

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/ Division of Reimbursement Review

May 26, 2021

Susan Birch, Director
MaryAnne Lindeblad, Medicaid Director
Health Care Authority
PO Box 45502
Olympia, WA 98504-5010

RE: Washington State Plan Amendment (SPA) Transmittal Number 20-0034

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 September 21, 2020. This plan amendment creates a new, cost-based per diem rate for substance use disorder (SUD) residential treatment facilities (RTF) operated by the Indian Health Service (IHS) or Tribes to IHS-eligible American Indian/Alaska Native (AI/AN) Medicaid beneficiaries.

Based upon the information provided by the state, we have approved the amendment with an effective date of September 12, 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 DRR analyst James Moreth at James.Moreth@cms.hhs.gov or (206) 615-2043.

Sincerely,

Todd McMillion

Todd McMillion
Director

Enclosures

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL		1. TRANSMITTAL NUMBER: 20-003334	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 July 1, 2020 September 12, 2020	
5. TYPE OF PLAN MATERIAL (<i>Check One</i>):			
<input type="checkbox"/> NEW STATE PLAN <input type="checkbox"/> AMENDMENT TO BE CONSIDERED AS NEW PLAN <input checked="" type="checkbox"/> AMENDMENT			
COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (<i>Separate Transmittal for each amendment</i>)			
6. FEDERAL STATUTE/REGULATION CITATION: 1902(a) of the Social Security Act		7. FEDERAL BUDGET IMPACT: a. FFY 2020 \$3,557,322 b. FFY 2021 \$8,990,435	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Attachment 4.19-B page 21a		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (<i>If Applicable</i>): Attachment 4.19-B page 21a	
10. SUBJECT OF AMENDMENT: Tribal Residential Facility Rate			
11. GOVERNOR'S REVIEW (<i>Check One</i>):			
<input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input checked="" type="checkbox"/> OTHER, AS SPECIFIED: Exempt <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL			
12. SIGNATURE OF STATE AGENCY OFFICIAL: 		16. RETURN TO: Ann Myers Rules and Publications Division of Legal Services Health Care Authority 626 8 th Ave SE MS: 42716 Olympia, WA 98504-2716	
13. TYPED NAME: MaryAnne Lindeblad			
14. TITLE: Medicaid Director			
15. DATE SUBMITTED: 9-21-2020			
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED: September 21, 2020		18. DATE APPROVED: May 26, 2021	
PLAN APPROVED – ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL: September 12, 2020		20. SIGNATURE OF REGIONAL OFFICIAL: 	
21. TYPED NAME: Todd McMillion		22. TITLE: Division of Reimbursement Review	
23. REMARKS: State authorized P&I change to Box 4 for effective date of 9/12/20 State authorized P&I change to box 1 to correct SPA number to 20-0034			

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

STATE: WASHINGTON

D. Rehabilitative Services

3. Alcohol/Drug Treatment and Detoxification Services

Payment for detoxification services provided in freestanding Medicaid Agency-approved alcohol/drug treatment centers is on a fee-for-service basis, with one day being the unit of service. The Medicaid Agency pays the lesser of the usual and customary charge or a fee based on an Agency fee schedule. The per diem rate on the Agency fee schedule for secure withdrawal management and stabilization is set at a flat fee based upon market value, other states' fees, and budget impacts.

There is no room and board paid for these services.

Payment for alcohol/drug treatment services is provided to certified facilities on a fee-for-services basis for specific services. The Medicaid Agency pays the lesser of the usual and customary charge or a fee based on a Medicaid Agency fee schedule. There is no room and board paid for these services. Licensed chemical dependency professionals who are paid by the facility, provide services.

Except as otherwise noted in the plan, payment for these services is based on fee schedule rates, which are the same for both governmental and private providers of alcohol/drug treatment and detoxification services. The Agency's rates were set as of January 1, 2020, and are effective for services rendered on or after that date. See 4.19-B I, General, #G, for the agency's website where the fee schedules are published.

A. Tribal Residential Substance Use Disorder Treatment Facilities

Payment to residential substance use disorder treatment facilities of the Indian Health Service (IHS), which includes, at the option of the tribe, residential substance use disorder treatment facilities operated by a tribe or tribal organization and funded by Title I or V of the Indian Self Determination and Education Assistance Act (also known as tribal residential substance use disorder treatment facilities), will be at a per patient, per day facility-specific rate for residential substance use disorder treatment services (including intensive residential treatment, withdrawal management, and recovery house services as applicable for the facility) for youth and adult patients, each rate negotiated with the respective tribe(s) or tribal organization for a base calendar year. During the negotiations, the state and the tribe or tribal organization may agree for the tribal facility to be responsible for the state share of financial participation in accordance with 42 C.F.R. § 433.51. The rate negotiated for a base calendar year will be adjusted annually thereafter, based on the percentage increase or decrease of the inpatient hospital per diem rate published each year in the Federal Register by the U.S. Department of Health and Human Services' Indian Health Service, under the authority of Sections 321(a) and 322(b) of the Public Health Service Act (42 U.S.C. § 1601 et seq.).