care and for authorized medically necessary concurrent care services. The pediatric palliative care (PPC) revenue code is adjusted only through a Vendor Rate Increase (VRI) that has been appropriated by the Washington State Legislature.
- G. Except as otherwise noted in the plan, fee schedule rates are the same for both governmental and private providers. See 4.19-B, I, General, #G for the agency's website where the fee schedules are published.