



May 13, 2014

Mr. Jason R. P. Crabbe
Rules and Publications Program Manager
Health Care Authority
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***Comments on Stakeholder Draft Rules: WACs 182-550-3850, 7000, 7200,
7300, 7400, 7450, 7500, 7550, 7600***

Dear Mr. Crabbe,

The Washington State Hospital Association appreciates the opportunity to submit comments on the Health Care Authority (HCA) stakeholder draft rules.

As we have indicated in our previous comments on other related rules, it is challenging to provide meaningful comment when changes are done on a piecemeal basis, since the impact of a specific provision or definition is often dependent on information included elsewhere. While we understand the enormity of the task of revising and obtaining comment on so many rules in a short time period, we can only comment effectively on the rules when taken as a whole and we feel that there should have been a chance to review as a complete set.

Our greatest area of concern in this particular set of proposed rules is the proposal to implement an up-front budget neutrality factor reduction. We believe this adjustment is an arbitrary budget cut. A better approach would be for HCA to adjust payment rates prospectively, and then only if it can be established through measurement that payments under the new methodology are greater than the same set of services would be paid under the existing methodology and rates. Our specific concerns and suggestions are below.