



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 27, 2022

**AL TSA: NH Rates #2022-001**  
**RE: JULY 1, 2022 MEDICAID PAYMENT RATE**

Dear Nursing Facility Administrator:

The July 1, 2022 Medicaid payment rate for your facility is attached.

The Department calculated your facility's July 1, 2022 adjusted rate using your facility's Medicaid Average Case Mix Index (with defaults) from the Rebased Final 1<sup>st</sup> Semi-Annual Case Mix RUG Reports for 2022 (10/1/2021 through 3/31/2022) MDS 3.0 RUG IV Grouper 57.

For your July 1, 2022 rate, the Department used the most recently available four-quarter average CMS quality data, which for this rate setting is Quarters One through Four of 2021. Thus, your facility's quality measure component may have changed.

Additionally for July 1, 2022:

- The Direct and Indirect Care Medians have been rebased from 2019 costs to 2020 costs.
- The Indirect Care Median occupancy calculation has been updated from 90% to 75%.
- The Capital Component has been rebased from 2020 data to 2021.
- Per Legislative Session [2022 ESSB 5693 Section \(204\)\(53\)](#) Fiscal Year 2023 Wage Equity Funding
  - The Direct Care Median Lid was increased from 105% to 111%
  - The Indirect Care Median Lid was increased from 90% to 92%
  - The July 1, 2022 Rate Computation Worksheet has been updated to include the portion of Direct and Indirect Care Wage Equity Funding. This new addition 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 inflation calculation has been calculated as an add-on of \$3.84 and continues to be its own component.

The SNA exemption for high Medicaid utilization threshold has been adjusted to 27,000 days. This threshold is one of a number of exceptions that set a facility's SNA rate to \$1.

If you wish to request an administrative review conference in relation to your July 1, 2022 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, within twenty-eight (28) calendar days after receiving the notice of the rate;
  - (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. 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 of Blake West 4450 10<sup>th</sup> Ave SE, Lacey, WA 98503. Ground carriers such as UPS and FedEx can deliver to the physical address, 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 2, 2022 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>.

Nursing Facility Administrator  
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Sincerely,

A handwritten signature in cursive script that reads "Tiffany Hills".

Tiffany Hills, Manager  
Nursing Facility Rates  
Office of Rates Management

elp/bh

Attachments  
cc: Interested Parties