



RULE-MAKING ORDER PERMANENT RULE ONLY

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

CODE REVISER USE ONLY

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STATE OF WASHINGTON
FILED

DATE: May 08, 2025

TIME: 10:16 AM

WSR 25-11-005

Agency: Health Care Authority

Effective date of rule:

Permanent Rules

- 31 days after filing.
- Other (specify) July 1, 2025 (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: This is a new chapter that provides limited coverage for certain services for incarcerated individuals up to 90 days before their expected release date. This rulemaking aligns with Washington's Medicaid Transformation Project (MTP 2.0), in accordance with Section 1115(a) of the Social Security Act and the Consolidated Appropriations Act (CAA), 2023.

Citation of rules affected by this order:

New: WAC 182-563-050, WAC 182-563-100, WAC 182-563-200, WAC 182-563-300, WAC 182-563-400, WAC 182-563-500, WAC 182-563-600, WAC 182-563-700, and WAC 182-563-800

Repealed:

Amended:

Suspended:

Statutory authority for adoption: RCW 41.05.021, 41.05.160, and 71.24.715

Other authority: N/A

PERMANENT RULE (Including Expedited Rule Making)

Adopted under notice filed as WSR 25-08-063 on April 1, 2025 (date).

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

Proposed/Adopted	WAC Subsection	Reason
WAC 182-563-050(1)		
Proposed	(1) The medicaid agency covers reentry services under the following authorities: (a) Under the authority of the reentry demonstration initiative, which is part of the agency's section 1115 medicaid demonstration waiver known as the medicaid transformation project 2.0 (MTP 2.0). Subject to available funds, the agency covers a limited set of services for incarcerated individuals who are eligible for medicaid or children's health insurance program (CHIP) benefits for up to 90 days before their release from carceral facilities within Washington state; and	Changed "subject to available funds" to "subject to the availability of amounts appropriated for this specific purpose" to comply with language recommendations in the Washington State Office of the Code Reviser's Bill Drafting Guide published in 2025 .
Adopted	(1) The medicaid agency covers reentry services under the following authorities: (a) Under the authority of the reentry demonstration initiative, which is part of the agency's section 1115 medicaid demonstration waiver known as the medicaid transformation project 2.0 (MTP 2.0). Subject to the availability of amounts appropriated for this specific purpose, the agency covers a limited set of services for incarcerated individuals who are eligible for medicaid or children's health insurance program (CHIP) benefits for up	

to 90 days before their release from carceral facilities within Washington state; and

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	<u>9</u>	Amended	___	Repealed	___

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

New	___	Amended	___	Repealed	___
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The number of sections adopted on the agency's own initiative:

New	___	Amended	___	Repealed	___
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The number of sections adopted in order to clarify, streamline, or reform agency procedures:

New	<u>9</u>	Amended	___	Repealed	___
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The number of sections adopted using:

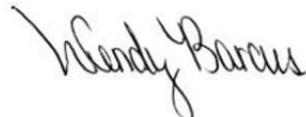
Negotiated rule making:	New	___	Amended	___	Repealed	___
Pilot rule making:	New	___	Amended	___	Repealed	___
Other alternative rule making:	New	<u>9</u>	Amended	___	Repealed	___

Date Adopted: May 8, 2025

Name: Wendy Barcus

Title: HCA Rules Coordinator

Signature:



Chapter 182-563 WAC
REENTRY SERVICES

NEW SECTION

WAC 182-563-050 General. This chapter contains rules regarding reentry services.

(1) The medicaid agency covers reentry services under the following authorities:

(a) Under the authority of the reentry demonstration initiative, which is part of the agency's section 1115 medicaid demonstration waiver known as the medicaid transformation project 2.0 (MTP 2.0). Subject to the availability of amounts appropriated for this specific purpose, the agency covers a limited set of services for incarcerated individuals who are eligible for medicaid or children's health insurance program (CHIP) benefits for up to 90 days before their release from carceral facilities within Washington state; and

(b) Under sections 5121 and 5122 of the Consolidated Appropriations Act (CAA), 2023, a federal bill that created exceptions to the inmate exclusion policy and requires states to provide certain services while an eligible juvenile is incarcerated in a public institution.

(2) Reentry benefits are based on carceral facilities' eligibility to participate and successful completion of an agency-specific readiness assessment.

(3) Reentry benefits available under CAA vary based upon whether the eligible juvenile is preadjudication or postadjudication.

(a) Preadjudication benefits (section 5122 of CAA, 2023) include the following for eligible juveniles that are incarcerated in public institutions pending disposition:

(i) Medicaid and CHIP benefits; and

(ii) Reentry targeted case management (RTCM) if the individual is expected to be released in less than 90 days; and

(b) Postadjudication benefits (section 5121 of CAA, 2023), which include:

(i) Clinical assessment and evaluation for eligible juveniles (diagnostic services and medical, behavioral, and dental screenings) provided within 30 days prerelease or no later than one week postrelease; and

(ii) Thirty days of RTCM prerelease and for at least 30 days postrelease.

NEW SECTION

WAC 182-563-100 Definitions. The following definitions and those found in chapter 182-500 WAC apply to this chapter.

"Adjudication" - A legal process that involves reviewing evidence and arguments to reach a decision. The decision is based on applying a standard set of guidelines to an individual's specific circumstances.

"Carceral facility" - A place of confinement or detention, such as a prison, jail, or correctional institution, where individuals are held because of legal convictions, awaiting trial, or serving sentences for criminal offences.

"Consolidated Appropriations Act (CAA), 2023" - Enacted as P.L. 117-328, section 5121 requires postadjudication services and section 5122 allows preadjudication services for eligible juveniles within a public institution.

"Eligible juvenile" - An incarcerated individual who is either:

(a) An apple health client covered under medicaid or the children's health insurance program (CHIP) who is 20 years of age or younger; or

(b) An individual between the ages of 18 and 26 who is eligible under the mandatory former foster care children group.

"Lived experience" - Having first-hand knowledge and insight gained from navigating challenges similar to those faced by the people in the community. This can include shared experiences like cultural backgrounds, socioeconomic status, health conditions, or barriers accessing the health and social service systems.

"Medicaid transformation project 2.0 (MTP 2.0)" - Washington's section 1115 medicaid demonstration waiver between the medicaid agency and the centers for medicare and medicaid services (CMS). Under MTP 2.0, the agency's goals are to:

(a) Expand coverage and access to care;

(b) Advance whole-person primary, preventive, and home-based and community-based care; and

(c) Accelerate care delivery and payment innovation focused on health-related social needs.

"Preadjudication" - The period before a court has entered the disposition of a juvenile's case.

"Postadjudication" - The status of a case after a juvenile has been found guilty of an offense.

"Reentry demonstration initiative" - Part of MTP 2.0, Washington state's section 1115 medicaid demonstration waiver, this initiative allows payment for targeted reentry services in situations where medicaid law would typically prohibit such payment.

"Reentry services" - A targeted set of apple health services provided before an individual's estimated release from a carceral facility.

"Reentry targeted case management (RTCM)" - A person-centered, recovery-focused approach to address the health of justice-involved apple health clients. RTCM is a mandatory service for carceral facilities.

"Warm handoff" - A process in which one professional or service provider personally introduces a client or patient to another professional or service provider, ensuring a smooth transition of care or services. A warm handoff involves an active exchange of information, often face-to-face or through a direct, personal communication (e.g., phone call or video conference), to ensure continuity, clarity, and a more seamless experience for the client or patient. This approach is intended to help build trust, minimize gaps in care, and ensure that the client is supported throughout the process.

NEW SECTION

WAC 182-563-200 Provider eligibility requirements. Under this chapter, to provide reentry services, providers must:

- (1) Be enrolled as a provider with the medicaid agency; and
- (2) Meet the requirements for an enrolled provider under chapter 182-502 WAC.

NEW SECTION

WAC 182-563-300 Carceral facility requirements. (1) The following carceral facilities may provide reentry services when they meet the requirements in this chapter:

- (a) State prisons operated by the department of corrections (DOC);
- (b) City, county, and regionally operated adult jails;
- (c) Tribal jails; and
- (d) The following youth correctional facilities:
 - (i) Juvenile rehabilitation centers operated by the department of children, youth, and families (DCYF); and
 - (ii) City, county, and regionally operated youth correctional facilities; juvenile detention centers; and other penal/correctional settings.

(2) Carceral facilities who are either serving eligible juveniles or are participating in MTP 2.0 are required to:

- (a) Ensure access to mandatory reentry services when medically necessary;
- (b) Conduct apple health eligibility screening within 24 hours of intake, or at the earliest practicable opportunity thereafter, and within 90 days of prerelease and assist an individual in applying, if appropriate;
- (c) Conduct a reentry health screening upon intake and within 90 days prerelease (30 days for eligible juveniles); and
- (d) Follow the processes, procedures, and operational requirements found in the agency's reentry policy and operations guide, which is located on the agency's website.

(3) Reentry health screenings may be completed by nonclinical staff and must address the following components:

- (a) Medical, mental health, and substance use disorder (SUD); and
- (b) If a health care need is identified, the client's interest in engaging in reentry targeted case management (RTCM).

(4) Carceral facilities are required to arrange for access to RTCM services by one of the following delivery systems:

- (a) By the carceral facility, if the facility is a qualified medicaid provider according to this chapter; or
- (b) By a qualified medicaid provider in the community; or
- (c) If neither of the options in (a) and (b) in this subsection are selected by the carceral facility to the agency with 90 days' notice:
 - (i) By the agency's reentry third-party administrator for fee-for-services clients; or
 - (ii) By the managed care organization (MCO) for clients enrolled in an agency-contracted MCO.

NEW SECTION

WAC 182-563-400 Covered services. (1) The following reentry benefits available under CAA vary based upon whether the eligible juvenile is preadjudication or postadjudication:

(a) Preadjudication benefits (section 5122 of CAA, 2023) include the following for eligible juveniles that are incarcerated in public institutions pending disposition:

(i) Medicaid and CHIP benefits; and

(ii) Reentry targeted case management (RTCM) if the individual is expected to be released in less than 90 days.

(b) Postadjudication benefits (section 5121 of CAA, 2023) include:

(i) Clinical assessment and evaluation for eligible juveniles (diagnostic services and medical, behavioral, and dental screenings) provided within 30 days prerelease or no later than one week postrelease; and

(ii) Thirty days of RTCM prerelease and for at least 30 days postrelease.

(2) Reentry services outlined in this section are identified as either mandatory or optional. Clients may choose whether to receive reentry services. Reentry services include:

(a) **Mandatory services.** Carceral facilities must provide the following:

(i) RTCM;

(ii) Reentry substance use disorder (SUD) treatment, including clinical assessment and evaluation to screen, assess, evaluate, and diagnose SUD and medications for SUD; and

(iii) Reentry pharmacy services at release, which include:

(A) Vaccines and vaccine administration;

(B) Provider-administered drugs and administration; and

(C) A 30-day supply of prescriptions and over-the-counter drugs covered within the apple health preferred drug list and pharmacy-supplied medical supplies, or a shorter supply:

(I) When required by applicable law, regulation, or agency policy; or

(II) As prescribed by a treating provider;

(iv) Preadjudication services for eligible juveniles, which include services available under the client's program benefit package, as defined in WAC 182-501-0060, when appropriate to provide in a carceral setting; and

(v) Postadjudication services for eligible juveniles, which include clinical assessment and evaluation to screen, assess, evaluate, and diagnose health conditions in addition to the other mandatory services listed in this section; and

(b) **Optional services.** Carceral facilities may choose to provide the following reentry services:

(i) Ninety days prerelease pharmacy services, which include vaccines and vaccine administration, provider-administered drugs and administration, and prescriptions and over-the-counter drugs covered within the apple health preferred drug list and pharmacy-supplied medical supplies;

(ii) Laboratory services;

(iii) Radiology services;

(iv) Services by providers with lived experience;

(v) Clinical assessment and evaluation to screen, assess, evaluate, and diagnose health conditions for clients age 21 and older who are not CAA eligible; and

(vi) Medical equipment and supplies not covered by the mandatory reentry services.

(3) For the purposes of this chapter, services not listed in this section are not covered and are not eligible for approval under exception to rule under WAC 182-501-0160(2).

NEW SECTION

WAC 182-563-500 Documentation requirements. Providers must fulfill the documentation requirements found in:

- (1) WAC 182-502-0020; and
- (2) Applicable medicaid agency billing guides.

NEW SECTION

WAC 182-563-600 Payment and billing. (1) The medicaid agency pays for the reentry services described in this chapter when they are:

- (a) Provided and billed according to the agency's rules, reentry policy and operations guide, and applicable agency billing guides; and
- (b) Documented in the client's record or chart per WAC 182-563-500.

(2) The agency pays providers for covered services provided to eligible clients using the agency's published fee schedules.

(3) Payment for covered reentry services described in this chapter are based on existing applicable payment methodologies described in Title 182 WAC.

- (4) Providers must meet the billing requirements found in:
 - (a) Chapter 182-502 WAC; and
 - (b) Applicable medicaid agency billing guides.

NEW SECTION

WAC 182-563-700 Grievance, hearings, and appeal. (1) The medicaid agency gives fee-for-service (FFS) clients written notice of an agency action under chapter 182-518 WAC.

(2) FFS clients have the right to appeal the agency's adverse action according to chapter 182-526 WAC.

(3) Refer to WAC 182-538-110 for information about the grievance and appeal system and the right to an agency administrative hearing for clients enrolled in one of the agency's managed care organizations.

(4) Any appeals, independent rereview, or agency administrative hearing process related to a request to authorize or pay for a service will terminate when the available funding for the reentry demonstra-

tion initiative is exhausted since services cannot be authorized or paid for without funding, regardless of medical necessity.

NEW SECTION

WAC 182-563-800 Reentry targeted case management (RTCM). (1)

The medicaid agency pays for reentry targeted case management (RTCM):

(a) As part of a limited set of services under:

(i) CAA reentry preadjudication (section 5122 of CAA, 2023) for eligible juveniles that are incarcerated in public institutions pending disposition; and

(ii) CAA reentry postadjudication (section 5121 of CAA, 2023) 30 days prerelease and for at least 30 days postrelease; and

(b) As part of the mandatory services required under the initiative that carceral facilities must provide.

(2) RTCM must include:

(a) A reentry health assessment;

(b) A reentry care plan;

(c) Reentry coordination; and

(d) A warm handoff when the care manager changes.