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State/Territory Name: Washington

State Plan Amendment (SPA) #: 15-0025

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form/Summary Page
- 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

February 01, 2016

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

RE: Washington State Plan Amendment (SPA) Transmittal Number 15-0025

Dear Ms. Teeter and Ms. Lindeblad:

The Centers for Medicare & Medicaid Services (CMS) has completed our review of State Plan Amendment (SPA) Transmittal Number WA 15-0025. This SPA clarified Federally Qualified Health Center (FQHC) encounter limitations and exceptions, clarified the provision of "other ambulatory services," and identified provider types and qualifications of who may provide FQHC services.

This SPA is approved with an effective date of October 1, 2015.

If you have any additional questions or require any further assistance, please contact me, or have your staff contact Rick Dawson at rick.dawson@cms.hhs.gov or (206)-615-2387.

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=2000041858,
cn=David L. Meacham -S
Date: 2016.02.02 06:40:39 -08'00'

cc:
Ann Myers, SPA Coordinator

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

1. TRANSMITTAL NUMBER:
15-0025

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
October 1, 2015

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; Title 42, Chapter 6A, Subchapter II,
Part D, subpart 1, section 254b of the U.S. Code (P&I)

7. FEDERAL BUDGET IMPACT:
a. FFY 2016 \$0
b. FFY 2017 \$0

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

Att. 3.1-A pages ~~1~~, 11b (new) (P&I)
Att. 3.1-B pages ~~2~~, 12b (new) (P&I)
Att. 4.19-B page 35 (P&I)

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 PAGE NUMBER OF THE SUPERSEDED PLAN SECTION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

~~Att. 3.1-A page 1~~ (P&I)
~~Att. 3.1-B page 2~~ (P&I)
Att. 4.19-B page 35 (P&I)

10. SUBJECT OF AMENDMENT

FQHC Services and Providers

11. GOVERNOR'S REVIEW (Check One):

- GOVERNOR'S OFFICE REPORTED NO COMMENT
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

OTHER, AS SPECIFIED: Exempt

12. SIGNATURE OF STATE AGENCY OFFICIAL:

[Redacted Signature]

13. TYPED NAME:
MARYANNE LINDEBLAD

14. TITLE:
MEDICAID DIRECTOR

15. DATE SUBMITTED:

11-9-15

16. RETURN TO:

Ann Myers
Office of Rules and Publications
Legal and Administrative Services
Health Care Authority
626 8th Ave SE MS: 42716
Olympia, WA 98504-2716

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED: 11/09/15

18. DATE APPROVED: 02/01/16

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL: 10/01/15

20. SIGNATURE

[Redacted Signature]

21. TYPED NAME: David L. Meacham

22. TITLE: Associate Regional Administrator

23. REMARKS:

P&I changes authorized by the state on 01/07/16.

Per P&I change authorized on 01/07/16 - Box 6 should read 1905(a)(2)(C) of the Social Security Act. (Unable to remove or strikethrough existing text.)

Digitally signed by David L. Meacham - S
DN: cn=US, o=U.S. Government,
ou=HHS, ou=CMS, ou=People,
c=US, email=David.L.Meacham-S,
9.2342.19200300.100.1.1=200004185
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Date: 2016.02.02 06:41:43 -08'00'

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State WASHINGTON

2.c. Federally qualified health center (FQHC) services and other ambulatory services that are covered under the plan and furnished by an FQHC.

I. Federally qualified health centers (FQHC)

An FQHC is a facility that is any of the following:

- Receiving grants under Title 42, Chapter 6A, Subchapter II, Part D, subpart I, section 254b of the U.S. Code
- Receiving a Section 330 of the Public Health Service Act (PHS) grant based on the recommendation of the Health Resources and Services Administration within the Public Health Service, as determined by the secretary, to meet the requirements for receiving such a grant
- A tribe or tribal organization operating outpatient health programs or facilities under the Indian Self-Determination Act that elects to be designated as an FQHC

II. Covered services

Covered services in accordance with 1905(a)(2)(c)

III. Other ambulatory services

In addition to all Medicaid-covered core services, FQHCs will furnish other ambulatory services included in the state plan.

IV. Core service providers

FQHC services include services provided by physicians, nurse practitioners, physician assistants, nurse midwives, clinical psychologists, clinical social workers and other ambulatory services included in the state plan. FQHC services also include services and supplies that are furnished incidental to professional services furnished by a physician, physician assistant, nurse practitioner, or nurse midwife, and, for visiting nurse care, related medical supplies other than drugs and biologicals.

V. Additional providers

Providers who meet the qualifications in 3.1-A, 5.a "Physicians' Services" and 6.d. "Other Practitioners' Services" may provide services in an FQHC.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State WASHINGTON

AMOUNT, DURATION, AND SCOPE OF SERVICES PROVIDED TO THE
MEDICALLY NEEDY GROUP(S): ALL

2.e. Federally qualified health center (FQHC) services and other ambulatory services that are covered under the plan and furnished by an FQHC.

I. Federally qualified health centers (FQHCs)

An FQHC is a facility that is any of the following:

- Receiving grants under Title 42, Chapter 6A, Subchapter II, Part D, subpart I, section 254b of the U.S. Code
- Receiving a Section 330 of the Public Health Service Act (PHS) grant based on the recommendation of the Health Resources and Services Administration within the Public Health Service, as determined by the secretary, to meet the requirements for receiving such a grant
- A tribe or tribal organization operating outpatient health programs or facilities under the Indian Self-Determination Act that elects to be designated as an FQHC

II. Covered services

Covered services in accordance with 1905(a)(2)(c).

III. Other ambulatory services

In addition to all Medicaid-covered core services, FQHCs will furnish other ambulatory services included in the state plan.

IV. Core service providers

FQHC services include services provided by physicians, nurse practitioners, physician assistants, nurse midwives, clinical psychologists, clinical social workers and other ambulatory services included in the state plan. FQHC services also include services and supplies that are furnished incidental to professional services furnished by a physician, physician assistant, nurse practitioner, or nurse midwife, and, for visiting nurse care, related medical supplies other than drugs and biologicals.

V. Additional providers

Providers who meet the qualifications in 3.1-A, 5.a "Physicians' Services" and 6.d. "Other Practitioners' Services" may provide services in an FQHC: physicians.

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.)

XVI. Federally Qualified Health Centers (continued)

For retrospective change in scope, an FQHC submits actual data of twelve months documenting the cost change caused by the qualifying event. A retrospective change in scope is a change that took place in the past and the FQHC is seeking to adjust its rate based on that change. If approved, a retrospective rate adjustment takes effect on the date the FQHC filed the application with the agency. The State will notify the center of a decision within 90 days of receiving completed application.

For clients enrolled with a managed care contractor, and effective April 1, 2014, the State anticipates that the managed care contractor will pay each center an encounter rate that is at least equal to the PPS rate specific to each center. To ensure that the appropriate amounts are being paid to each center, the State will perform an analysis of the managed care contractor's data at least quarterly and verify that the payments made by the managed care contractor in the previous quarter were in compliance with Section 1902(bb)(5)(A) of the SSA. This process will apply to centers reimbursed under the APM rate methodology and to centers reimbursed under the PPS rate methodology.

At no time will a managed care organization be at risk for or have any claim to the supplemental payment portion of the rate which will be reconciled to ensure accurate payment of the obligated funds.

Covered services provided to Medicaid-Medicare patients are reimbursed as detailed in Supplement 1 to Attachment 4.19-B, pages 1, 2, and 3.

Encounters are limited to one per client per day, except when:

- The client needs to be seen by different practitioners with different specialties; or
- The client needs to be seen multiple times on the same day due to unrelated diagnoses.