



**RULE-MAKING ORDER  
PERMANENT RULE ONLY**

**CR-103P (December 2017)  
(Implements RCW 34.05.360)**

CODE REVISER USE ONLY

OFFICE OF THE CODE REVISER  
STATE OF WASHINGTON  
FILED

DATE: August 13, 2021  
TIME: 9:45 AM

WSR 21-17-089

Agency: Health Care Authority

**Effective date of rule:**

**Permanent Rules**

31 days after filing.

Other (specify) \_\_\_\_\_ (If less than 31 days after filing, a specific finding under RCW 34.05.380(3) is required and should be stated below)

**Any other findings required by other provisions of law as precondition to adoption or effectiveness of rule?**

Yes  No If Yes, explain:

**Purpose:** The agency is implementing rules to establish a revolving fund for operators of group homes supporting individuals recovering from substance use disorder.

**Citation of rules affected by this order:**

New: 182-135-0100, 182-135-0200

Repealed:

Amended:

Suspended:

**Statutory authority for adoption:** RCW 41.05.021, 41.05.160, 41.05.762

**Other authority:** 42 U.S.C. § 300x-25(a)

**PERMANENT RULE (Including Expedited Rule Making)**

Adopted under notice filed as WSR 21-13-143 on June 22, 2021 (date).

Describe any changes other than editing from proposed to adopted version:

| Proposed/Adopted        | WAC Subsection   | Reason  |
|-------------------------|--|---|
| <b>WAC 182-135-0200</b> |  |   |
| Proposed                | (8) <b>Assessment of penalties.</b> 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.            | The agency added the word "reasonable" to this subsection to clarify that any penalties assessed for failure to make a monthly payment would be reasonable. |
| Adopted                 | (8) <b>Assessment of penalties.</b> The authority may assess a reasonable 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. |   |

If a preliminary cost-benefit analysis was prepared under RCW 34.05.328, a final cost-benefit analysis is available by contacting:

Name:

Address:

Phone:  
Fax:  
TTY:  
Email:  
Web site:  
Other:

**Note: If any category is left blank, it will be calculated as zero.  
No descriptive text.**

**Count by whole WAC sections only, from the WAC number through the history note.  
A section may be counted in more than one category.**

**The number of sections adopted in order to comply with:**

|                                  |     |     |         |     |          |     |
|----------------------------------|-----|-----|---------|-----|----------|-----|
| Federal statute:                 | New | ___ | Amended | ___ | Repealed | ___ |
| Federal rules or standards:      | New | ___ | Amended | ___ | Repealed | ___ |
| Recently enacted state statutes: | New | ___ | Amended | ___ | Repealed | ___ |

**The number of sections adopted at the request of a nongovernmental entity:**

|     |     |         |     |          |     |
|-----|-----|---------|-----|----------|-----|
| New | ___ | Amended | ___ | Repealed | ___ |
|-----|-----|---------|-----|----------|-----|

**The number of sections adopted on the agency's own initiative:**

|     |     |         |     |          |     |
|-----|-----|---------|-----|----------|-----|
| New | ___ | Amended | ___ | Repealed | ___ |
|-----|-----|---------|-----|----------|-----|

**The number of sections adopted in order to clarify, streamline, or reform agency procedures:**

|     |          |         |     |          |     |
|-----|----------|---------|-----|----------|-----|
| New | <u>2</u> | Amended | ___ | Repealed | ___ |
|-----|----------|---------|-----|----------|-----|

**The number of sections adopted using:**

|                                |     |          |         |     |          |     |
|--------------------------------|-----|----------|---------|-----|----------|-----|
| Negotiated rule making:        | New | ___      | Amended | ___ | Repealed | ___ |
| Pilot rule making:             | New | ___      | Amended | ___ | Repealed | ___ |
| Other alternative rule making: | New | <u>2</u> | Amended | ___ | Repealed | ___ |

**Date Adopted:** August 13, 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 reasonable 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.