



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

September 30, 2020

NOTICE

Title or Subject: Medicaid State Plan Amendment (SPA) 20-0037 Small Rural Outpatient Hospital Payment

Effective Date: October 1, 2020

Description: The Health Care Authority (the Agency) is submitting Medicaid State Plan Amendment (SPA) 20-0037 in order to comply with Engrossed Substitute Senate Bill (ESSB) 6168, which increases the rates paid to low-volume, small rural hospitals that meet the criteria outlined below. Payments must be increased to one hundred fifty percent of the hospital's fee-for-service rates for state and federal medical assistance programs for services provided by a qualifying hospital, regardless of the beneficiary's managed care enrollment status. To qualify, a hospital must meet the following criteria:

- Have less than seventy (70) available acute care beds, as reported in the hospitals 2018 DOH year-end report;
- Is not currently designated as a critical access hospital;
- Does not meet the current federal eligibility requirements for designation as a critical access hospital;
- Is not participating in the certified public expenditure full cost reimbursement program; and
- Has combined Medicare and Medicaid inpatient days greater than eighty (80) percent of total days as reported in the hospital's 2018 cost report.

The rates will begin on October 1, 2020, and continue through June 30, 2021. Payments will then return to the payment levels and methodology that were in place for the hospitals as of September 30, 2020.

SPA 20-0037 is expected to increase aggregate payments by \$1,182,000 for state fiscal year 2021 (\$483,000 of the general fund-state appropriation and \$699,000 of the general fund-federal appropriation).

The Agency is in the process of drafting SPA 20-0037. The Agency appreciates any input or concerns regarding this SPA. To request a copy when it becomes available or to 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).

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OFFICE OF THE CODE REVISER
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