

(Effective January 1, 2027)

WAC 182-40-0600 Reimbursement benchmarking. (1) Except for hospitals primarily engaged in the care and treatment of children in King or Pierce counties, for the purpose of calculating any payment thresholds set in this chapter:

(a) The authority calculates the amount of benchmark reimbursement for a service as the amount that would have been paid if the Centers for Medicare and Medicaid Services reimbursed a claim under the medicare program, including applicable post claim settlements, except for:

(i) Services for which there is no published medicare rate or payment methodology; or

(ii) Services with a published medicare reimbursement rate or payment methodology with a low volume of medicare experience.

(b) For inpatient services with a low volume of medicare experience, the authority determines the relative benchmark weight for enrollees in the public employees' benefits board program and school employees' benefits board program, established under chapter 41.05 RCW, by using medicare or elements from publicly available fee schedules.

(c) For primary care and behavioral health services where there is no published medicare rate or payment methodology, the authority will exclude these services from the compliance determination.

(d) For outpatient services where there is no published medicare rate or payment methodology, the authority projects the benchmark amount using the facility's average medicare discount off billed charges for services where there is a medicare fee schedule rate or payment methodology.

(2) For hospitals primarily engaged in the care and treatment of children in King and Pierce counties, the authority calculates the amount of benchmark reimbursement for services using the hospital-specific published medicaid inpatient ratio of cost to charges as determined by the authority.

(3) For rural hospitals certified by the Centers for Medicare and Medicaid Services as critical access hospitals, the authority calculates the amount of benchmark reimbursement for a service using allowable cost reporting in the hospital's medicare cost report.

(4) The authority annually publishes a compliance guide by January 31st of the year preceding the plan year for which the reimbursement requirements are applicable that includes the following:

(a) Payment thresholds;

(b) A list of hospitals subject to the provisions of WAC 182-40-0300; and

(c) The underlying reimbursement benchmarking methodology used in the annual compliance measurement.

(5) The authority develops, maintains, and has final approval authority over the published compliance guide. The compliance guide is located on the authority's website. The authority uses the compliance guide for the purposes of calculating any payment thresholds set in this chapter.

(6) At any time during the year, the authority may make changes to the compliance guide. The authority will provide contractors the opportunity to comment on substantive changes to the compliance guide 30 days before the change is finalized for that plan year.

[Statutory Authority: RCW 41.05.021, 41.05.160, and 41.05.028. WSR 25-24-066, s 182-40-0600, filed 12/1/25, effective 1/1/27.]