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State/Territory Name: Washington

State Plan Amendment (SPA) #: 25-0033

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form/Summary Form (with 179-like data)
- 3) Approved SPA Pages

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
7500 Security Boulevard, Mail Stop S2-26-12
Baltimore, Maryland 21244-1850



March 24, 2026

Ryan Moran
Health Care Authority Director
Trinity Wilson
Interim Medicaid Director
Washington State Health Care Authority
P. O. Box 45502
Olympia, WA 98504-5010

Re: Washington Disaster Relief State Plan Amendment (SPA) 25-0033

Dear Director's Moran and Wilson:

The Centers for Medicare & Medicaid Services (CMS) reviewed the proposed disaster relief Medicaid State Plan Amendment (SPA) and accompanying section 1135 waivers submitted on December 31, 2025, under transmittal number (TN) WA-25-0033. This amendment was submitted to respond to the December Atmospheric River and Winter Weather Event, and proposes to assist beneficiaries who were evacuated or temporarily absent from the state because of the public health emergency to remain as state residents, waive premiums due to hardship, permit the state to deviate from its preferred medicine list in the event of a shortage, waive the prior authorization requirement for durable medical equipment, and make retainer payments to providers of the 1915(k) Community First Choice program.

On December 12, 2025, the President of the United States issued a proclamation that the Washington December Atmospheric River and Winter Weather Event constitutes an emergency by the authorities vested in the President by the Constitution and the laws of the United States, including sections 201 and 301 of the National Emergencies Act (50 U.S.C. 1601 et seq.), and consistent with section 1135 of the Social Security Act (the Act). On December 23, 2025, pursuant to section 1135(b) of the Act, the Secretary of the United States Department of Health and Human Services (HHS) declared a PHE, invoking the authority to waive or modify certain requirements of titles XVIII, XIX, and XXI of the Act. During a PHE, the Centers for Medicare and Medicaid Services (CMS) may approve the use of section 1135 authority to help ensure that sufficient health care items and services are available to meet the needs of individuals enrolled in CMS programs and to ensure that health care providers that furnish such items and services in good faith, but are unable to comply with one or more of such requirements, may be reimbursed for such items and services and exempted from sanctions for such noncompliance, absent any determination of fraud or abuse. This authority took effect as of December 23, 2025, with a retroactive effective date of December 9, 2025. The emergency period will terminate, and section 1135 waivers will no longer be available, upon termination of the PHE, including any extensions.

The State of Washington requested a waiver to modify the public notice requirements applicable to the SPA submission process. Pursuant to section 1135(b)(5) of the Act, CMS is modifying public notice requirements applicable to the SPA submission process. Public notice for SPAs is required under 42 C.F.R. §447.205 for changes in statewide methods and standards for setting Medicaid payment rates, 42 C.F.R. §447.57 for changes to premiums and cost sharing, and 42 C.F.R. §440.386 for changes to Alternative Benefit Plans (ABPs). Pursuant to section 1135(b)(5) of the Act, CMS approves the state’s request to modify these notice requirements otherwise applicable to SPA submissions.

CMS conducted our review of your submittal according to statutory requirements in Title XIX, Section 1135 of the Social Security Act. This letter is to inform you that Washington’s Medicaid SPA Transmittal Number 25-0033 is approved on March 24, 2026, and effective December 9, 2025.

If you have any questions, please contact Edwin Walaszek at (212) 616-2512 or via email at Edwin.Walaszek1@cms.hhs.gov . We appreciate your and your staff’s efforts in responding to the needs of the residents and healthcare community in the State of Washington.

Sincerely,

COURTNEY
L. MILLER -S

Digitally signed by
COURTNEY L. MILLER -S
Date: 2026.03.24 14:19:42
-05'00'

Courtney Miller
Director, Medicaid and CHIP Operations Group

Enclosures

cc:Ann Myers, Section Manager & State Plan Coordinator, Health Care Authority

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL
FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES**

1. TRANSMITTAL NUMBER <u>2 5 — 0 0 3 3</u>	2. STATE <u>WA</u>
3. PROGRAM IDENTIFICATION: TITLE OF THE SOCIAL SECURITY ACT <input checked="" type="radio"/> XIX <input type="radio"/> XXI	

TO: CENTER DIRECTOR
CENTERS FOR MEDICAID & CHIP SERVICES
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE
December 9, 2025

5. FEDERAL STATUTE/REGULATION CITATION
~~1902(a) of the SSA~~ Title XIX, Section 1135 of the Social Security Act

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)

a. FFY <u>2026</u>	\$ <u>135,000</u>
b. FFY <u>2027</u>	\$ <u>135,000</u>

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

Attachment 7.8 pages 1 - ~~13~~ 11 (new)

8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable)

9. SUBJECT OF AMENDMENT

Disaster Relief

10. GOVERNOR'S REVIEW (Check One)

GOVERNOR'S OFFICE REPORTED NO COMMENT OTHER, AS SPECIFIED:
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

11. SIGNATURE OF STATE AGENCY OFFICIAL

12. TYPED NAME
Becky Carrell for Trinity Wilson

13. TITLE
Interim Medicaid Director

14. DATE SUBMITTED
December 31, 2025

15. RETURN TO
State Plan Coordinator
POB 42716
Olympia, WA 98504-2716

FOR CMS USE ONLY

16. DATE RECEIVED
December 31, 2025

17. DATE APPROVED
March 24, 2026

PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL
December 9, 2025

19. SIGNATURE OF APPROVING OFFICIAL
COURTNEY L MILLER -S
Digitally signed by COURTNEY L. MILLER -S Date: 2026.03.24 14:20:16 0608

20. TYPED NAME OF APPROVING OFFICIAL
Courtney Miller

21. TITLE OF APPROVING OFFICIAL
Director, Medicaid and CHIP Operations Group

22. REMARKS

2/23/26: State authorizes the following pen and ink changes:

- Box 6 FFY amount \$135,000 for both 2026 and 2027

2/20/26: State authorizes the following pen and ink changes:

- Box 5: Change to: Title XIX, Section 1135 of the Social Security Act
- Box 7: Change page "13" to page "11" (now Pages 1 – 11 (new))

Section 7 – General Provisions
7.8 Disaster Relief During a Public Health Emergency or Disaster Period

General Information

1. This Disaster Relief state plan amendment (SPA) is in response to: Washington Emergency Declaration EM-3629-WA and PHE – Severe Storms, Straight-line Winds, Flooding, Landslides, and Mudslides effective December 9, 2025.

2. This SPA is adding to a previously approved Disaster Relief SPA in effect.

3. This SPA is superseding a previously approved Disaster Relief SPA.

4. The State Medicaid agency (the agency) implements the policies and procedures described below, which are different than the policies and procedures otherwise applied under the Medicaid state plan, during the following period:

December 9, 2025, through the end of the PHE.

NOTE: If a section 1135 waiver is requested with this SPA submission, the SPA period must comply with the limitations applicable to section 1135 waivers.

5. The agency modifies the following sections during the period of the public health emergency or disaster:

A – Eligibility

B - Enrollment

C - Cost Sharing and Premiums

D - Benefits

E – Payment

F - Post Eligibility Treatment of Income

G - Other Policies and Procedures Differing from Approved Medicaid State Plan/Additional Information

Section A – Eligibility

1. _____ The agency furnishes medical assistance to the following optional groups of individuals described in section 1902(a)(10)(A)(ii) or 1902(a)(10)(c) of the Act.

Include name of the optional eligibility group and applicable income and resource standard.

2. _____ The agency furnishes medical assistance to the following populations of individuals described in section 1902(a)(10)(A)(ii)(XX) of the Act and 42 CFR 435.218:

- a. _____ All individuals who are described in section 1905(a)(10)(A)(ii)(XX)

Income standard: _____

-or-

- b. _____ Individuals described in the following categorical populations in section 1905(a) of the Act:

Income standard: _____

3. _____ The agency applies less restrictive financial methodologies to individuals excepted from financial methodologies based on modified adjusted gross income (MAGI) as follows.

Less restrictive income methodologies:

Less restrictive resource methodologies:

4. X The agency considers individuals who are evacuated from the state, who leave the state for medical reasons related to the disaster or public health emergency, or who are otherwise absent from the state due to the disaster or public health emergency and who intend to return to the state, to continue to be residents of the state under 42 CFR 435.403(j)(3).

5. _____ The agency provides Medicaid coverage to the following individuals living in the state, who are non-residents:

--

6. _____ The agency provides for an extension of the reasonable opportunity period for non-citizens declaring to be in a satisfactory immigration status, if the non-citizen is making a good faith effort to resolve any inconsistencies or obtain any necessary documentation, or the agency is unable to complete the verification process within the 90-day reasonable opportunity period due to the disaster or public health emergency.

Section B – Enrollment

1. ____ The agency elects to allow hospitals to make presumptive eligibility determinations for the following additional state plan populations, or for populations in an approved section 1115 demonstration, in accordance with section 1902(a)(47)(B) of the Act and 42 CFR 435.1110, provided that the agency has determined that the hospital is capable of making such determinations.

Please describe the applicable eligibility groups/populations and any changes to reasonable limitations, performance standards or other factors.

2. ____ The agency designates itself as a qualified entity for purposes of making presumptive eligibility determinations described below in accordance with sections 1920, 1920A, 1920B, and 1920C of the Act and 42 CFR Part 435 Subpart L.

Please describe any limitations related to the populations included or the number of allowable PE periods.

3. ____ The agency designates the following entities as qualified entities for purposes of making presumptive eligibility determinations or adds additional populations as described below in accordance with sections 1920, 1920A, 1920B, and 1920C of the Act and 42 CFR Part 435 Subpart L. Indicate if any designated entities are permitted to make presumptive eligibility determinations only for specified populations.

Please describe the designated entities or additional populations and any limitations related to the specified populations or number of allowable PE periods.

4. [Reserved]

5. [Reserved]

6. ____ The agency uses the following simplified application(s) to support enrollment in affected areas or for affected individuals (a copy of the simplified application(s) has been submitted to CMS).

- a. ____ The agency uses a simplified paper application.
- b. ____ The agency uses a simplified online application.
- c. ____ The simplified paper or online application is made available for use in call-centers or other telephone applications in affected areas.

Section C – Premiums and Cost Sharing

1. The agency suspends deductibles, copayments, coinsurance, and other cost sharing charges as follows:

Please describe whether the state suspends all cost sharing or suspends only specified deductibles, copayments, coinsurance, or other cost sharing charges for specified items and services or for specified eligibility groups consistent with 42 CFR 447.52(d) or for specified income levels consistent with 42 CFR 447.52(g).

2. The agency suspends enrollment fees, premiums and similar charges for:
- a. All beneficiaries
 - b. The following eligibility groups or categorical populations:

Please list the applicable eligibility groups or populations.

3. The agency allows waiver of payment of the enrollment fee, premiums and similar charges for undue hardship.

Please specify the standard(s) and/or criteria that the state will use to determine undue hardship.

Premium payments may be waived due to undue hardship. Undue hardship will apply to individuals directly impacted by December 2025 flooding, severe storms, straight-line winds, landslides and mudslides.

Section D – Benefits

Benefits:

1. The agency adds the following optional benefits in its state plan (include service descriptions, provider qualifications, and limitations on amount, duration or scope of the benefit):

2. X The agency makes the following adjustments to benefits currently covered in the state plan:

Medical equipment and appliances under home health services: Waive the prior authorization requirement to exceed the stated limitations on the items listed below to allow replacement of medical equipment and appliances lost during the PHE:

- * Purchase of equipment and appliances
- *Rental of medical equipment

3. X The agency assures that newly added benefits or adjustments to benefits comply with all applicable statutory requirements, including the statewideness requirements found at 1902(a)(1), comparability requirements found at 1902(a)(10)(B), and free choice of provider requirements found at 1902(a)(23).

4. X Application to Alternative Benefit Plans (ABP). The state adheres to all ABP provisions in 42 CFR Part 440, Subpart C. This section only applies to states that have an approved ABP(s).

- a. X The agency assures that these newly added and/or adjusted benefits will be made available to individuals receiving services under ABPs.

- b. Individuals receiving services under ABPs will not receive these newly added and/or adjusted benefits, or will only receive the following subset:

Please describe.

Telehealth:

5. The agency utilizes telehealth in the following manner, which may be different than outlined in the state’s approved state plan:

Drug Benefit:

6. The agency makes the following adjustments to the day supply or quantity limit for covered outpatient drugs. The agency should only make this modification if its current state plan pages have limits on the amount of medication dispensed.

Please describe the change in days or quantities that are allowed for the emergency period and for which drugs.

7. Prior authorization for medications is expanded by automatic renewal without clinical review, or time/quantity extensions.

8. The agency makes the following payment adjustment to the professional dispensing fee when additional costs are incurred by the providers for delivery. States will need to supply documentation to justify the additional fees.

Please describe the manner in which professional dispensing fees are adjusted.

9. The agency makes exceptions to their published Preferred Drug List if drug shortages occur. This would include options for covering a brand name drug product that is a multi-source drug if a generic drug option is not available.

Section E – Payments

Optional benefits described in Section D:

1. _____ Newly added benefits described in Section D are paid using the following methodology:

a. _____ Published fee schedules –

Effective date (enter date of change): _____

Location (list published location): _____

b. _____ Other:

Describe methodology here.

Increases to state plan payment methodologies:

2. _____ The agency increases payment rates for the following services:

Please list all that apply.

a. _____ Payment increases are targeted based on the following criteria:

Please describe criteria.

b. Payments are increased through:

i. _____ A supplemental payment or add-on within applicable upper payment limits:

Please describe.

ii. _____ An increase to rates as described below.

Rates are increased:

_____ Uniformly by the following percentage: _____

_____ Through a modification to published fee schedules –

Effective date (enter date of change): _____

Location (list published location): _____

_____ Up to the Medicare payments for equivalent services.

_____ By the following factors:

Please describe.

Payment for services delivered via telehealth:

3. _____ For the duration of the emergency, the state authorizes payments for telehealth services that:

- a. _____ Are not otherwise paid under the Medicaid state plan;
- b. _____ Differ from payments for the same services when provided face to face;
- c. _____ Differ from current state plan provisions governing reimbursement for telehealth;

Describe telehealth payment variation.

d. _____ Include payment for ancillary costs associated with the delivery of covered services via telehealth, (if applicable), as follows:

- i. _____ Ancillary cost associated with the originating site for telehealth is incorporated into fee-for-service rates.
- ii. _____ Ancillary cost associated with the originating site for telehealth is separately reimbursed as an administrative cost by the state when a Medicaid service is delivered.

Other:

4. Other payment changes:

Please describe.

The state elects to make retainer payments to personal care providers of the 1915k Community First Choice program including Adult Family Homes and Licensed Assisted Living facilities in instances where the participant is unable to remain in the facility or place of service as a result of the severe storms.

A provider can be authorized one retainer payment episode of 30 consecutive days. Retainer payment amounts cannot exceed 70% of the payment for the relevant service and will be recouped when identified, if other resources are used for the same purpose.

To ensure compliance the state has developed an attestation that delineates the following:

- Acknowledges that retainer payments will be subject to recoupment if inappropriate billing or duplicate payments for services occurred (or in periods of disaster, duplicate uses of available funding streams), as identified in a state or federal audit or any other authorized third-party review.
- The provider will not lay off staff and will maintain wages at existing levels.
- The provider has not received funding from any other sources, including but not limited to unemployment benefits and Small Business Administration loans, that would exceed their revenue for the last full quarter prior to the flooding, or that the retainer payments at the level provided by the state would not result in their revenue exceeding that of the quarter prior to the flooding.

*If a provider had not already received revenues in excess of the pre-flooding level but receipt of the retainer payment in addition to those prior sources of funding results in the provider exceeding the pre-flooding level, any retainer payment amounts in excess would be recouped.

* If a provider had not already received revenues in excess of the pre-flooding level, retainer payments are not available.

A provider is required to sign that they understand and agree to the terms before a retainer payment will be authorized.

Section F – Post-Eligibility Treatment of Income

1. ____ The state elects to modify the basic personal needs allowance for institutionalized individuals. The basic personal needs allowance is equal to one of the following amounts:
 - a. ____ The individual’s total income
 - b. ____ 300 percent of the SSI federal benefit rate
 - c. ____ Other reasonable amount: _____

2. ____ The state elects a new variance to the basic personal needs allowance. (Note: Election of this option is not dependent on a state electing the option described the option in F.1. above.)

The state protects amounts exceeding the basic personal needs allowance for individuals who have the following greater personal needs:

Please describe the group or groups of individuals with greater needs and the amount(s) protected for each group or groups.

Section G – Other Policies and Procedures Differing from Approved Medicaid State Plan /Additional Information