



PROPOSED RULE MAKING

CR-102 (June 2024)
(Implements RCW 34.05.320)
Do **NOT** use for expedited rule making

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STATE OF WASHINGTON
FILED

DATE: September 30, 2025

TIME: 9:24 AM

WSR 25-20-083

Agency: Department of Social and Health Services, Home and Community Living Administration, WA Cares Fund Division

☒ **Original Notice**

☐ **Supplemental Notice to WSR** _____

☐ **Continuance of WSR** _____

☒ **Preproposal Statement of Inquiry was filed as WSR 25-16-078 ; or**

☐ **Expedited Rule Making--Proposed notice was filed as WSR** _____; or

☐ **Proposal is exempt under RCW 34.05.310(4) or 34.05.330(1); or**

☐ **Proposal is exempt under RCW** _____.

Title of rule and other identifying information: (describe subject) WAC 388-116-1020 – Pilot.

Hearing location(s):

Date:	Time:	Location: (be specific)	Comment:
November 4, 2025	10:00 a.m.	Virtually via Teams or Call in	Hearings are held virtually, see the DSHS website at https://www.dshs.wa.gov/sesa/rpau/proposed-rules-and-public-hearings for the most current information.

Date of intended adoption: Not earlier than November 5, 2025 (Note: This is **NOT** the **effective** date)

Submit written comments to:

Name DSHS Rules Coordinator

Address PO Box 45850, Olympia WA 98504

Email DSHSRPAURulesCoordinator@dshs.wa.gov

Fax 360-664-6185

Other

Beginning (date and time) noon on October 1, 2025

By (date and time) 5:00 p.m. on November 4, 2025

Assistance for persons with disabilities:

Contact Shelley Tencza, Rules Consultant

Phone 360-664-6036

Fax 360-664-6185

TTY 711 Relay Service

Email shelley.tencza@dshs.wa.gov

Other

By (date) 5:00 p.m. on October 21, 2025

Purpose of the proposal and its anticipated effects, including any changes in existing rules: The proposed rule implements Section 16 of Engrossed Substitute Senate Bill 5291 (Chapter 380, Laws of 2025) for a pilot project from January 1, 2026, through June 30, 2026. The draft rules establish parameters for the pilot project, including participating locations, capacity limitations, approved services limitations, and other topics necessary for the pilot.

Reasons supporting proposal: This rulemaking is necessary for the WA Cares Fund program to set parameters for pilot participation.

Statutory authority for adoption: RCW 50B.04.020(k)

Statute being implemented: Section 16 of Engrossed Substitute Senate Bill 5291 (Chapter 380, Laws of 2025)

Is rule necessary because of a:

Federal Law?

☐ Yes ☒ No

Federal Court Decision?

☐ Yes ☒ No

State Court Decision?

☐ Yes ☒ No

If yes, CITATION:

Agency comments or recommendations, if any, as to statutory language, implementation, enforcement, and fiscal matters: None

Name of proponent: (person or organization) Department of Social and Health Services

Type of proponent: ☐ Private. ☐ Public. ☒ Governmental.

Name of agency personnel responsible for:

	Name	Office Location	Phone
Drafting	Arielle Finney	PO Box 45600 Olympia, WA 98504-5600	360-764-0384
Implementation	Katie Kelnhofer (provider)	PO Box 45600 Olympia, WA 98504-5600	564-669-4440
Tracey Rollins (beneficiary)		PO Box 45600 Olympia, WA 98504-5600	360-688-6359
Enforcement	Katie Kelnhofer (provider)	PO Box 45600 Olympia, WA 98504-5600	564-669-4440
Tracey Rollins (beneficiary)		PO Box 45600 Olympia, WA 98504-5600	360-688-6359

Is a school district fiscal impact statement required under [RCW 28A.305.135](#)?☐ Yes ☒ No

If yes, insert statement here:

The public may obtain a copy of the school district fiscal impact statement by contacting:

Name
Address
Phone
Fax
TTY
Email
Other

Is a cost-benefit analysis required under [RCW 34.05.328](#)?☒ Yes: A preliminary cost-benefit analysis may be obtained by contacting:

Name Arielle Finney
Address PO Box 45600, Olympia, WA 98504-5600
Phone 360-764-0384
Fax
TTY 711 Relay Service
Email Arielle.Finney2@dshs.wa.gov
Other

☐ No: Please explain:**Regulatory Fairness Act and Small Business Economic Impact Statement**Note: The [Governor's Office for Regulatory Innovation and Assistance \(ORIA\)](#) provides support in completing this part.**(1) Identification of exemptions:**

This rule proposal, or portions of the proposal, **may be exempt** from requirements of the Regulatory Fairness Act (see [chapter 19.85 RCW](#)). For additional information on exemptions, consult the [exemption guide published by ORIA](#). Please check the box for any applicable exemption(s):

☐ This rule proposal, or portions of the proposal, is exempt under [RCW 19.85.061](#) because this rule making is being adopted solely to conform and/or comply with federal statute or regulations. Please cite the specific federal statute or regulation this rule is being adopted to conform or comply with, and describe the consequences to the state if the rule is not adopted.

Citation and description:

☐ This rule proposal, or portions of the proposal, is exempt because the agency has completed the pilot rule process defined by [RCW 34.05.313](#) before filing the notice of this proposed rule.

☐ This rule proposal, or portions of the proposal, is exempt under the provisions of [RCW 15.65.570](#)(2) because it was adopted by a referendum.

☐ This rule proposal, or portions of the proposal, is exempt under [RCW 19.85.025](#)(3). Check all that apply:

- | | |
|---|--|
| <input type="checkbox"/> RCW 34.05.310 (4)(b)
(Internal government operations) | <input type="checkbox"/> RCW 34.05.310 (4)(e)
(Dictated by statute) |
| <input type="checkbox"/> RCW 34.05.310 (4)(c)
(Incorporation by reference) | <input type="checkbox"/> RCW 34.05.310 (4)(f)
(Set or adjust fees) |
| <input type="checkbox"/> RCW 34.05.310 (4)(d)
(Correct or clarify language) | <input type="checkbox"/> RCW 34.05.310 (4)(g)
((i) Relating to agency hearings; or (ii) process requirements for applying to an agency for a license or permit) |

☐ This rule proposal, or portions of the proposal, is exempt under [RCW 19.85.025](#)(4). (Does not affect small businesses).

☐ This rule proposal, or portions of the proposal, is exempt under RCW _____.

Explanation of how the above exemption(s) applies to the proposed rule:

(2) Scope of exemptions: *Check one.*

- ☐ The rule proposal: Is fully exempt. (*Skip section 3.*) Exemptions identified above apply to all portions of the rule proposal.
- ☐ The rule proposal: Is partially exempt. (*Complete section 3.*) The exemptions identified above apply to portions of the rule proposal, but less than the entire rule proposal. Provide details here (consider using [this template from ORIA](#)):
- ☒ The rule proposal: Is not exempt. (*Complete section 3.*) No exemptions were identified above.

(3) Small business economic impact statement: *Complete this section if any portion is not exempt.*

If any portion of the proposed rule is **not exempt**, does it impose more-than-minor costs (as defined by RCW 19.85.020(2)) on businesses?

- ☒ No Briefly summarize the agency's minor cost analysis and how the agency determined the proposed rule did not impose more-than-minor costs. The rule is the least burdensome route to achieving the goals and objectives of the program. The rule does not require an action that violates federal or state law. The rule does not impose more stringent requirements on private entities than on public entities. There are no applicable federal regulations related to the subject of the rule. The proposed rule does not change program requirements for receipt of benefits or for long-term services and supports providers.
- ☐ Yes Calculations show the rule proposal likely imposes more-than-minor cost to businesses and a small business economic impact statement is required. Insert the required small business economic impact statement here:

The public may obtain a copy of the small business economic impact statement or the detailed cost calculations by contacting:

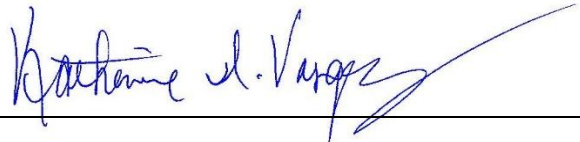
Name
Address
Phone
Fax
TTY
Email
Other

Date: September 25, 2025

Name: Katherine I. Vasquez

Title: DSHS Rules Coordinator

Signature:



NEW SECTION

WAC 388-116-1020 Pilot. (1) The purpose of the pilot is for the department to assess administrative processes and system capabilities in preparation for implementation of the full program.

(2) The department will conduct a pilot from January 1, 2026, through June 30, 2026, for the benefits under this chapter.

(3) The department will accept up to 400 applications for benefits in order of receipt, based on the date of application. The department may accept additional applications if the department does not enroll a sufficient number of beneficiaries to obtain necessary data from the pilot.

(4) The department will accept applications for benefits from January 6, 2026, until March 31, 2026.

(5) Applicants and eligible beneficiaries must reside and receive services within Lewis, Mason, Spokane, or Thurston counties.

(6) Applicants and eligible beneficiaries may not be enrolled in apple health (medicaid) for the duration of the pilot.

(7) During the pilot, approved services do not include memory care or nursing home services.

(8) Benefit units used during the pilot are deducted from the beneficiary's lifetime benefit units.

(9) Pilot participants will remain enrolled as eligible beneficiaries after termination of the pilot and subject to all other sections of this chapter.

(10) Unless explicitly modified in this section, all other sections of this chapter apply to the pilot.

(11) This section will expire on July 1, 2026.