



STATE OF WASHINGTON
HEALTH CARE AUTHORITY
 626 8th Avenue, SE • Olympia, Washington 98501

April 27, 2020

NOTICE

Title or Subject: Medicaid State Plan Amendment (SPA) 20-0019 Nursing Facility Daily Rates

Effective Date: May 1, 2020

Description: The Health Care Authority in conjunction with the Aging and Long-Term Support Administration (AL TSA) in the Department of Social and Health Services (DSHS), intends to submit Medicaid State Plan Amendment (SPA) 20-0019 in order to increase the Medicaid rates for Nursing Facilities. The change proposed to take effect May 1, 2020, is due to State Legislation that added an inflationary factor to the direct care and indirect care components. In addition, Nursing Facility rates are proposed to increase on July 1, 2020, due to an increase in appropriation from the State Legislature.

SPA 20-0019 is expected to increase individual facility daily rates by an average of \$5.17 on May 1, 2020 and \$7.40 on July 1, 2020.

A copy of proposed SPA 20-0019 is available upon request. The Health Care Authority and DSHS would appreciate any input or concerns regarding this SPA. To request a copy of the SPA or submit comments, please contact the person named below (please note that all comments are subject to public review and disclosure, as are the names of those who comment).

The proposed rates, methodologies, and justifications are as follows:

Proposed Rate	Proposed Methodology	Justification
The industry as a whole will see an increase in the daily rate on May 1, 2020, due to an added inflationary factor. This component will continue and be recalculated with the July 1, 2020 rates.	Beginning May 1, 2020, the calendar year direct and indirect costs for Nursing Facilities shall be adjusted for inflation by a twenty-four month consumer price index, based on the most recently available monthly index for all urban consumers, as published by the bureau of labor statistics.	State Legislature recently approved a change to include inflation in the Nursing Facility daily rate to better account for the time lag between reported costs and rates generated from those costs.
The industry as a whole will see an increase in the daily rate on July 1, 2020 due to an increase in State appropriation tied to a rebase of costs.	Nursing Facility rates will be rebased per the guidance found in 74.46 RCW and 388-96 WAC.	The Nursing Facility daily rate in Washington is rebased every two years to update the costs used as the basis for the rate.

Interested parties may submit comments and concerns about the rates or the effects the changes may have on beneficiary access to care or continued service access. Please submit comments and concerns to Elizabeth Pashley at Elizabeth.Pashley@dshs.wa.gov with a courtesy copy to Ann Myers, State Plan Coordinator, at ann.myers@hca.wa.gov. Please note that all comments are subject to public and disclosure, as are the names of those who comment.

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