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**State/Territory Name: Washington**

**State Plan Amendment (SPA) #: 17-0016**

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

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July 5, 2017

Dorothy Frost Teeter, Director  
MaryAnne Lindeblad, Medicaid Director  
Health Care Authority  
PO Box 45502  
Olympia, WA 98504-5010

**RE: Washington State Plan Amendment (SPA) Transmittal Number 17-0016**

Dear Ms. Teeter and Ms. Lindeblad:

The Centers for Medicare & Medicaid Services (CMS) has completed its review of State Plan Amendment (SPA) Transmittal Number WA 17-0016. This SPA implemented a fee-for-service (FFS) Medicaid payment system for specialty mental health services provided to American Indians and Alaska Natives (AI/AN) Medicaid enrollees.

This SPA is approved with an effective date of July 1, 2017.

If there are additional questions please contact me, or your staff may contact James Moreth at [James.Moreth@cms.hhs.gov](mailto:James.Moreth@cms.hhs.gov) or (360) 943-0469.

Sincerely,

A black rectangular box redacting the signature of David L. Meacham.

David L. Meacham  
Associate Regional Administrator

Digitally signed by David L. Meacham -  
S  
DN: c=US, o=U.S. Government,  
ou=HHS, ou=CMS, ou=People,  
0.9.2342.19200300.100.1.1=200004185  
8, cn=David L. Meacham -S  
Date: 2017.07.05 11:21:08 -07'00'

cc:  
Ann Myers, SPA Coordinator

<b>TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL</b>	1. TRANSMITTAL NUMBER: <b>17-0016</b>	2. STATE Washington
	3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
<b>FOR: HEALTH CARE FINANCING ADMINISTRATION</b>	4. PROPOSED EFFECTIVE DATE July 1, 2017	
TO: REGIONAL ADMINISTRATOR HEALTH CARE FINANCING ADMINISTRATION DEPARTMENT OF HEALTH AND HUMAN SERVICES		

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 1905(c) of the Social Security Act	7. FEDERAL BUDGET IMPACT: a. FFY 2017 \$0 b. FFY 2018 \$0
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Attachment 4.19-B page 37	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable) Attachment 4.19-B page 37

10. SUBJECT OF AMENDMENT

Fee-for-Service Tribal Mental Health Services

11. GOVERNOR'S REVIEW (Check One):

GOVERNOR'S OFFICE REPORTED NO COMMENT       OTHER, AS SPECIFIED: Exempt

COMMENTS OF GOVERNOR'S OFFICE ENCLOSED

NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

12. SIGNATURE OF STATE AGENCY OFFICIAL: 	16. RETURN TO: Ann Myers Office of Rules and Publications Legal and Administrative Services Health Care Authority 626 8 <sup>th</sup> Ave SE MS: 42716 Olympia, WA 98504-2716
13. TYPED NAME: MARYANNE LINDEBLAD	
14. TITLE: MEDICAID DIRECTOR	
15. DATE SUBMITTED: 4-24-17	

<b>FOR REGIONAL OFFICE USE ONLY</b>	
17. DATE RECEIVED: 4/24/17	18. DATE APPROVED: 07/05/17
PLAN APPROVED – ONE COPY ATTACHED	
19. EFFECTIVE DATE OF APPROVED MATERIAL: 07/01/17	20. SIGNATURE OF REGIONAL OFFICIAL: 
21. TYPED NAME: David L. Meacham	22. TITLE: Associate Regional Administrator

23. REMARKS:

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

State WASHINGTON

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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.)

## XVIII. Mental Health Services

There are two circumstances in which the Medicaid agency will reimburse eligible behavioral health providers under the fee-for-service system. The first circumstance is when a Medicaid population is not eligible for services under the state's Section 1915(b) waiver. The second circumstance is when a contract between the state and a managed care entity that had provided behavioral health services is discontinued. Mental health fee-for-service rates are developed using the methodology below.

When possible, rates are developed using the RBRVS methodology. Rates are established and updated using the Resource Based Relative Value Scale (RBRVS) methodology as adopted in the Medicare Fee Schedule Data Base (MFSDB). In this methodology, under Washington Administrative Code chapter 182-531, the State uses CMS-established relative value units (RVU) multiplied by the Geographic Practice Cost Indices (GPCI) and the conversion factors, both of which are specific to Washington. Current conversion factors and descriptions are found in Supplement 3 to Attachment 4.19-B. When providers serve an individual who meets medical necessity for specialized mental health services based on statewide access standards, the provider will receive an enhanced rate.

If Medicare does not cover a particular approved State Plan service, and thus no RVU exists, codes are reimbursed using a flat fee based upon market value, service rate schedules from other states, budget impacts, historical pricing, and/or comparable services..

Except as otherwise noted in the plan, fee schedule rates are the same for both governmental and private providers of these services. See 4.19-B, I, General, #G for the agency's website where the fee schedules are published.