



PROPOSED RULE MAKING

CR-102 (December 2017) (Implements RCW 34.05.320)

Do NOT use for expedited rule making

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STATE OF WASHINGTON
FILED

DATE: June 22, 2021

TIME: 12:34 PM

WSR 21-13-143

Agency: Health Care Authority

Original Notice

Supplemental Notice to WSR _____

Continuance of WSR _____

Preproposal Statement of Inquiry was filed as WSR 21-05-065 ; or

Expedited Rule Making--Proposed notice was filed as WSR _____; or

Proposal is exempt under RCW 34.05.310(4) or 34.05.330(1); or

Proposal is exempt under RCW _____.

Title of rule and other identifying information: (describe subject) (New) Chapter 182-135 Recovery Residence Revolving Loan: WAC 182-135-0100 – General; and 182-135-0200 Operating fund.

Hearing location(s):

| Date: | Time: | Location: (be specific) | Comment: |
|---------------|----------|---|---|
| July 27, 2021 | 10:00 AM | 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 After registering, you will receive a confirmation email containing information about joining the webinar. |

Date of intended adoption: Not sooner than July 28, 2021 (Note: This is **NOT** the effective date)

Submit written comments to:

Name: HCA Rules Coordinator

Address: PO Box 42716, Olympia WA 98504-2716

Email: arc@hca.wa.gov

Fax: (360) 586-9727

Other:

By (date) July 27, 2021

Assistance for persons with disabilities:

Contact Amber Lougheed

Phone: (360) 725-1349

Fax: (360) 586-9727

TTY: Telecommunication Relay Services (TRS): 711

Email: amber.lougheed@hca.wa.gov

Other:

By (date) 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, RCW 41.05.762

Statute being implemented: RCW 41.05.021, 41.05.160, RCW 41.05.762

Is rule necessary because of a:

| | | |
|-------------------------|---|--|
| Federal Law? | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |
| Federal Court Decision? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| State Court Decision? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |

If yes, CITATION: 42 U.S.C. § 300x-25(a)

Agency comments or recommendations, if any, as to statutory language, implementation, enforcement, and fiscal matters: N/A

Name of proponent: (person or organization) Health Care Authority

Private
 Public
 Governmental

Name of agency personnel responsible for:

| | Name | Office Location | Phone |
|-----------------|----------------|--------------------------------------|--------------|
| Drafting: | Melinda Froud | PO Box 42716, Olympia, WA 98504-2716 | 360-725-1408 |
| Implementation: | Kira Schneider | PO Box 42730, Olympia, WA 98504-2730 | 360-725-1634 |
| Enforcement: | Kira Schneider | PO Box 42740, Olympia, WA 98504-2730 | 360-725-1634 |

Is a school district fiscal impact statement required under RCW 28A.305.135?

Yes No

If yes, insert statement here:

The public may obtain a copy of the school district fiscal impact statement by contacting:

Name:
Address:
Phone:
Fax:
TTY:
Email:
Other:

Is a cost-benefit analysis required under RCW 34.05.328?

Yes: A preliminary cost-benefit analysis may be obtained by contacting:

Name:
Address:
Phone:
Fax:

TTY:
Email:
Other:

No: Please explain: RCW 34.05.328 does not apply to Health Care Authority rules unless requested by the Joint Administrative Rules Review Committee or applied voluntarily.

Regulatory Fairness Act Cost Considerations for a Small Business Economic Impact Statement:

This rule proposal, or portions of the proposal, **may be exempt** from requirements of the Regulatory Fairness Act (see chapter 19.85 RCW). Please check the box for any applicable exemption(s):

This rule proposal, or portions of the proposal, is exempt under RCW 19.85.061 because this rule making is being adopted solely to conform and/or comply with federal statute or regulations. Please cite the specific federal statute or regulation this rule is being adopted to conform or comply with, and describe the consequences to the state if the rule is not adopted.

Citation and description:

This rule proposal, or portions of the proposal, is exempt because the agency has completed the pilot rule process defined by RCW 34.05.313 before filing the notice of this proposed rule.

This rule proposal, or portions of the proposal, is exempt under the provisions of RCW 15.65.570(2) because it was adopted by a referendum.

This rule proposal, or portions of the proposal, is exempt under RCW 19.85.025(3). Check all that apply:

- | | |
|---|--|
| <input type="checkbox"/> RCW 34.05.310 (4)(b) (Internal government operations) | <input checked="" type="checkbox"/> RCW 34.05.310 (4)(e) (Dictated by statute) |
| <input type="checkbox"/> RCW 34.05.310 (4)(c) (Incorporation by reference) | <input type="checkbox"/> RCW 34.05.310 (4)(f) (Set or adjust fees) |
| <input type="checkbox"/> RCW 34.05.310 (4)(d) (Correct or clarify language) | <input type="checkbox"/> RCW 34.05.310 (4)(g) ((i) Relating to agency hearings; or (ii) process requirements for applying to an agency for a license or permit) |

This rule proposal, or portions of the proposal, is exempt under RCW _____.

Explanation of exemptions, if necessary:

COMPLETE THIS SECTION ONLY IF NO EXEMPTION APPLIES

If the proposed rule is **not exempt**, does it impose more-than-minor costs (as defined by RCW 19.85.020(2)) on businesses?

- No Briefly summarize the agency's analysis showing how costs were calculated.
- Yes Calculations show the rule proposal likely imposes more-than-minor cost to businesses, and a small business economic impact statement is required. Insert statement here:

The public may obtain a copy of the small business economic impact statement or the detailed cost calculations by contacting:

Name:
Address:
Phone:
Fax:
TTY:
Email:
Other:

Date: June 22, 2021
Name: Wendy Barcus
Title: HCA Rules Coordinator

Signature:



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.