

WSR 21-13-143  
PROPOSED RULES

HEALTH CARE AUTHORITY

[Filed June 22, 2021, 12:34 p.m.]

Original Notice.

Preproposal statement of inquiry was filed as WSR 21-05-065.

Title of Rule and Other Identifying Information: New chapter 182-135 WAC, Recovery residence revolving loan; WAC 182-135-0100 General and 182-135-0200 Operating fund.

Hearing Location(s): On July 27, 2021, at 10:00 a.m. In response to the coronavirus disease 2019 (COVID-19) public health emergency, the agency will not provide a physical location for this hearing. This promotes social distancing and the safety of the citizens of Washington state. A virtual public hearing, without a physical meeting space, will be held.

To attend the virtual public hearing, you must register at the following link [https://zoom.us/webinar/register/WN\\_wMJYBSAHTh2zJLDCJYIPhw](https://zoom.us/webinar/register/WN_wMJYBSAHTh2zJLDCJYIPhw). After registering, you will receive a confirmation email containing information about joining the webinar.

Date of Intended Adoption: Not sooner than July 28, 2021.

Submit Written Comments to: Health Care Authority (HCA), Rules Coordinator, P.O. Box 42716, Olympia, WA 98504-2716, email [arc@hca.wa.gov](mailto:arc@hca.wa.gov), fax 360-586-9727, by July 27, 2021.

Assistance for Persons with Disabilities: Contact Amber Lougheed, phone 360-725-1349, fax 360-586-9727, telecommunication[s] relay service 711, email [amber.lougheed@hca.wa.gov](mailto:amber.lougheed@hca.wa.gov), by July 16, 2021.

Purpose of the Proposal and Its Anticipated Effects, Including Any Changes in Existing Rules: The agency is developing rules to establish a revolving fund for loans to operators of group homes supporting individuals recovering from substance use disorder. The rules describe the program and how the loan operates. In addition, these rules set out requirements for eligible recipients, loan repayments, penalties for nonpayment, and appeal rights.

Reasons Supporting Proposal: See purpose.

Statutory Authority for Adoption: RCW 41.05.021, 41.05.160, 41.05.762.

Statute Being Implemented: RCW 41.05.021, 41.05.160, 41.05.762.

Rule is necessary because of federal law, 42 U.S.C. § 300x-25(a).

Agency Comments or Recommendations, if any, as to Statutory Language, Implementation, Enforcement, and Fiscal Matters: Not applicable.

Name of Proponent: HCA, governmental.

Name of Agency Personnel Responsible for Drafting: Melinda Froud, P.O. Box 42716, Olympia, WA 98504-2716, 360-725-1408; Implementation and Enforcement: Kira Schneider, P.O. Box 42740 [42730], Olympia, WA 98504-2730, 360-725-1634.

A school district fiscal impact statement is not required under RCW 28A.305.135.

A cost-benefit analysis is not required under RCW 34.05.328. RCW 34.05.328 does not apply to HCA rules unless requested by the joint administrative rules review committee or applied voluntarily.

This rule proposal, or portions of the proposal, is exempt from requirements of the Regulatory Fairness Act because the proposal:

Is exempt under RCW 19.85.025(3) as the rule content is explicitly and specifically dictated by statute.

June 22, 2021

OTS-3112.2

**Chapter 182-135 WAC  
RECOVERY RESIDENCE REVOLVING LOAN**NEW SECTION

**WAC 182-135-0100 General.** The health care authority operates programs to support people who are in recovery from substance use disorder as described in RCW 41.05.760.

[]

NEW SECTION

**WAC 182-135-0200 Operating fund.** (1) **Purpose.** The health care authority has established the recovery residence operating revolving loan to maintain an ongoing revolving fund, as authorized by 42 U.S.C. Sec. 300x-25(a) and as described in RCW 41.05.762.

(2) **Fund.** The fund identified in subsection (1) of this section lends money to pay for the operating start-up costs associated with recovery residence programs. These costs include, but are not limited to:

- (a) One-time rent or mortgage payments;
- (b) Utility security deposits;
- (c) Salaries for on-site staff;
- (d) Minimal maintenance costs; and
- (e) Furnishings purchased for recovery residences.

(3) **Maximum loan amount.** A loan from the fund is for an amount of up to four thousand dollars.

(4) **Eligible recipients.** To be an eligible recovery residence recipient, an entity must:

- (a) Be on the recovery residence registry published on the authority's website or be actively seeking certification and registration under RCW 41.05.760;
- (b) Be a Washington state nonprofit organization;
- (c) Operate a recovery residence for a group of at least six people;
- (d) Prohibit the use of alcohol, marijuana, or any illegal drug in the residence;
- (e) Have a policy in place to address any use of alcohol, marijuana, or an illegal drug by residents; and
- (f) Allow the use of any prescribed medication for physical health, mental health, and substance use disorders.

(5) **Requirements for residents.** Residents must:

(a) Pay for the cost of recovery residence housing, including any rent or fees; and

(b) Through a majority vote, establish policies governing residence in the housing, including how residence applications are approved.

(6) **Application requirement.** To be an applicant, an entity that meets the requirements of subsection (4) of this section must apply for a recovery residence operating loan using the application process described on the authority's website.

(7) **Loan repayments.**

(a) Each recovery residence loan made under this section must be repaid by the residents of the recovery residence that received the funds. The loan must be paid in full within two years from the date the loan was made.

(b) Residents must repay the loan through monthly installments set by the authority.

(8) **Assessment of penalties.** The authority may assess a penalty for each failure to pay the monthly installment described in subsection (7) of this section by the date specified in the loan agreement between the authority and the recovery residence operator involved in the agreement.

(9) **Appeals.**

(a) An applicant or recipient may appeal an adverse decision notice and request an administrative hearing under chapter 182-526 WAC by following the instructions included in the notice.

(i) An applicant may appeal a denial of a loan request as described in (a) of this subsection.

(ii) A recipient may appeal the following actions including, but not limited to:

(A) Late payment fees;

(B) Default due to nonpayment; or

(C) Default due to losing Washington alliance for quality recovery residences accreditation.

(b) An applicant or recipient of this program has ninety days from the receipt of the adverse decision to appeal and must follow the process contained in the notice.

[]