

RCW 74.60.010 Definitions. (Contingent expiration date.) The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Authority" means the health care authority.

(2) "Base year" for medicaid payments for state fiscal year 2017 is state fiscal year 2014. For each following year's calculations, the base year must be updated to the next following year.

(3) "Bordering city hospital" means a hospital as defined in WAC 182-550-1050 and bordering cities as described in WAC 182-501-0175, or successor rules.

(4) "Certified public expenditure hospital" means a hospital participating in the authority's certified public expenditure payment program as described in WAC 182-550-4650 or successor rule. The eligibility of such hospitals to receive grants under RCW 74.60.090 solely from funds generated under this chapter must remain in effect through the date specified in RCW 74.60.901 and must not be affected by any modification or termination of the federal certified public expenditure program, or reduced by the amount of any federal funds no longer available for that purpose.

(5) "Critical access hospital" means a hospital as described in RCW 74.09.5225.

(6) "Director" means the director of the health care authority.

(7) "Eligible new prospective payment hospital" means a prospective payment hospital opened after January 1, 2009, for which a full year of cost report data as described in RCW 74.60.030(2) and a full year of medicaid base year data required for the calculations in RCW 74.60.120(3) are available.

(8) "Fund" means the hospital safety net assessment fund established under RCW 74.60.020.

(9) "Hospital" means a facility licensed under chapter 70.41 RCW.

(10) "Long-term acute care hospital" means a hospital which has an average inpatient length of stay of greater than twenty-five days as determined by the department of health.

(11) "Managed care organization" means an organization having a certificate of authority or certificate of registration from the office of the insurance commissioner that contracts with the authority under a comprehensive risk contract to provide prepaid health care services to eligible clients under the authority's medicaid managed care programs, including the healthy options program.

(12) "Medicaid" means the medical assistance program as established in Title XIX of the social security act and as administered in the state of Washington by the authority.

(13) "Medicare cost report" means the medicare cost report, form 2552, or successor document.

(14) "Nonmedicare hospital inpatient day" means total hospital inpatient days less medicare inpatient days, including medicare days reported for medicare managed care plans, as reported on the medicare cost report, form 2552, or successor forms, excluding all skilled and nonskilled nursing facility days, skilled and nonskilled swing bed days, nursery days, observation bed days, hospice days, home health agency days, and other days not typically associated with an acute care inpatient hospital stay.

(15) "Outpatient" means services provided classified as ambulatory payment classification services or successor payment methodologies as defined in *WAC 182-550-7050 or successor rule and applies to fee-for-service payments and managed care encounter data.

(16) "Prospective payment system hospital" means a hospital reimbursed for inpatient and outpatient services provided to medicaid beneficiaries under the inpatient prospective payment system and the outpatient prospective payment system as defined in WAC 182-550-1050 or successor rule. For purposes of this chapter, prospective payment system hospital does not include a hospital participating in the certified public expenditure program or a bordering city hospital located outside of the state of Washington and in one of the bordering cities listed in WAC 182-501-0175 or successor rule.

(17) "***Psychiatric hospital" means a hospital facility licensed as a **psychiatric hospital under chapter 71.12 RCW.

(18) "Rehabilitation hospital" means a medicare-certified freestanding inpatient rehabilitation facility.

(19) "Small rural disproportionate share hospital payment" means a payment made in accordance with WAC 182-550-5200 or successor rule.

(20) "Upper payment limit" means the aggregate federal upper payment limit on the amount of the medicaid payment for which federal financial participation is available for a class of service and a class of health care providers, as specified in 42 C.F.R. Part 47, as separately determined for inpatient and outpatient hospital services. [2019 c 318 s 2; 2017 c 228 s 2; 2013 2nd sp.s. c 17 s 2; 2010 1st sp.s. c 30 s 2.]

Reviser's note: *(1) WAC 182-550-7050 was repealed by WSR 14-12-047.

** (2) The term "psychiatric hospital" was changed to "behavioral health hospital" by 2024 c 121 s 19.

Effective date—2019 c 318: See note following RCW 74.60.005.

Effective date—2017 c 228: See note following RCW 74.60.005.

Effective date—2013 2nd sp.s. c 17: See note following RCW 74.60.005.

RCW 74.60.010 Definitions. (Contingent effective date.) The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Authority" means the health care authority.

(2) "Base year" for medicaid fee-for-service payments for state fiscal year 2024 is state fiscal year 2021. For each following year's calculations, the base year must be updated to the next following year.

(3) "Border hospital" means, for the purposes of the fee-for-service program under RCW 74.60.120, a hospital as defined in WAC 182-550-1050 and bordering cities as described in WAC 182-501-0175, or successor rules.

(4) "Cancer hospital" means a hospital classified as involved extensively in treatment for or research on cancer under section 1886(d)(1)(B)(v) of the social security act.

(5) "Children's hospital" means a hospital primarily serving children, as defined in WAC 182-550-1050 or successor rule.

(6) "Critical access hospital" means a hospital as described in RCW 74.09.5225.

(7) "Designated public hospital" means a hospital operated by a public hospital district in the state of Washington, not certified by the department of health as a critical access hospital, that:

(a) Has not opted out of the certified public expenditure payment program described in WAC 182-550-4650 or successor rule by June 1, 2023, or in future years by June 1st of the preceding year; or

(b) Is an affiliate of a system of state and county-owned hospitals and is not participating in that system's intergovernmental transfer directed payment program as of June 1, 2023, or in future years by June 1st of the preceding calendar year.

(8) "Director" means the director of the health care authority.

(9) "Fund" means the hospital safety net assessment fund established under RCW 74.60.020.

(10) "High government payer independent hospital" means a prospective payment system hospital which is nonprofit, provides acute care to adults and children, is not governmentally owned or owned or operated by a health system that owns or operates three or more acute care hospitals, and provides services to patients covered by medicare, medicaid, or other governmental payers as well as the uninsured.

(11) "Hospital" means a facility licensed under chapter 70.41 RCW.

(12) "Inflation factor" means the centers for medicare and medicaid services inpatient hospital market basket inflation factor using the four quarter rolling average as calculated and available by April 30th of each year or an alternative source required by the centers for medicare and medicaid services.

(13) "Long-term acute care hospital" means a hospital which has an average inpatient length of stay of greater than twenty-five days as determined by the department of health.

(14) "Managed care organization" means an organization having a certificate of authority or certificate of registration from the office of the insurance commissioner that contracts with the authority under a comprehensive risk contract to provide prepaid health care services to eligible clients under the authority's medicaid managed care programs, including the healthy options program.

(15) "Medicaid" means the medical assistance program as established in Title XIX of the social security act and as administered in the state of Washington by the authority.

(16) "Medicaid managed care inpatient discharge" means an inpatient discharge for a medicaid patient, excluding normal newborns, based upon the grouper methodology used by the authority, where the medicaid managed care organization was the primary payer of the patient claim.

(17) "Medicaid managed care outpatient payments" means outpatient services provided to a medicaid patient where a medicaid managed care organization was the primary payer of the patient claim.

(18) "Medicaid prospective payment system hospital" means a hospital reimbursed for inpatient and outpatient services provided to medicaid beneficiaries under the inpatient prospective payment system and the outpatient prospective payment system as defined in WAC 182-550-1050 or successor rule, excluding any designated public hospital, any state or county-owned hospital, or any hospital located outside of the state of Washington and in one of the bordering cities listed in WAC 182-501-0175 or successor rule, or any hospital owned or operated by a health maintenance organization as defined in RCW 48.46.020. "Medicaid prospective payment system" refers solely to a reimbursement under the state medicaid program and has no bearing on

or reference to a hospital's reimbursement classification under federal health care or other payment programs.

(19) "Medicare cost report" means the medicare cost report, form 2552, or successor document.

(20) "Nonmedicare net patient revenue" means all net patient revenue, less a deduction only of fee-for-service medicare revenue and includes medicare managed care revenue.

(21) "Outpatient services" means services that are provided as ambulatory payment classification services or successor payment methodologies as defined in WAC 182-550-1050 or successor rule and applies to fee-for-service payments and managed care encounter data.

(22) "*Psychiatric hospital" means a hospital facility licensed as a *psychiatric hospital under chapter 71.12 RCW.

(23) "Rehabilitation hospital" means a medicare-certified freestanding inpatient rehabilitation facility.

(24) "Small rural disproportionate share hospital payment" means a payment made in accordance with WAC 182-550-5200 or successor rule.

(25) "Upper payment limit" means the aggregate federal upper payment limit on the amount of the medicaid payment for which federal financial participation is available for a class of service and a class of health care providers, as specified in 42 C.F.R. Part 47, as separately determined for inpatient and outpatient hospital services. [2023 c 430 s 2; 2019 c 318 s 2; 2017 c 228 s 2; 2013 2nd sp.s. c 17 s 2; 2010 1st sp.s. c 30 s 2.]

Reviser's note: *(1) The term "psychiatric hospital" was changed to "behavioral health hospital" by 2024 c 121 s 19.

(2) The definitions in this section have been alphabetized pursuant to RCW 1.08.015(2)(k).

Contingent effective date—2023 c 430: See note following RCW 74.60.005.

Effective date—2019 c 318: See note following RCW 74.60.005.

Effective date—2017 c 228: See note following RCW 74.60.005.

Effective date—2013 2nd sp.s. c 17: See note following RCW 74.60.005.