



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

March 29, 2023

NOTICE

Title or Subject: Medicaid State Plan Amendments (SPAs) 23-0016 Safety Net Assessment Fund and 23-0017 Small Rural Disproportionate Share Hospital Supplemental Payment Methodology

Effective Date: May 12, 2023

Description: The Health Care Authority (HCA) intends to submit two Medicaid State Plan Amendments (SPAs) to address the supplemental payment methodologies for Prospective Payment System (PPS) and Small Rural Disproportionate Share (SRDSH) hospitals starting on May 12, 2023, the day after the end of the federal Public Health Emergency (PHE), to align with the Centers for Medicare and Medicaid Services (CMS) increased federal match percentage.

SPA 23-0016 will update the Fee-For-Service supplemental payment methodology described in the Medicaid State Plan for inpatient and outpatient services provided in PPS hospitals, psychiatric hospitals, rehabilitation hospitals, and border hospitals.

SPA 23-0016 is expected to increase the allowed aggregate Fee-For-Service supplemental payment amounts for inpatient and outpatient services. Effective May 12, 2023, through December 31, 2023, for hospitals designated as PPS hospitals, the allowed supplemental payment pools will be increased by \$5,829,653. For hospitals designated as freestanding psychiatric specialty hospitals, the allowed supplemental payment pool will be increased by \$85,168 per state fiscal year. For hospitals designated as freestanding rehabilitation specialty hospitals, the allowed supplemental payment pool will be increased by \$21,900 per state fiscal year. For hospitals designated as border hospitals, the allowed supplemental payment pools will be increased by \$48,668 per state fiscal year.

SPA 23-0016 is under development. To request a draft copy when it becomes available 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.

SPA 23-0017 will update the Fee-For-Service supplemental payment methodology described in the Medicaid State Plan for hospitals designated as SRDSH hospitals. SPA 23-0017 is expected to increase the allowed supplemental payment pool for these hospitals to \$106,055.46 for May 12, 2023, through December 31, 2023.

SPA 23-0017 is under development. To request a draft copy when it becomes available 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.

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