

DEPARTMENT OF HEALTH & HUMAN SERVICES

Centers for Medicare & Medicaid Services

Center for Medicaid & CHIP Services

233 North Michigan Ave., Suite 600

Chicago, Illinois 60601



Financial Management Group

April 17, 2020

Susan Birch, Director
MaryAnne Lindeblad, Medicaid Director
Health Care Authority
PO Box 45502
Olympia, WA 98504-03301

RE: Washington State Plan Amendment (SPA) Transmittal Number 20-0003

Dear Ms. Birch and Ms. Lindeblad:

We have reviewed the proposed Washington State Plan Amendment (SPA) to Attachment 4.19-B of your state plan, which was submitted to the Centers for Medicare & Medicaid Services (CMS) on March 23, 2019. This plan amendment updates the allowance for a 10% increase to the Behavioral Health Services (BHR) rates.

Based upon the information provided by the State, we have approved the amendment with an effective date of January 11, 2020. We are enclosing the approved CMS-179 and a copy of the new state plan pages.

If you have any additional questions or need further assistance, please contact James Moreth at 206-615-2043 or James.Moreth@cms.hhs.gov.

Sincerely,

Todd McMillion

Todd McMillion
Director
Division of Reimbursement Review

Enclosures

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

1. TRANSMITTAL NUMBER:
20-0003

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
January 11, 2020

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 2020 \$0
b. FFY 2021 \$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 PAGE NUMBER OF THE SUPERSEDED PLAN SECTION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:

Behavioral Health Services Rates

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:

MaryAnne Lindeblad

13. TYPED NAME:

MaryAnne Lindeblad

14. TITLE:

Director

15. DATE SUBMITTED:

3/23/2020

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:

03/23/2020

18. DATE APPROVED:

04/17/2020

PLAN APPROVED – ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL:

01/11/2020

20. SIGNATURE OF REGIONAL OFFICIAL:

Todd McMillion

21. TYPED NAME:

Todd McMillion

22. TITLE:

Director, Division of Reimbursement Review

23. REMARKS:

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.)

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. To increase availability of behavioral health service and incentivize adoption of the primary care behavioral health model, the legislature has approved a 10% rate increase for certain RBRVS codes identified in the fee schedule, effective January 11, 2020.

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.