

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
7500 Security Boulevard, Mail Stop S2-25-26
Baltimore, Maryland 21244-1850



State Demonstrations Group

November 28, 2022

Dr. Charissa Fotinos
Medicaid Director
Washington Health Care Authority
626 8th Avenue
PO BOX 45502
Olympia, WA 98504-5050

Dear Dr. Fotinos:

This letter is to inform you that the Centers for Medicare & Medicaid Services (CMS) has approved a temporary extension of the state's section 1115 demonstration, entitled "Medicaid Transformation Project" (Project Number 11-W-00304/0), in order to allow the state and CMS to continue negotiations over the state's demonstration application submitted on July 15, 2022. This demonstration will now expire June 30, 2023.

CMS's approval is conditioned upon the state's continued compliance with the special terms and conditions (STC) defining the nature, character, and extent of anticipated federal involvement in the project. The current STCs, waivers, and prorated expenditure authorities will continue to apply during the temporary extension of this demonstration. The state's current budget neutrality agreement and per member per month amounts (as of Demonstration Year 6) will continue to apply as described in the STCs, until June 30, 2023, or until the demonstration is extended, whichever is sooner. The state will not earn budget neutrality savings during this six-month temporary extension period.

For the temporary extension period, the state must continue to monitor its demonstration as stipulated in the current STCs. In addition, the state is required to include the temporary extension period in its demonstration evaluation. The state may include this temporary extension period within its evaluation for the current approval period, January 9, 2017 through December 31, 2022. Alternatively, if CMS approves an extension beyond June 30, 2023, the state may include this temporary extension period in the Evaluation Design and activities of the next full demonstration approval period. The state will submit to CMS a Summative Evaluation Report in accordance with the approved Evaluation Design, approved on August 1, 2019. The Summative Evaluation Report will cover the full period of performance from January 9, 2017 through December 31, 2022 (and the temporary extension period if the state chooses). In the event that the state does not obtain an extension beyond June 30, 2023, the state must include the temporary extension period in its Summative Evaluation Report.

CMS supports the goals set forth in the state’s extension proposal which include:

1. Expanding coverage and access to care, ensuring that people can get the care they need;
2. Advancing whole-person primary, preventive, and home- and community-based care; and
3. Accelerating care delivery and payment innovation focused on health-related social needs.

CMS and Washington are jointly committed to finalizing the state’s demonstration extension by June 30, 2023, including approval of any waiver, expenditure and STC authorities necessary to achieve our shared goals.

Your CMS project officer for this demonstration is Ms. Diona Kristian. She is available to answer any questions concerning your section 1115 demonstration. Ms. Kristian can be reached at Diona.Kristian@cms.hhs.gov. If you have questions regarding this communication, please contact me at (410) 786-9686.

Sincerely,

Judith Cash
Director

Enclosure

cc: Edwin Walaszek, State Monitoring Lead, Medicaid and CHIP Operations Group