



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

June 15, 2015

Dear Contractor/County Coordinator:

Sadly, I am writing to share information regarding the impact of a partial shut-down of state government if the Legislature is unable to reach a budget compromise by July 1, 2015. I understand you may be receiving multiple messages if you or your agency holds more than one contract with the Department of Social and Health Services (DSHS). In an effort to share the information I have, I outline below the impact on Medicaid and Non-Medicaid services beginning July 1, in the event that a budget is not adopted.

Medicaid Funded Services Impact: Under plans approved by the Governor's office, DSHS would be permitted to continue to cover services for Medicaid (Title XIX) and Children's Health Insurance Program (Title XXI) clients. Although DSHS and the Health Care Authority would be unable to pay Medicaid and CHIP fee-for-service providers until a budget is passed our expectation is that fee-for-services providers will continue those services for now. The Provider One payment system and the Social Services Payment System (SSPS) would remain operative for normal billing functions during this interim, including eligibility verification and payments for dates of service prior to July 1.

Non-Medicaid Funded Services Impact: While we intend to continue our existing contract with you, we will not be permitted to incur or obligate any expenditures of funds after June 30, 2015, for non-Medicaid services until the state has an approved budget. The Department is not authorized to incur any obligation to pay for any services provided during the period when a budget is not in effect. Any non-Medicaid services that you choose to provide would be provided at your risk with funding completely dependent on how the Legislature drafts the new budget.

DSHS will be reducing staffing levels to the minimum necessary to provide only those functions that are permitted by law to continue after July 1, 2015.

I am still hopeful that this contingency planning is an exercise that will not need to be fully executed. I know this is a difficult time and we are all deeply concerned about those vulnerable individuals and families that we serve. If you have any questions regarding the direction in this letter please contact the DSHS contact shown on the cover page of your current contract.

Thank you again for sharing our commitment to transforming lives.

Sincerely,

Evelyn Perez, Assistant Secretary
Developmental Disabilities Administration