



STATE OF WASHINGTON
DEPARTMENT OF SOCIAL AND HEALTH SERVICES
Aging and Long Term-Support Administration
Management Services Division
PO Box 45600, Olympia, WA 98504-5600

December 27, 2022

AL TSA: NH Rates #2022-002

RE: JANUARY 1, 2023 ADJUSTED MEDICAID PAYMENT RATE

Dear Nursing Facility Administrator:

The January 1, 2023 Medicaid payment rate for your facility is attached.

The Department calculated your facility's January 1, 2023 adjusted rate using your facility's Medicaid Average Case Mix Index (with defaults) from the 2 Semiannual 2022 Final Case Mix RUG Report (4/1/2022 through 9/30/2022) MDS 3.0 RUG IV Grouper 57.

For your January 1, 2023 rate, the Department used the most recently available four-quarter average CMS quality data, which for this rate setting is Four Quarters between 3rd quarter 2021 to 2nd quarter 2022.

Continuing for January 1, 2023:

- The Indirect Care Median occupancy calculation is 75%.
- Per Legislative Session [2022 ESSB 5693 Section \(204\)\(53\)](#) Fiscal Year 2023 Wage Equity Funding
 - The Direct Care Median Lid is 111%
 - The Indirect Care Median Lid is 92%
 - The Rate Computation Worksheet includes the portion of Direct and Indirect Care Wage Equity Funding. This is located on the last page of the Rate Computation Worksheet.
 - Please refer to the Wage Equity Funding June 3, 2022 information for details at: <https://www.dshs.wa.gov/sites/default/files/AL TSA/msd/documents/Wage%20Equity%20Summary%206.1.22.pdf>

The COVID-19 add-on will decrease to \$5.00 and the \$3.84 inflation calculation add-on will continue in your January 1, 2023 rate.

If you wish to request an administrative review conference in relation to your January 1, 2023 rate or any subsequent adjusted rate, please keep in mind WAC 388-96-904, the regulation that controls such requests. The regulation provides in part:

- (1)...The contractor's request for administrative review shall:
 - (a) Be signed by the contractor or by a partner, officer, or authorized employee of the contractor;
 - (b) State the particular issues raised; and
 - (c) Include all necessary supporting documentation or other information.

(2) After receiving a request for administrative review conference that meets the criteria in subsection (1) of this section, the Department shall schedule an administrative review conference. The conference may be conducted by telephone.

(3) At least fourteen calendar days prior to the scheduled date of the administrative review conference, the contractor must supply any additional or supporting documentation or information upon which the contractor intends to rely in presenting its case. In addition, the Department may request at any time prior to issuing a determination any documentation or information needed to decide the issues raised, and the contractor must comply with such a request within fourteen calendar days after it is received... The Department shall dismiss issues that cannot be decided or resolved due to a contractor's failure to provide requested documentation or information within the required period.
(Emphasis added)

The Department will enforce this regulation in responding to requests for administrative review. Requests that are not properly signed, that do not state the issues with particularity, or that are not supported by the required documentation or information, will be denied or dismissed. Email your appeal to the Office of Rates Management at: NFRates@dshs.wa.gov and tiffany.hills@dshs.wa.gov.

If proof of the date of receipt of the Department's rate notification letter exists, then that date shall be used to determine the timeliness of your request for an administrative review conference. If there is no proof of the date of receipt of the Department's rate notification letter, then you will be deemed to have received notice by January 1, 2023 in accordance with WAC 388-96-904 (1).

If you have questions about your rate, please contact your analyst. The facility/analyst list is available on our website at <https://www.dshs.wa.gov/altsa/management-services-division/nursing-facility-cost-reports>.

Sincerely,



Tiffany Hills, Manager
Nursing Facility Rates
Office of Rates Management

Attachments
cc: Interested Parties