



STATE OF WASHINGTON  
DEPARTMENT OF SOCIAL AND HEALTH SERVICES  
Developmental Disabilities Administration  
PO Box 45310, Olympia, WA 98504-5310

April 03, 2020

To: DDA Adult Residential Contracted Community Providers

Re: Exception to Policy

An Exception to Policy (ETP) is being granted for the DDA Certified Residential Services Programs including: Supported Living, Group Homes, and Group Training Homes.

Policy 6.02 RATES AND OTHER COVERED COSTS FOR SUPPORTED LIVING, GROUP TRAINING HOMES, AND GROUP HOMES

Policy 6.04 BILLING, PAYMENT, AND COST REPORTING FOR SUPPORTED LIVING, GROUP TRAINING HOMES, AND GROUP HOMES

Description of request:

The federal government recently increased Federal Match Assistance Percentages (FMAP) for reimbursement for Washington State.

For the purpose of facilitating provider rate increases during COVID-19 Pandemic, DDA is allowing under its exception authority to: DDA Policy 6.02, the use of Administrative/non-staff rate component, for the department approved amounts for COVID-19; and Policy 6.04, cost report settlement process for COVID-19.

Description of Exception to Policy (ETP):

This ETP to DDA Policy 6.02 allows Certified Residential Service Programs to use the temporary increase in the FMAP funds to offset agency costs related to COVID-19. This increase is added in the form of a temporary rate add-on to the total daily rate for each client. The increase amount will be reflected in the administrative/non-staff component on your contract rate exhibit. This exception will allow Certified Residential Service Programs to exclude these temporary funds from the annual settlement process on their agency Cost Report. You will see a temporary increase in the daily rate for each client. The agency may use the funds to meet needs, either in the ISS or the admin/non-staff cost center.

The intent of the funds is to address staffing, supplies, and other administrative/non-staff costs that the agency may incur to address the unique expenses due to the emergency created as a result of the COVID-19 pandemic. These additional funds should also eliminate the need to

request any add-on, Cost of Care Adjustments (COCA's) or Residential Allowance Requests (RAR's) related to COVID-19 expenditures. Add-on's, COCA's and RAR's that are not related to COVID-19 may be requested during this period.

This exception to DDA Policy 6.04 allows Certified Residential Services Programs to exclude all COVID-19 pandemic expenses and reimbursements from the settlement process for the purposes of completion and audit of the annual cost report.

Providers do not need to do anything special or extra to receive the rate add-on as it will be added to each client's total rate on your exhibit. Providers do not need to request individual rate or cost report settlement exceptions for these COVID-19 policy changes.

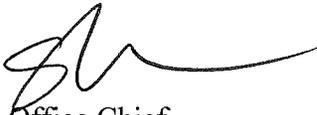
At this time we do not know the actual end date for the add-on. This increase in federal funding is provided for each calendar quarter through the end of this pandemic as determined by the federal government. The enhanced FMAP is available until the last day of the calendar quarter in which the emergency is declared. Currently we intend to continue the add-on until that date. When we know the actual date the enhanced FMAP will end, we will notify your agency in writing. At a minimum, the rate add-on will continue through June 2020.

Since the enhanced FMAP is allowed starting the first of the year, the rate increase from April to June will be a higher amount since we are capturing the six months increase over the current three month quarter. If the enhanced FMAP continues for the calendar quarter starting July 01, the increase to your daily rate will be reduced to reflect the increase FMAP that is received for that quarter.

These additional funds will be added into your contract with an effective date of April 1<sup>st</sup>, 2020 in the form of a rate add-on equal to 22% of the Total Daily Rate of a client. The agency must maintain all records per the policy. DDA staff are working diligently to add the funds into the contract. We are anticipating the change reflected in your exhibit and available to claim by April 20<sup>th</sup>, with an effective date of April 1<sup>st</sup>. Please do not submit reimbursement requests to DDA for expenses or purchases paid for prior to April 1, 2020. All costs, to date, should be reimbursed with the FMAP funds. However, the regional resource team is always available to contact if you have unique costs.

I appreciate your continued partnership and commitment to bring quality services for people with disabilities. Please do not hesitate to connect with me if you have questions at [hakimss@dshs.wa.gov](mailto:hakimss@dshs.wa.gov) or 360.407.1505.

Thank you,



Saif Hakim, Office Chief

cc: Residential Unit HQ  
Regional Administrators  
Resource Administrators  
Office of Rates Management