



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

State of Washington
Case Mix #4
Medicaid
RUG-IV 57-Grouper, V.5.20
Effective 10.5.17

December 22, 2017

AL TSA: NH Rates
RE: JANUARY 1, 2018 ADJUSTED MEDICAID PAYMENT RATE

Dear Nursing Facility Administrator:

The January 1, 2018 Medicaid payment rate for your facility is enclosed.

The Department calculated your facility's **January 1, 2018 adjusted rate** using your facility's **Medicaid Average Case Mix Index (with defaults)** from the **2 Semiannual 2017** Final Case Mix RUG Report **(4/1/2017 through 9/30/2017)** **MDS 3.0 RUG IV Grouper 57**.

Due to appeals, the stabilizer portion of the rate was affected. In order to minimize the administrative burden to facilities of having to process revised July 1, 2017 rates, the resulting **rate change** for some facilities is included as an **add-on** to the facility's January 1, 2018 adjusted rate. The add-on is called the **"Roll Forward Add-On"** and can be found at Item 128 in the enclosed rate computation worksheet.

If you wish to request an **administrative review conference** in relation to your January 1, 2018 rate or any subsequent adjusted rate, please keep in mind WAS 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

Nursing Facility Administrator

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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)

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 10th 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 you have any 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,



Peter Graham, Chief
Office of Rates Management

Enclosures

STATE OF WASHINGTON
DSHS/AGING AND LONG-TERM SUPPORT ADMINISTRATION
RATE COMPUTATION WORKSHHET
JANUARY 1, 2018 RATE SETTING

FACILITY NAME:
 NPI NUMBER
 P1 NUMBER

Vendor #
 Location #
 County #

DIRECT AND INDIRECT Cost from:
 REPORT PERIOD BEGINNING: 1/1/2014
 REPORT PERIOD ENDING: 12/21/2014
 CAPITAL FAIR MARKET RANTAL Cost from:
 REPORT PERIOD BEGINNING: 1/1/2016
 REPORT PERIOD ENDING: 12/31/2016

ITEM 1	Direct Care (DC) Component Calculation	
ITEM 2	DC Median Cost Report Year	14
ITEM 3	DC Cost Report Start Date	1/1/2014
ITEM 4	DC Cost Report End Date	12/31/2014
ITEM 5	DC Adjusted Reported Total Days	25.082
ITEM 6	DC Adjusted Reported Costs	\$3,960,573
ITEM 7	DC Reported Cost PPD= DC Adjusted Reported Cost/DC Adjusted Reported Total Days	\$157.90
ITEM 8	DC Cap	1.18
ITEM 9	DC Cost PPD Capped= DC Reported Cost PPD*DC Cap	\$186.32
ITEM 10	County Code	39
ITEM 11	RWI:DC Regional Wage Index	0.861
ITEM 12	DC Median	\$56.22
ITEM 13	DC Median*RWI	\$48.41
ITEM 14	Case Mix Semiannual Period	20172
ITEM 15	MACMI: Medicaid Average Case Mix Index with Defaults	2.694
ITEM 16	DC Calculated Rate= DC Median*RWI*MACMI	\$130.42
ITEM 17	DC Hours Per Patient Day Cost Report Year	16
ITEM 18	DC Hours Per Patient Day (HRPD)	4.47
ITEM 19	Required DC Hours Per Patient Day (RHRPD)	3.4
ITEM 20	DC Final Rate= If HRPD<RHRPD, DC Calculated Rate, Else lesser of DC Calculated Rate or DC Cost PPD Capped	<u>\$130.42</u>
ITEM 21	Indirect Care (ID) Component Calculation	
ITEM 22	ID Median Cost Report Year	14
ITEM 23	ID Median	\$50.69
ITEM 24	ID Median Lid Percent	0.90
ITEM 25	ID Final Rate= ID Median*ID Median Lid Percent	<u>\$45.62</u>

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SUMMITVIEW HEALTHCARE CENTER

(NPI Number)

ITEM 26	Fair Market Rental (FR) Component Calculation	
ITEM 27	FR Cost Report Year	16
ITEM 28	FR Cost Report Start Date	1/1/2016
ITEM 29	FR Cost Report End Date	12/31/2016
ITEM 30	FR Adjusted Reported Beds	78
ITEM 31	FR Adjusted Reported Square Footage (SqFt)	34,598
ITEM 32	Facility (SqFt) Per Bed= FMR Adjusted reported (SqFt)/FR Adjusted Reported Beds	444
ITEM 33	Max Allowable (SqFt) Per Bed	450
ITEM 34	Allowable (SqFt) Per Bed= Lessor of Facility (SqFt) Per Bed or Max Allowable (SqFt) per Bed	444
ITEM 35	RS Means Estimated Median Price Per Bed	\$75,501
ITEM 36	Price Per (SqFt)=RS Means Estimated Median Price Per Bed/Max Allowable (SqFt) Per Bed	\$167.78
ITEM 37	Facility Zip Code	98902
ITEM 38	RS Means Location Zip Code Index	0.99
ITEM 39	Facility Building Value=Price Per (SqFt)*RS Means Location Zip Code Index*FMR Adjusted Reported Beds*Allowable (SqFt) per Bed	\$5,752,451
ITEM 40	Equipment Percentage	0.1
ITEM 41	Facility Equipment Value= Facility Building Value*Equipment Percent	\$575,245
ITEM 42	Facility Total Building and Equipment Value= Facility Building Value + Facility Equipment Value	\$6,327,696
ITEM 43	Facility Adjusted Age	15
ITEM 44	Depreciation Rate	0.015
ITEM 45	Depreciation Total Building and Equipment= - Facility Total Building and Equipment Value*Facility Adj. Age*Deprec. Rate	(\$1,423,732)
ITEM 46	Facility Total Building and Equipment Value after Deprec.= Facility total Bld. And Equip. Value+Deprec. Total Bld. And Equip.	\$4,903,964
ITEM 47	Land Percent	0.1
ITEM 48	Facility Land Value= Facility Building Value*Land Percent	\$575,245
ITEM 49	Total Facility Building Equipment Land= Facility Total Building and Equipment Value after Deprec. + Facility Land Value	\$5,479,209
ITEM 50	Rental Rate	0.075
ITEM 51	Facility Rental Value= Total Facility Building Equipment Land*Rental Rate	\$410,941
ITEM 52	FR Adjusted Reported Total Days	23,590
ITEM 53	Minimum Occupancy Percent	0.9
ITEM 54	FMR Full Calendar Year Days	366
ITEM 55	Total Days at Occupancy=FMR Adjusted Reported Bed*FMR Full Calendar Year Days* Minimum Occupancy Percent	25,693
ITEM 56	Greater of FR Adjusted Reported Total Days or Total Days at Occupancy	25,693
ITEM 57	FR Final Rate= Facility Rental Value/Greater of FR Adjusted Reported Total Days or Total Days at Occupancy	\$15.99

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SUMMITVIEW HEALTHCARE CENTER

(NPI Number)

ITEM 58	Quality Enhancement (QE) Component Calculation	
ITEM 59	CMS Quality Measure Processing Date	11/1/2017
ITEM 60		2016Q3, 2016Q4, 2017Q1, 2017Q2
	Quality Measure Four Quarters	
ITEM 61	25 Points CMSThreshold LongStayUlcersLessEqual	2.65
ITEM 62	20 Points CMSThreshold LongStayUlcersLessEqual	4.45
ITEM 63	15 Points CMSThreshold LongStayUlcersLessEqual	6.18
ITEM 64	0 Points CMSThreshold LongStayUlcersGreater	6.18
ITEM 65	25 Points CMSThreshold LongStayFallsLessEqual	1.32
ITEM 66	20 Points CMSThreshold LongStayFallsLessEqual	2.4
ITEM 67	15 Points CMSThreshold LongStayFallsLessEqual	3.51
ITEM 68	0 Points CMSThreshold LongStayFallsGreater	3.51
ITEM 69	25 Points CMSThreshold LongStayPainLessEqual	2.2
ITEM 70	20 Points CMSThreshold LongStayPainLessEqual	4.99
ITEM 71	15 Points CMSThreshold LongStayPainLessEqual	8.31
ITEM 72	0 Points CMSThreshold LongStayPainGreater	8.31
ITEM 73	25 Points CMSThreshold LongStayUTILessEqual	1.85
ITEM 74	20 Points CMSThreshold LongStayUTILessEqual	3.42
ITEM 75	15 Points CMSThreshold LongStayUTILessEqual	5.13
ITEM 76	0 Points CMSThreshold LongStayUTIGreater	5.13
ITEM 77	25 Points CMSThreshold LongStayAntiPsyncMedsLessEqual	0
ITEM 78	20 Points CMSThreshold LongStayAntiPsyncMedsLessEqual	1
ITEM 79	15 Points CMSThreshold LongStayAntiPsyncMedsLessEqual	1.91
ITEM 80	0 Points CMSThreshold LongStayAntiPsyncMedsGreater	1.91
ITEM 81	Long Stay Ulcers	0.9950124
ITEM 82	Long stay Falls	4.366813
ITEM 83	Long Stay Paint	1.497194
ITEM 84	Long Stay UTI	2.631579
ITEM 85	Short Stay Anti Psync Meds	0
ITEM 86	25, 20, 15, 0 Points Long Stay Ulcers	25
ITEM 87	25, 20, 15, 0 Points Long Stay Falls	0
ITEM 88	25, 20, 15, 0 Points Long Stay Paint	25
ITEM 89	25, 20, 15, 0 Points Long Stay UTI	20
ITEM 90	25, 20, 15, 0 Points Short Stay Anti Psync Meds	25
ITEM 91	DC Turnover Cost Report Year	16
ITEM 92	DC Turn Over Percent SchL2016	21.82
ITEM 93	1-4 DC Turnover Quartile Ranking	1
ITEM 94	25, 20, 15, 0 points DC Turnover	25
ITEM 95	150 0 Total Points Earned Quality measures and DC Turnover	120
ITEM 96		>=120.0, >=105.0, Break Points 150 0 Total Points Earned Quality Measures and DC Turnover >=90.0, >= 75.0, <75.0
ITEM 97	Possible Rates for Break Points 150 0	\$5.24, \$4.07, \$2.71, \$1.36, \$0.00
ITEM 98	Quality Measure DC Turnover Rate Earned	\$5.42

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(NPI Number)

ITEM 99	CMS Five Star Quality Processing Date	11/1/2017
ITEM 100	Five Start Quality Rating	5
ITEM 101	Possible Rates for Five Start Rating 5-1	\$5.24, \$4.07, \$2.71, \$1.36, \$0.00
ITEM 102	Five Star Quality Rating Earned: If No Data Reported for Any of the Quality Measures and DC Turnover	\$0.00
ITEM 103	QE Final Rate	\$5.42
ITEM 104	#2 QE Rate Percent	0.1207
ITEM 105	#2QE Final Rate: #2 QE Rate Percent * QE Final Rate	\$0.65
ITEM 106	Stabilizer Calculation	
ITEM 107	Calculated Rate Before Stabilizer= (DC+ID+QE+#2QE+FR)	198.10
ITEM 108	Medicaid Paid Days Year	16
ITEM 109	Medicaid Paid Days	13,909
ITEM 110	Current Dollars=Calculated Rate Before Stabilizer*Medicaid Paid Days	\$2,759,335
ITEM 111	6 30 2016 FY16 Total Rate No SNA	\$179.54
ITEM 112	FY16 Dollars= FY16 Rate No SNA*Medicaid Paid Days	\$2,500,813
ITEM 113	Current Dollars Gain or Loss=If FY16 Rate is 0 Then 0 Else Current dollar-FY16 Dollars	\$258,522
ITEM 114	Percent of Gain or Loss=Current dollars Gain or Loss/FY16 Dollars	0.1034
ITEM 115	Current Dollars Loss	\$0
ITEM 116	Percent of Losses=Percent of Gain or Loss<0	0.0000
ITEM 117	Percent of Losses Allowed	-0.02
ITEM 118	Losses Percent Hold Harmless=If Percent of Losses<Percent of Losses Allowed Then Percent of Losses-Percent of Losses Allowed	0.000
ITEM 119	Dollars Current Losses Hold Harmless=Current Dollars Loss*(Losses Percent Hold Harmless/Percent of Losses)	\$0
ITEM 120	Stabilizer Lose (SL) Hold Harmless=-Dollars Current Losses Hold Harmless/Medicaid Paid Days	\$0.00
ITEM 121	Percent of Gains=Percent of Gain or Loss>0	0.1034
ITEM 122	Current Dollars Gain=Current Dollars gain or Loss>0	\$258,522
ITEM 123	Gains Percent Allowed	0.1789
ITEM 124	Percent of Gains Take Back=If Percent of Gains>Gains Percent Allowed Then Percent of Gains-Gains Percent Allowed	0.000000
ITEM 125	Gains Dollars Take Back= (Current Dollars Gain*(Percent of Gains Take Back/Percent of Gains)	\$0
ITEM 126	Stabilizer Gain (SG) Take Back=-Gains Dollars Take Back/Medicaid Paid Days	\$0.00
ITEM 127	Roll_Forward_Add-On	
ITEM 128	RF_Add-On	\$0.03
ITEM 129	Minimum Wage Increase	
ITEM 130	Minimum Wage Add On	\$0.29
ITEM 131	Budget Dial (BD) Total Calculation	
ITEM 132	DC BD Rate	\$130.42
ITEM 133	ID BD Rate	\$45.62

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(NPI Number)

ITEM 134	FR BD Rate	\$15.99
ITEM 135	QE BD Rate	\$5.42
ITEM 136	#2QE BD Rate	\$0.65
ITEM 137	Stabilizer Lose (SL) Hold harmless BD	\$0.00
ITEM 138	Stabilizer Gain (SG) Take Back BD	\$0.00
ITEM 139	RF AddOn BD	\$0.03
ITEM 140	Minimum Wage Add On BD	\$0.29
ITEM 141	Budget_Dial_Total=DC+ID+QE+#2QE+FR+SL+SG+RF+MW	\$198.42
ITEM 142	Safety New (SN) Assessment	
ITEM 143	Safety Net Assessment (SN)	\$0.00
ITEM 144	Total Rate Calculation	
ITEM 145	DC Final Rate Total	\$130.42
ITEM 146	ID Final Rate total	\$45.62
ITEM 147	FR Final Rate total	\$15.99
ITEM 148	QE Final Rate Total	\$5.42
ITEM 149	#2QE final Rate Total	\$0.65
ITEM 150	Stabilizer Lose (SL) Hold Harmless Total	\$0.00
ITEM 151	Stabilizer Gain (SG) Take Back Total	\$0.00
ITEM 152	RF Add-On Final Total	\$0.03
ITEM 153	Minimum Wage Add On Total	\$0.29
ITEM 154	Budget Dial Total	\$198.42
ITEM 155	Safety Net Assessment(SN) Total	\$0.00
ITEM 156	Total_Final_Rate=DC+ID+QE+#2QE+FR+SL+SG+RF+MW+SN	\$198.42

STATE OF WASHINGTON
 DSHS/AGING AND LONG-TERM SUPPORT ADMINISTRATION
 NURSING FACILITY RATE NOTIFICATION

THIS RATE IS IN EFFECT UNTIL NOTIFICATION OF RATE CHANGE JANUARY 1, 2018 RATE
 SETTING

DC- DIRECT CARE COMPONENT	\$130.42
ID- INDIRECT COMPONENT	\$45.62
FR- CAPITAL FAIR MARKET RENTAL COMPONENT	\$15.99
QE- QUALITY ENHANCEMENT	\$5.42
Q2- #2 QUALITY ENHANCEMENT	\$0.65
SL- STABILIZER ADD-ON LOSS GIVE BACK	\$0.00
SG- STABILIZER ADD-ON HOLD HARMLESS GAIN TAKE BACK	\$0.00
RF- ROLL FORWARD ADD-ON (For January 2018 Rate Only)	\$0.03
MW- MINIMUM WAGE INCREASE ADD-ON	\$0.29
TL- TOTAL MEDICAID RATE AFTER BUDGET DIAL	<u>\$198.42</u>
SN- SAFETY NET ASSESSMENT PAYBACK	<u>\$0.00</u>
TR- TOTAL MEDICAID RATE FOR PAYMENT	<u>\$198.42</u>

CONTACT THE OFFICE OF PROVIDER SERVICES AT 1-800-562-6188 FOR QUESTIONS REGARDING
 PAYMENTS OR RECOUPMENTS

VENDOR #

NPI NUMBER
 P1 NUMBER
 LOCATION NUMBER
 PROCESS DATE

NF NAME
 ADDRESS
 CITY, STATE, ZIP