



# RULE-MAKING ORDER PERMANENT RULE ONLY

## CR-103P (December 2017) (Implements RCW 34.05.360)

CODE REVISER USE ONLY

OFFICE OF THE CODE REVISER  
STATE OF WASHINGTON  
FILED

DATE: October 23, 2024

TIME: 10:00 AM

WSR 24-21-166

**Agency:** Health Care Authority

**Effective date of rule:**

**Permanent Rules**

31 days after filing.

Other (specify) \_\_\_\_\_ (If less than 31 days after filing, a specific finding under RCW 34.05.380(3) is required and should be stated below)

**Any other findings required by other provisions of law as precondition to adoption or effectiveness of rule?**

Yes  No If Yes, explain:

**Purpose:** The agency amended 182-550-5130 to remove subsections (5) and (6). The agency does not distribute any state funded grants for IMD DSH; there is no state money allocated to IMD. The agency repealed 182-550-5210, 182-550-5220, and 182-550-5380; old information – the programs have not been funded by the legislature for over ten years.

**Citation of rules affected by this order:**

New:

Repealed: 182-550-5210, 182-550-5220, 182-550-5380

Amended: 182-550-5130

Suspended:

**Statutory authority for adoption:** RCW 41.05.021, 41.05.160

**Other authority:** None

**PERMANENT RULE (Including Expedited Rule Making)**

Adopted under notice filed as WSR 24-19-090 on September 17, 2024 (date).

Describe any changes other than editing from proposed to adopted version: None

If a preliminary cost-benefit analysis was prepared under RCW 34.05.328, a final cost-benefit analysis is available by contacting:

Name:

Address:

Phone:

Fax:

TTY:

Email:

Web site:

Other:

**Note: If any category is left blank, it will be calculated as zero.  
No descriptive text.**

**Count by whole WAC sections only, from the WAC number through the history note.  
A section may be counted in more than one category.**

**The number of sections adopted in order to comply with:**

Federal statute:	New	___	Amended	___	Repealed	___
Federal rules or standards:	New	___	Amended	___	Repealed	___
Recently enacted state statutes:	New	___	Amended	___	Repealed	___

**The number of sections adopted at the request of a nongovernmental entity:**

New	___	Amended	___	Repealed	___
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**The number of sections adopted on the agency's own initiative:**

New	___	Amended	<u>1</u>	Repealed	<u>3</u>
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**The number of sections adopted in order to clarify, streamline, or reform agency procedures:**

New	___	Amended	<u>1</u>	Repealed	<u>3</u>
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**The number of sections adopted using:**

Negotiated rule making:	New	___	Amended	___	Repealed	___
Pilot rule making:	New	___	Amended	___	Repealed	___
Other alternative rule making:	New	___	Amended	<u>1</u>	Repealed	<u>3</u>

**Date Adopted:** October 23, 2024

**Name:** Wendy Barcus

**Title:** HCA Rules Coordinator

**Signature:**



**WAC 182-550-5130 Payment method—Institution for mental diseases disproportionate share hospital (IMDDSH) and institution for mental diseases (IMD) state grants.** (1) A psychiatric hospital owned and operated by the state of Washington is eligible to receive payments under the institution for mental diseases disproportionate share hospital (IMDDSH) program.

(2) For the purposes of the IMDDSH program, the following definitions apply:

(a) "Institution for mental diseases (IMD)" means a hospital, nursing facility, or other institution of more than ~~((sixteen))~~ 16 beds, that is primarily engaged in providing diagnosis, treatment, or care of people with mental diseases, including medical attention, nursing care, and related services.

(b) "Psychiatric community hospital" means a psychiatric hospital other than a state-owned and operated hospital.

(c) "Psychiatric hospital" means an institution which is primarily engaged in providing psychiatric services for the diagnosis and treatment of mentally ill people. The term applies to a medicare-certified distinct psychiatric care unit, a medicare-certified psychiatric hospital, or a state-designated pediatric distinct psychiatric unit in a medicare-certified acute care hospital.

(d) "State-owned and operated psychiatric hospital" means eastern state hospital and western state hospital.

(3) Except as provided in subsection (4) of this section, a psychiatric community hospital, regardless of location, is not eligible to receive:

(a) IMDDSH payments; or

(b) Any other disproportionate share hospital (DSH) payment from the medicaid agency. See WAC 182-550-4800 regarding payment for psychiatric claims for clients eligible under the medical care services programs.

(4) A psychiatric community hospital within the state of Washington that is designated by the agency as an IMD is eligible to receive IMDDSH payment if:

(a) IMDDSH funds remain available after the amounts appropriated for state-owned and operated psychiatric hospitals are exhausted; and

(b) The legislature provides funds specifically for this purpose.

~~(5) ((A psychiatric community hospital within the state of Washington that is designated by the agency as an IMD is eligible to receive a state grant amount from the agency if the legislature appropriates funds specifically for this purpose.~~

~~(6) An institution for mental diseases located out-of-state, including an IMD located in a designated bordering city, is not eligible to receive a Washington state grant amount.~~

~~(7))~~ Under federal law, 42 U.S.C. 1396r-4 (h)(2), the state's annual IMDDSH expenditures are capped at ~~((thirty-three))~~ 33 percent of the state's annual statewide DSH cap. This amount represents the maximum that the state can spend in any given fiscal year on IMDDSH, but the state is under no obligation to actually spend that amount.

REPEALER

The following sections of the Washington Administrative Code are repealed:

- WAC 182-550-5210      Payment method—Small rural indigent assistance disproportionate share hospital (SRIADSH).
- WAC 182-550-5220      Payment method—Nonrural indigent assistance disproportionate share hospital (NRIADSH).
- WAC 182-550-5380      Payment method—Sole community disproportionate share hospital (SCDSH).