



STATE OF WASHINGTON
DEPARTMENT OF SOCIAL AND HEALTH SERVICES
Management Services Division
PO Box 45600, Olympia, WA 98504-5600

October 10, 2018

Dear Nursing Home Administrator,

As you are aware, the Department has been collecting information from each facility in order to determine compliance with the 3.4 requirements found in RCW 74.42.360. The RCW instructs the Department to utilize the data from the CMS Payroll Based Journal (PBJ) for oversight, but at the time of roll-out, this data was not available. CMS has begun releasing this data; therefore, the Department will now use PBJ data for determination of compliance.

There will be a transition period. This is due to the timing of the availability of the data from CMS. The PBJ data is available to the Department approximately two quarters after the quarter that the data was due. This means that as we switch to the PBJ data, there will be a two-quarter lag on the data the Department receives. This lag will start immediately. You do not need to submit 3.4 HPRD reports to the Department starting with Quarter 3, 2018, as long as you submit the PBJ report to CMS. **This does not mean those quarters will not be counted.** All quarters will still be counted, but there will now be a longer period of time between when the quarter data that is submitted to CMS and our Department's examination of those hours, as the Department will not receive the data until approximately two quarters after it was submitted to CMS. Thus, the 3rd quarter, 2018, 3.4 data will be examined in January 2019.

During this one-time transition period, the Department will compare the data submitted through PBJ with the data submitted directly to the Department for the first two quarters of 2018. This comparison will be made available to facilities so you can understand if there is an impact due to us switching to the PBJ and adjust your staffing accordingly.

It is important to note, that if for any reason, you are not required to submit payroll data to CMS, you **must** continue to submit your hours directly to the Department. Additionally, if you are relying on geriatric behavioral health worker hours to meet the 3.4 requirement, those hours will need to be submitted directly to the Department, as they are not captured in the PBJ. Templates for both full and geriatric only submissions will be posted on our website for download.

If you have any questions regarding the 3.4 HPRD program or these changes, please contact Jamie Franzen at 360-725-2438 or jamie.franzen@dshs.wa.gov.

Sincerely,

A handwritten signature in black ink that reads "Tiffany Hills". The signature is written in a cursive style with a large, stylized initial "T".

Tiffany Hills, Manager
Nursing Facility Rates Program
Office of Rates Management