



October 17, 2024

Jason McGill, Assistant Director Washington State Health Care Authority 626 8th Ave SE Olympia, WA 98501

Via email: jason.mcgill@hca.wa.gov

## Dear Jason,

We reach out today with great concern regarding delayed payment to nursing homes through Provider One. Payments are always received by EFT on Fridays, unless Provider One publishes a change to payment and or billing timelines. However, there have been three instances this year whereby payment was not received on Friday but paid the following Monday or later. The remittance advice detailing what was eventually paid was even further delayed.

Our member providers have reached out to us several times over the past seven months related to unscheduled variations from the normal Friday payment schedule:

- Payment scheduled 4/5/24 was delayed until 4/8/24
- Payment scheduled 7/5/24 was delayed until 7/8/24
- Payment scheduled 10/11/24 was delayed until 10/15/24

The impact of these unannounced payment delays is not insignificant. They are both disruptive and costly. For example, when payments are delayed, providers may have to borrow from a line of credit (and pay additional interest rates) to meet scheduled payroll and vendor payments—and lenders expect advanced notice.

Payments to other vendors may need to be delayed, resulting in postponed or cancelled delivery of essential supplies like food and medications. Of greatest concern, however, is the potential for problems related to missed or delayed payroll. Workers don't typically have resources to cover rent, daycare, food and other fundamental costs, and perceptions of financial instability drive people from employment.

Nursing home providers operate on razor thin margins and already experience payment delays with initial Medicaid applications and residents not paying their share of cost. This additional pressure is not warranted, and clearly, is neither sustainable nor fair.

We are including Amber Leaders in this outreach and would like to schedule a meeting as soon as possible so we can better understand the issues and partner with the Department to prevent further delays in payment processing. Thank you so much for your attention to this matter.

Sincerely,

Carma Matti-Jackson, President/CEO Washington Health Care Association

Carma & Matte-Jackson

CC: Amber Leaders, Governor's Office amber.leaders@gov.wa.gov