

DEVELOPMENTAL DISABILITIES ADMINISTRATION  
Olympia, Washington

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TITLE: CLIENT RESPONSIBILITY POLICY 6.06

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<p>Authority:</p> <p><a href="#">20 CFR 416.1121</a>  <a href="#">20 CFR 416.1110</a>  <a href="#">42 CFR 435.726</a>  <a href="#">RCW 71A.12.070</a></p> <p><a href="#">WAC 388-106-0225</a>  <a href="#">WAC 182-512-0800</a>  <a href="#">WAC 182-513-1100</a></p> <p><a href="#">WAC 182-513-1215</a>  <a href="#">WAC 182-515-1514</a></p> <p><a href="#">WAC 388-825-096</a></p> <p><a href="#">WAC 388-845-3095</a></p> <p>Reference:</p> <p><a href="#">Chapter 388-826 WAC</a></p>	<p><i>Types of unearned income</i>  <i>What is earned income</i>  <i>Post-eligibility treatment of income</i>  <i>Payments under RCW 71A.12.060 Supplemental to payments from other sources—Direct payments</i>  <i>How do I pay for medicaid personal care?</i>  <i>SSI-related medical—general income exclusions</i>  <i>Definitions related to long-term services and supports</i>  <i>Community first choice - eligibility</i>  <i>Home and community-based waiver services authorized by DDA—Client financial responsibility</i>  <i>Will I have to pay for the services DDD authorizes for me?</i>  <i>Will I have to pay toward the cost of waiver services?</i></p> <p><i>Out-of-home services</i></p>
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**BACKGROUND**

This policy provides DDA case resource managers (CRMs) guidance and references to understand their role and responsibilities in calculating client responsibility and notifying the client, provider, and representative of changes to client responsibility.

**PURPOSE**

This policy establishes guidelines for determining client responsibility -- the cost of room and board and the cost of care. This policy describes the responsibilities of CRMs in calculating and notifying clients of their liability for room and board and participation costs or assisting in calculations completed by the Long-Term Care and Specialty Programs Unit's public benefits specialists.

**SCOPE**

This policy applies to CRMs, the Long-Term Care and Specialty Programs Unit, the Payment Systems Specialist, and the DDA Headquarters Payment Team.

**DEFINITIONS**

**Alternative benefits plan** or **ABP** means the range of healthcare services included in the scope of service categories described in WAC [182-501-0060](#) available to people eligible for healthcare coverage under the Washington Apple Health modified adjusted gross income (MAGI)-based adult coverage described in WAC [182-505-0250](#).

**Client responsibility** means the total amount a client is required to contribute for participation and room and board in a DDA-authorized residential setting.

**Cost of care** means the cost of personal care or other support services in the residential setting.

**Earned income** includes: salaries, wages, commissions, bonuses, severance pay, and other cash or in-kind payments received because of employment; net earnings from self-employment; earned income tax credits; tax refunds; payment for services performed in a work activities center; and certain royalties and honoraria.

**Healthcare for Workers with Disabilities (HWD)** refers to a DSHS buy-in program under [WAC 182-511-1000](#) that provides healthcare coverage for people with disabilities who work.

**Licensed facility** means any Adult Family Home (AFH), Adult Residential Center (ARC), DDA Group Home, Alternate Living Facility (ALF), Staffed Residential Home (SRH), Enhanced Adult Residential Center (EARC), State-Operated Living Alternative (SOLA) for children, or DDA Group Training Home.

**Modified adjusted gross income** or **MAGI** means a methodology used to determine eligibility for Washington Apple Health (Medicaid) and is defined in [WAC 182-500-0070](#).

**Participation** means the amount the client is required to contribute toward the cost of care for DDA authorized services.

**Personal needs allowance** or **PNA** means a standard allowance for clothing and other personal needs for clients who live in a medical or alternate living facility.

**Representative payee** means a person, or an organization selected by the Social Security Administration, to receive benefits on behalf of a beneficiary.

**Room and board** means the portion of the daily rate in a licensed facility that is allocated for the cost of food and shelter.

**Unearned income** means income that is not earned, including annuities, pensions, Supplemental Security Income, Social Security benefits, State Supplementary Payments, disability benefits, Veteran's benefits, worker's compensation, Railroad Retirement annuities, unemployment insurance benefits, alimony and support payments, dividends, interest, and certain royalties, rents, death benefits, prizes and awards, gifts and inheritances, and support and maintenance in-kind.

### POLICY

- A. Clients who live in community-based licensed residential facilities must pay room and board and may be required to participate toward their cost of care. Calculations of client responsibility are based on the client's income and resources as well as the type of service.
- B. Calculations of client responsibility are completed by public benefits specialists in the Long-Term Care (LTC) and Specialty Programs Unit. CRMs are responsible for calculation and notification of client responsibility for clients residing in a licensed residential facility who are eligible for Medicaid under the Alternative Benefits Plan.
- C. This policy does not address financial eligibility for the DDA-authorized programs in sections (A) and (B) above. The assumption is that Medicaid eligibility has been reviewed and determined by a public benefits specialist or the Health Care Authority.

### PROCEDURES

- A. Determining Client Responsibility
  - 1. Public benefits specialists calculate client responsibility for all DDA residents of licensed facilities, except those who are eligible for Medicaid under the Alternative Benefits Plan.
  - 2. The LTC and Specialty Programs Unit requests information from the client, payee, and guardian to determine financial eligibility. The case resource manager may need to assist the LTC and Specialty Programs Unit in obtaining this information.
    - a. If a CRM learns of changes that may affect a client's financial eligibility, including a change in contact information, the CRM must communicate the change to the LTC and Specialty Programs Unit using Barcode 15-345.

- b. If a DDA employee receives documentation regarding a change that might affect client responsibility, the employee must notify the client's CRM and the documentation must be submitted to:
  - i. [Altsadms@dshs.wa.gov](mailto:Altsadms@dshs.wa.gov) with the ACES ID written on the first page of the attached PDF; or
  - ii. The Document Management System Hub Indexing Unit at DSHS, PO Box 45826, MS: 45826, Olympia, WA 98504 with the ACES ID written on each page.
3. When the CRM is responsible for calculating client responsibility, the CRM must:
  - a. Refer to the Social Service Authorization Manual and [WAC 182-513-1215](#) for instructions; and
  - b. Follow the step-by-step instructions on the [ProviderOne and IPOne SharePoint](#) site.
4. Contribution toward room and board and participation, if required, is calculated based on total income. Certain expenses may be deducted from client responsibility or exempted from total income before room and board or participation is calculated. Deductions and exemptions include:
  - a. Representative payee fees under WAC 182-512-0800;
  - b. Court-ordered guardianship fees and court-approved administrative costs under WAC 182-513-1530 directly related to the establishment or maintenance of guardianship; and
  - c. Allowable medical expenses not covered by Medicaid or other third-party payers under WAC 182-513-1350.

Note: Income information for month #1 is provided to DDA in month #2 and is applied to calculations for month #3.

B. Determining Client Responsibility for Partial Months

1. When a client moves in or out of a licensed facility, the CRM must notify the LTC and Specialty Programs Unit via Barcode 15-345 as soon as possible.

- a. A public benefits specialist must revise the client responsibility calculation for the previous residence, if needed, and issue an additional calculation for the new residence, if needed.
    - b. If the calculation is not the responsibility of the LTC and Specialty Programs Unit, the CRM must refer to the Social Service Authorization Manual for revising a calculation of client responsibility.
  2. When a client lives at their home and is moving into a licensed residential facility on a day other than the first day of the month, DDA will pay the entire cost for the first partial month. Client responsibility is calculated beginning the first full month the client lives in the facility.
  3. When a client leaves a facility or dies before the last day of the month, client responsibility may need to be recalculated for that month to determine whether funds need to be reimbursed to the client or the client's estate. If client responsibility is not calculated by the LTC and Specialty Programs Unit, refer to the Social Service Authorization Manual for direction on calculating and authorizing client reimbursements and making other adjustments.
- C. Notification
1. The CRM must provide written notification of changes in client responsibility for a client who is covered by ABP. Whenever possible, the CRM must notify the client, their guardian and NSA representative, and their representative payee by the first of the month for which the payment is due. Notification regarding client responsibility amounts for ABP-eligible clients must be provided using [DSHS form 18-692, Client Responsibility Notice](#).
  2. The LTC and Specialty Programs Unit must complete all required notification of changes to client responsibility calculation for all clients except those completed by the CRM.
  3. The CRM is not required to send a planned action notice to the client or their representatives regarding changes in the client responsibility amount.
- D. Determining Income and Eligibility Status
1. The CRM must communicate with a public benefits specialist via Barcode 15-345:
    - a. As soon as the start date of a new facility-based service is known; or
    - b. When the CRM learns of any changes to income or deductions.

2. The CRM must refer to information in ACES to determine eligibility status.
  - a. For other client income, deductions, or eligibility situations related to client responsibility that are not addressed in this policy, the CRM must contact the Payment Systems Specialist.
  - b. The Payment Systems Specialist will contact the Headquarters Payment Team.

E. Reviewing Client Responsibility

1. Prior to authorization for service, clients covered by ABP must complete [DSHS 14-238, Client Income Report](#), and submit it to the CRM. This report must also be completed:
  - a. Any time there is a change in the client's income type;
  - b. Every month for a client with earned income;
  - c. Any time there is a change in the client's monthly earned or unearned income; or
  - d. Any time the client is admitted to or discharged from a facility.
2. The CRM may contact a public benefits specialist with questions regarding income types.

F. Correcting Client Responsibility Errors

1. CRMs should refer to the Social Service Authorization Manual for procedures to correct client responsibility calculated against services paid through ProviderOne.
2. For all client responsibility corrections paid through a payment system, the CRM must contact the Payment Systems Specialist, and if needed, the Payment System Specialist will contact the Headquarters Payment Team if there is concern that:
  - a. An adjustment may result in the client's resources exceeding \$2000; and
  - b. The adjustment is for a period longer than one month.

EXCEPTIONS

None.

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**SUPERSESION**

DDA Policy 6.06

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Approved:           /s/: Shannon Manion                Date: February 1, 2022

Deputy Assistant Secretary

Developmental Disabilities Administration