



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

June 28, 2019

AL TSA: NH Rates #2019-001

**RE: JULY 2019 MEDICAID RATES FOR NURSING
HOMES AND 2018 EXAMINATION ADJUSTMENTS**

Dear Nursing Facility Administrator:

The July 1, 2019 Medicaid payment rate for your facility is enclosed. This rate has been calculated using rebased costs from the 2016 cost report for the Direct Care and Indirect Care components, and costs from the 2018 cost report for the Capital component. Quality Enhancement 2 (QE2) was a temporary adjustment and with the increased Quality Enhancement (QE) money appropriated by the legislature all quality money will be paid through the QE component. Per RCW 74.46.561(10), effective July 1, 2019 there will no longer be a hold harmless in place for facility rates. As such there will no longer be a stailizer component in your daily rate.

The July 1, 2019 Medicaid payment rate is subject to administrative review in accordance with WAC 388-96-901 and 388-96-904. To appeal this rate, you must submit a request in writing within twenty-eight (28) calendar days after receiving this notice of the rate.

The desk examination summary and Reason Codes for the 2018 Medicaid cost report are also enclosed and subject to administrative review in accordance with WAC 388-96-901 and 388-96-904. To appeal these adjustments, you must submit a request in writing within twenty-eight (28) calendar days after receiving this notice of the adjustments.

The Department calculated your facility's July 1, 2019 adjusted rate using your facility's Medicaid Average Case Mix Index (with defaults) from the 1 Semiannual 2019 Final Case Mix RUG Report (10/1/2018 through 3/31/2019) MDS 3.0 RUG IV Grouper 57.

If you wish to request an administrative review conference in relation to your July 1, 2019 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.

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(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. Mail your appeal to the Office of Rates Management at: P.O. Box 45600, Olympia, WA 98504-5600. Do not mail your appeal to our physical address. Ground carriers such as UPS and FedEx can deliver to the physical address of Blake West 4450 10th Ave SE, Lacey, WA 98503, but the Post Office will not.

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 July 1, 2019 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>. Also at that website are the calculations for the 2016 Direct Care and Indirect Care industry medians and Quality Enhancement July 1, 2019.

Sincerely,



Tiffany Hills, Manager
Nursing Facility Rates
Office of Rates Management

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Enclosures

cc: Interested Parties