

APA-1

TRANSMITTAL SHEET FOR  
NOTICE OF INTENDED ACTION

Control No: 560 Department or Agency: Alabama Medicaid Agency

Rule No: 560-X-42-.09

Rule Title: Laundry Expense

\_\_\_\_\_ New Rule; X Amend; \_\_\_\_\_ Repeal; \_\_\_\_\_ Adoption by Reference

Would the absence of the proposed rule significantly harm or endanger the public health, welfare, or safety? \_\_\_\_\_  
no

Is there a reasonable relationship between the state's police power and the protection of the public health, safety, or welfare? \_\_\_\_\_  
yes

Is there another, less restrictive method of regulation available that could adequately protect the public? \_\_\_\_\_  
no

Does the proposed rule have the effect of directly or indirectly increasing the costs of any goods or services involved and, if so, to what degree? \_\_\_\_\_  
no

Is the increase in cost, if any, more harmful to the public than the harm that might result from the absence of the proposed rule? \_\_\_\_\_  
no

Are all facets of the rulemaking process designed solely for the purpose of, and so they have, as their primary effect, the protection of the public? \_\_\_\_\_  
yes

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Does the proposed rule have any economic impact? \_\_\_\_\_  
no

If the proposed rule has an economic impact, the proposed rule is required to be accompanied by a fiscal note prepared in accordance with subsection (f) of Section 41-22-23, Code of Alabama 1975.

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Certification of Authorized Official

I certify that the attached proposed rule has been proposed in full compliance with the requirements of Chapter 22, Title 41, Code of Alabama 1975 and that it conforms to all applicable filing requirements of the Administrative Procedure Division of the Legislative Reference Service.

Signature of certifying officer: Stephanie Lindsay

Date: 3/21/2017

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**ALABAMA MEDICAID AGENCY**

**NOTICE OF INTENDED ACTION**

**RULE NO. & TITLE:** 560-X-42-.09 Laundry Expense

**INTENDED ACTION:** Amend 560-X-42-.09

**SUBSTANCE OF PROPOSED ACTION:** The above referenced rule is being amended to change ICF/MR to ICF/IID

**TIME, PLACE, MANNER OF PRESENTING VIEWS:** Written or oral comments may be submitted to the Alabama Medicaid Agency, 501 Dexter Avenue, Post Office Box 5624, Montgomery, Alabama 36103-5624. Agency business hours are 8:00 a.m. to 5:00 p.m. Monday through Friday.

**FINAL DATE FOR COMMENT AND COMPLETION OF NOTICE:** Written/Oral comments concerning this change must be received by the Alabama Medicaid Agency no later than May 5, 2017.

**CONTACT PERSON AT AGENCY:** Stephanie Lindsay, Administrative Secretary, Alabama Medicaid Agency, 501 Dexter Avenue, Post Office Box 5624, Montgomery, Alabama 36103-5624. Phone: (334) 242-5833.



Stephanie McGee Azar  
Commissioner

## **Rule No. 560-X-42-.09 Laundry Expense**

(1) Allowable costs will be limited to the laundry costs which are ordinary and necessary to the operation of an ICF/MR/ID facility and will not include costs associated with the personal laundry of residents (if the facility charges for resident personal laundry).

- (2) Examples of such costs include, but are not limited to, the following:
- (a) Laundry salaries and employee benefits attributable to laundry personnel
  - (b) Supplies and materials used in providing laundry services
  - (c) Depreciation on equipment used in providing laundry services
  - (d) Costs directly attributable to the delivery of laundry
  - (e) Charges by an outside laundry.

(3) Allowable salaries and benefits will include all personnel directly involved in performing this service. Delivery costs will be subject to the limitation in Rule No. 560-X-42-.10, "Travel Expense".

(4) If the facility charges for resident personal laundry, the total cost of handling the personal laundry must be deducted from actual laundry costs. If this cost cannot be separated from other laundry costs, two (2) one-week laundry studies based on weight must be conducted by the facility at six (6) month intervals. The laundry costs will then be reduced by the personal laundry proportion as determined by the studies.

(5) If a facility elects not to charge sponsors or residents a personal laundry charge, Medicaid will not deduct a percentage of total laundry costs from the facility's rate computation.

**Author:** Robin Arrington, Associate Director, LTC Provider/Recipient Services Unit

**Statutory Authority:** State Plan; Title XIX, Social Security Act, 42 C.F.R., Section 447.250-.255

**History:** Rule effective October 13, 1988. Effective date of this amendment July 13, 1993.

**Amended:** Filed March 21, 2017