### PROPOSED RULE MAKING

**CR-102 (December 2017)**  
(Implements RCW 34.05.320)  
Do NOT use for expedited rule making

<table>
<thead>
<tr>
<th>Agency: Health Care Authority</th>
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<tbody>
<tr>
<td>☒ Original Notice</td>
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<tr>
<td>☐ Supplemental Notice to WSR</td>
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<tr>
<td>☐ Continuance of WSR</td>
</tr>
<tr>
<td>☒ Preproposal Statement of Inquiry was filed as WSR 21-13-051; or</td>
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<tr>
<td>☐ Expedited Rule Making--Proposed notice was filed as WSR; or</td>
</tr>
<tr>
<td>☐ Proposal is exempt under RCW 34.05.310(4) or 34.05.330(1); or</td>
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<tr>
<td>☐ Proposal is exempt under RCW</td>
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<tr>
<td><strong>Title of rule and other identifying information:</strong> (describe subject) WAC 182-550-4550, Administrative day rate and swing bed day rate</td>
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<tr>
<th>Hearing location(s):</th>
<th>Comment:</th>
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| Date: January 25, 2022     | To attend the virtual public hearing, you must register in advance:  
| Time: 10:00 AM             | https://zoom.us/webinar/register/WN_vMMTnCNS5mu-Qn3-CoICQ  
| Location: (be specific)    | After registering, you will receive a confirmation email containing information about joining the public hearing |

| Date of intended adoption: | Not sooner than January 26, 2022 (Note: This is NOT the effective date) |

Submit written comments to:  
Name: HCA Rules Coordinator  
Address: PO Box 42716, Olympia WA 98504-2716  
Email: arc@hca.wa.gov  
Fax: (360) 586-9727  
By (date) January 25, 2022

Assistance for persons with disabilities:  
Contact HCA Rules Coordinator  
Phone: (360) 725-1306  
Fax: (360) 586-9727  
TTY: Telecommunication Relay Services (TRS): 711  
Email: arc@hca.wa.gov  
By (date) January 14, 2022
Purpose of the proposal and its anticipated effects, including any changes in existing rules: The agency is amending WAC 182-550-4550 to provide hospitals an administrative day rate for days in which a postpartum parent does not meet criteria for acute inpatient level of care but their infant is still an inpatient being observed for potential post-in utero exposure to substances that may lead to physiologic dependence and continuous care by the postpartum parent is the appropriate first line treatment.

Reasons supporting proposal: See purpose

Statutory authority for adoption: RCW 41.05.021, 41.05.160

Statute being implemented: RCW 41.05.021, 41.05.160

Is rule necessary because of a:

| Federal Law? | ☐ Yes ☒ No |
| Federal Court Decision? | ☐ Yes ☒ No |
| State Court Decision? | ☐ Yes ☒ No |

If yes, CITATION:

Agency comments or recommendations, if any, as to statutory language, implementation, enforcement, and fiscal matters: N/A

Name of proponent: (person or organization) Health Care Authority ☒ Governmental

Name of agency personnel responsible for:

<table>
<thead>
<tr>
<th>Name</th>
<th>Office Location</th>
<th>Phone</th>
</tr>
</thead>
<tbody>
<tr>
<td>Drafting:</td>
<td>Brian Jensen PO Box 42716, Olympia WA 98504-2716</td>
<td>360-725-0815</td>
</tr>
<tr>
<td>Implementation:</td>
<td>Elizabeth Tinker PO Box 45502, Olympia WA 98504-5502</td>
<td>360-725-1047</td>
</tr>
<tr>
<td>Enforcement:</td>
<td>Elizabeth Tinker PO Box 45502, Olympia WA 98504-5502</td>
<td>360-725-1047</td>
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Is a school district fiscal impact statement required under RCW 28A.305.135? ☒ Yes ☐ No

If yes, insert statement here:

The public may obtain a copy of the school district fiscal impact statement by contacting:

Name:
Address:
Phone:
Fax:
TTY:
Email:
Other:

Is a cost-benefit analysis required under RCW 34.05.328?

☐ Yes: A preliminary cost-benefit analysis may be obtained by contacting:

Name:
Address:
Phone:
Fax:
RCW 34.05.328 does not apply to Health Care Authority rules unless requested by the Joint Administrative Rules Review Committee or applied voluntarily.

Regulatory Fairness Act Cost Considerations for a Small Business Economic Impact Statement:

This rule proposal, or portions of the proposal, may be exempt from requirements of the Regulatory Fairness Act (see chapter 19.85 RCW). Please check the box for any applicable exemption(s):

☐ This rule proposal, or portions of the proposal, is exempt under RCW 19.85.061 because this rule making is being adopted solely to conform and/or comply with federal statute or regulations. Please cite the specific federal statute or regulation this rule is being adopted to conform or comply with, and describe the consequences to the state if the rule is not adopted.

Citation and description:

☐ This rule proposal, or portions of the proposal, is exempt because the agency has completed the pilot rule process defined by RCW 34.05.313 before filing the notice of this proposed rule.

☐ This rule proposal, or portions of the proposal, is exempt under the provisions of RCW 15.65.570(2) because it was adopted by a referendum.

☐ This rule proposal, or portions of the proposal, is exempt under RCW 19.85.025(3). Check all that apply:

☐ RCW 34.05.310 (4)(b)  (Internal government operations)

☐ RCW 34.05.310 (4)(c)  (Incorporation by reference)

☐ RCW 34.05.310 (4)(d)  (Correct or clarify language)

☐ RCW 34.05.310 (4)(e)  (Dictated by statute)

☐ RCW 34.05.310 (4)(f)  (Set or adjust fees)

☐ RCW 34.05.310 (4)(g)  ((i) Relating to agency hearings; or (ii) process requirements for applying to an agency for a license or permit)

☒ This rule proposal, or portions of the proposal, is exempt under RCW 19.85.025(4).

Explanation of exemptions, if necessary: The rule applies to birthing hospitals and does not apply to any “small businesses.”

COMPLETE THIS SECTION ONLY IF NO EXEMPTION APPLIES

If the proposed rule is not exempt, does it impose more-than-minor costs (as defined by RCW 19.85.020(2)) on businesses?

☐ No   Briefly summarize the agency's analysis showing how costs were calculated. ______

☐ Yes  Calculations show the rule proposal likely imposes more-than-minor cost to businesses, and a small business economic impact statement is required. Insert statement here:

The public may obtain a copy of the small business economic impact statement or the detailed cost calculations by contacting:

Name:
Address:
Phone:
Fax:
TTY:
Email:
Other:

Date: December 2, 2021

Name: Wendy Barcus
Title: HCA Rules Coordinator

Signature: [Signature]

Page 3 of 3
WAC 182-550-4550 Administrative day rate and swing bed day rate.

1 Administrative day rate.

(a) The medicaid agency allows hospitals an administrative day rate for those days of hospital stay in which a client does not meet criteria for acute inpatient level of care, but is not discharged because:

(i) An appropriate placement outside the hospital is not available (no placement administrative day); or

(ii) The postpartum parent's newborn remains on an inpatient claim for monitoring post-in utero exposure to substances that may lead to physiologic dependence and continuous care by the postpartum parent is the appropriate first-line treatment (newborn administrative day). "Postpartum parent" means the client who delivered the baby(ies).

((a)) (b) The agency uses the annual statewide weighted average nursing facility medicaid payment rate to update the all-inclusive administrative day rate on November 1st of each year.

((b)) (c) The agency does not pay for ancillary services, except pharmacy services and pharmaceuticals, provided during administrative days.

((c)) (d) The agency identifies administrative days during the length of stay review process after the client's discharge from the hospital.

((d)) (e) The agency pays for up to five newborn administrative days. The agency pays for additional days with expedited prior authorization (EPA). For EPA, a hospital must establish that the clinically appropriate EPA criteria outlined in the agency's published billing guides have been met. The hospital must use the appropriate EPA number when billing the agency.

(f) The agency pays the hospital the administrative day rate starting with the date of hospital admission if the admission is solely for a no placement administrative day stay (until an appropriate subacute placement can be made).

(g) The agency pays the hospital the newborn administrative day rate only if:

(i) The postpartum parent rooms in with their newborn and provides parental support/care; and

(ii) The hospital provides all prescribed medications to the postpartum parent for the duration of the stay, including medications prescribed to treat substance use disorder.

2 Swing bed day rate. The agency allows hospitals a swing bed day rate for those days when a client is receiving agency-approved nursing service level of care in a swing bed. The agency's aging and disability services administration (ADSA) determines the swing bed day rate.

(a) The agency does not pay a hospital the rate applicable to the acute inpatient level of care for those days of a hospital stay when a client is receiving agency-approved nursing service level of care in a swing bed.

(b) The agency's allowed amount for those ancillary services not covered under the swing bed day rate is based on the payment methods provided in WAC 182-550-6000 and 182-550-7200. These ancillary serv-
ices may be billed by the hospital on an outpatient hospital claim, except for pharmacy services and pharmaceuticals. (c) The agency allows pharmacy services and pharmaceuticals not covered under the swing bed day rate, that are provided to a client receiving agency-approved nursing service level of care, to be billed directly by a pharmacy through the point of sale system. The agency does not allow those pharmacy services and pharmaceuticals to be paid to the hospital through submission of a hospital outpatient claim.