STATE OF WASHINGTON
DEPARTMENT OF SOCIAL AND HEALTH SERVICES
Home and Community Living Administration
Residential Care Services • P.O. Box 45600 • Olympia, Washington 98504

10/08/2026

This letter supersedes ALTSA (HCLA) NH #2025-065

HCLA: NH #2026-041
Updated Training and Reference Materials: Payroll Based Journal (PBJ) Data Submission & The WA State Minimum Direct Care Nursing (MDCN) 3.4 Hours Per Resident Day (HPRD) Threshold

Dear Nursing Home Administrator,

Federally enrolled/certified nursing homes (NHs) are required to comply with PBJ data submission requirements at 42 CFR §483.70(p). Washington State NHs must comply with MDCN 3.4 HPRD threshold requirements at WAC 388-97-1090. With limited exceptions, Washington State uses PBJ data submitted to CMS to establish the state MDCN HPRD threshold.

In 2025, CMS published QSO-25-14-NH that provides updated guidance to inform state agency (SA) evaluation of PBJ data during recertification surveys (or as applicable, abbreviated surveys). If potentially incongruent or invalid data is identified, CMS contracted auditors will complete the PBJ data audit.

On September 11, 2026, CMS published QSO-26-12-NH Revised, announcing that PBJ submission and reports transitioned to iQIES on August 17, 2026.

To avoid potential penalties and ensure accurate Medicare/Medicaid reimbursement, facilities must consistently submit complete, accurate, and timely PBJ data to CMS. In addition to providing updated guidance to inform access and use of iQIES PBJ reports, the updated PowerPoint slide deck, Complete, Accurate, & Timely Submission of PBJ Data to CMS & The WA State MDCN 3.4 HPRD Threshold provides information about federal and state regulatory obligations, policy, and processes to support your facility's success.

Thank you for your continued commitment to residents' health and safety. Please submit questions to rcspolicy@dshs.wa.gov.

Sincerely,

Amy Abbott, Director
Residential Care Services

DSHS: *"Partnering with People"*