

WSR 22-09-079

PERMANENT RULES

HEALTH CARE AUTHORITY

[Filed April 20, 2022, 8:28 a.m., effective May 21, 2022]

Effective Date of Rule: Thirty-one days after filing.

Purpose: The agency is making a housekeeping change to correct WAC 182-550-4650. Subsection (6)(a) contains a cross-reference to WAC 182-550-3830(6), which needs to be changed to RCW 74.09.5225.

Citation of Rules Affected by this Order: Amending WAC 182-550-4650.

Statutory Authority for Adoption: RCW 41.05.021, 41.05.160.

Adopted under notice filed as WSR 22-05-047 on February 9, 2022.

Number of Sections Adopted in Order to Comply with Federal Statute: New 0, Amended 0, Repealed 0; Federal Rules or Standards: New 0, Amended 0, Repealed 0; or Recently Enacted State Statutes: New 0, Amended 0, Repealed 0.

Number of Sections Adopted at the Request of a Nongovernmental Entity: New 0, Amended 0, Repealed 0.

Number of Sections Adopted on the Agency's own Initiative: New 0, Amended 0, Repealed 0.

Number of Sections Adopted in Order to Clarify, Streamline, or Reform Agency Procedures: New 0, Amended 1, Repealed 0.

Number of Sections Adopted using Negotiated Rule Making: New 0, Amended 0, Repealed 0; Pilot Rule Making: New 0, Amended 0, Repealed 0; or Other Alternative Rule Making: New 0, Amended 1, Repealed 0.

Date Adopted: April 20, 2022.

Wendy Barcus
Rules Coordinator

OTS-3609.2

AMENDATORY SECTION (Amending WSR 15-11-009, filed 5/7/15, effective 6/7/15)

WAC 182-550-4650 "Full cost" public hospital certified public expenditure (CPE) payment program. (1) The medicaid agency's "full cost" public hospital certified public expenditure (CPE) inpatient payment program provides payments to participating government-operated hospitals based on the "full cost" of covered medically necessary services and requires the expenditure of local funds in lieu of state funds to qualify for federal matching funds. The agency's inpatient payments to participating hospitals equal the federal matching amount for allowable costs. The agency uses the ratio of costs-to-charges (RCC) method described in WAC 182-550-4500 to determine "full cost."

(2) To be eligible for the "full cost" public hospital CPE payment program, the hospital must be:

(a) Operated by a public hospital district in the state of Washington, not certified by the department of health (DOH) as a critical access hospital, and has not chosen to opt-out of the CPE payment program as allowed in subsection (6) of this section;

(b) Harborview Medical Center; or

(c) University of Washington Medical Center.

(3) Payments made under the inpatient CPE payment program are limited to medically necessary services provided to medical assistance clients eligible for inpatient hospital services.

(4) Each hospital described in subsection (2) of this section is responsible to provide certified public expenditures as the required state match for claiming federal medicaid funds.

(5) The agency determines the initial payment for inpatient hospital services under the CPE payment program by:

(a) Multiplying the hospital's medicaid RCC by the covered charges (to determine allowable costs), then;

(b) Subtracting the client's responsibility and any third party liability (TPL) from the amount derived in (a) of this subsection, then;

(c) Multiplying the state's federal medical assistance percentage (FMAP) by the amount derived in (b) of this subsection.

(6) A hospital may opt-out of the inpatient CPE payment program if the hospital:

(a) Meets the criteria for the inpatient rate enhancement under (~~WAC 182-550-3830(6)~~) RCW 74.09.5225; or

(b) Is not eligible for public hospital disproportionate share hospital (PHDSH) payments under WAC 182-550-5400.

(7) To opt-out of the inpatient CPE payment program, the hospital must submit a written request to opt-out to the agency's chief financial officer by July 1st in order to be effective for January 1st of the following year.

(8) Hospitals participating in the inpatient CPE payment program must complete the applicable CPE medicaid cost reports as described in WAC 182-550-5410 for the inpatient fee-for-service cost settlements.

[Statutory Authority: RCW 41.05.021, 41.05.160, and 74.09.5225(3). WSR 15-11-009, § 182-550-4650, filed 5/7/15, effective 6/7/15. Statutory Authority: RCW 41.05.021 and 42 C.F.R. 433.51(b). WSR 12-04-022, § 182-550-4650, filed 1/25/12, effective 2/25/12. WSR 11-14-075, recodified as § 182-550-4650, filed 6/30/11, effective 7/1/11. Statutory Authority: RCW 74.08.090, 74.09.500. WSR 06-08-046, § 388-550-4650, filed 3/30/06, effective 4/30/06. Statutory Authority: RCW 74.04.050, 74.08.090. WSR 05-12-132, § 388-550-4650, filed 6/1/05, effective 7/1/05.]