PROPOSED RULE MAKING

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

Do NOT use for expedited rule making

Agency: Health Care Authority

- Original Notice
- Supplemental Notice to WSR
- Continuance of WSR _____
- Preproposal Statement of Inquiry was filed as WSR 22-07-049; 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) 182-550-6000 – Outpatient hospital services – conditions of payment and payment methods

<table>
<thead>
<tr>
<th>Hearing location(s):</th>
<th>Date:</th>
<th>Time:</th>
<th>Location: (be specific)</th>
<th>Comment:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>June 21, 2022</td>
<td>10:00 AM</td>
<td>In response to the coronavirus disease 2019 (COVID-19) public health emergency, the Health Care Authority continues to hold public hearings virtually without a physical meeting place. This promotes social distancing and the safety of the residents of Washington State.</td>
<td>To attend the virtual public hearing, you must register in advance: <a href="https://us02web.zoom.us/webinar/register/WN_0MvAkvJuR-eIDkr-anVLwQ">https://us02web.zoom.us/webinar/register/WN_0MvAkvJuR-eIDkr-anVLwQ</a> If the link above opens with an error message, please try using a different browser. After registering, you will receive a confirmation email containing information about joining the public hearing.</td>
</tr>
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Date of intended adoption: Not sooner than June 22, 2022 (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) June 21, 2022

Assistance for persons with disabilities:

Contact HCA Rules Coordinator  
Phone: (360) 725-1306  
Fax: (360) 586-9727  
TTY: Telecommunication Relay Services (TRS): 711  
Email: arc@hca.wa.gov  
Other:  
By (date) June 10, 2022
Purpose of the proposal and its anticipated effects, including any changes in existing rules: The agency is correcting subsection (3)(c) of this rule to align with the Medicaid State Plan.

Reasons supporting proposal: See Purpose

Statutory authority for adoption: RCW 41.05.021, 41.05.160

Statute being implemented: RCW 41.05.021, 41.05.160

Is rule necessary because of a:

☐ Federal Law? □ Yes  ☒ No
☐ Federal Court Decision? □ Yes  ☒ No
☐ State Court Decision? □ Yes  ☒ No
If yes, CITATION:

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:

<table>
<thead>
<tr>
<th>Name</th>
<th>Office Location</th>
<th>Phone</th>
</tr>
</thead>
<tbody>
<tr>
<td>Drafting:</td>
<td>Melinda Froud</td>
<td>PO Box 42716, Olympia, WA 98504-2716</td>
</tr>
<tr>
<td>Implementation:</td>
<td>Tracy Huynh</td>
<td>PO Box 45500, Olympia, WA 98504-5500</td>
</tr>
<tr>
<td>Enforcement:</td>
<td>Tracy Huynh</td>
<td>PO Box 45500, Olympia, WA 98504-5500</td>
</tr>
</tbody>
</table>

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:
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:

- RCW 34.05.310 (4)(b) (Internal government operations)
- RCW 34.05.310 (4)(c) (Incorporation by reference)
- RCW 34.05.310 (4)(d) (Correct or clarity language)
- RCW 34.05.310 (4)(e) (Dictated by statute)
- RCW 34.05.310 (4)(f) (Set or adjust fees)
- 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:

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**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. This rule does not impose more than minor costs on businesses.

☐ 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:** May 16, 2022

**Name:** Wendy Barcus

**Title:** HCA Rules Coordinator

**Signature:**

[Signature]
WAC 182-550-6000  Outpatient hospital services—Conditions of payment and payment methods.  (1) The medicaid agency pays hospitals for covered outpatient hospital services provided to eligible clients when the services meet the provisions in WAC 182-550-1700. All professional medical services must be billed according to chapter 182-531 WAC.

(2) To be paid for covered outpatient hospital services, a hospital provider must:
   (a) Have a current core provider agreement with the agency;
   (b) Bill the agency according to the conditions of payment under WAC 182-502-0100;
   (c) Bill the agency according to the time limits under WAC 182-502-0150; and
   (d) Meet program requirements in other applicable WAC and the agency's published issuances.

(3) The agency does not pay separately for any services:
   (a) Included in a hospital's room charges;
   (b) Included as covered under the agency's definition of room and board (e.g., nursing services). See WAC 182-550-1050; or
   (c) Related to an inpatient hospital admission and provided within one calendar day of a client's inpatient admission (or discharge).

(4) The agency does not pay:
   (a) A hospital for outpatient hospital services when a managed care plan is contracted with the agency to cover these services;
   (b) More than the "acquisition cost" ("A.C.") for HCPCS (health care common procedure coding system) codes noted in the outpatient fee schedule; or
   (c) For cast room, emergency room, labor room, observation room, treatment room, and other room charges in combination when billing periods for these charges overlap.

(5) The agency uses the outpatient weighted costs-to-charges (OWCC) rate to pay for covered outpatient services provided in a critical access hospital (CAH). See WAC 182-550-2598.

(6) Hospitals must provide documentation as required or requested by the agency.

(7) All hospital providers must present final charges to the agency within 365 days of the "statement covers period from date" shown on the claim. The state of Washington is not liable for payment based on billed charges received beyond 365 days from the "statement covers period from date" shown on the claim.