

# FINAL BILL REPORT

## SHB 1586

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C 158 L 91  
*Synopsis As Enacted*

**Brief Description:** Providing criteria for exempting continuing care retirement communities.

**Sponsor(s):** By House Committee on Health Care (originally sponsored by Representatives D. Sommers, Prentice, Moyer, Paris, Braddock and Franklin).

House Committee on Health Care  
Senate Committee on Health & Long-Term Care

**Background:** A continuing care retirement community is a retirement residence that provides shelter and health or personal care services by contract to a resident for the duration of the person's life or for a fixed term.

A continuing care retirement community is subject to the state Certificate of Need Law, which requires prior review and approval by the secretary of health for the development and construction of a retirement residence and any nursing facility connected with it.

However, a Certificate of Need from continuing care retirement communities is not required where they: 1) serve only contractual members; 2) provide a guaranteed range of services; 3) assume responsibility for costs of service; 4) have existed since January 1, 1988 in operating a nursing home; 5) relieve the Department of Social and Health Services of any financial liability for services to members; 6) do not operate any nursing home beds in excess of one for every four living units; and 7) have not increased the number of nursing home beds after January 1, 1988 without a professional review of pricing and long term solvency that is fully disclosed to the members.

**Summary:** A Certificate of Need is not required for the development and construction of the retirement residence of a continuing care retirement community.

However, a nursing facility connected with the community is reviewable, but an exemption is provided for continuing care retirement communities that: 1) serve only contractual members; 2) provide a guaranteed range of services; 3) assume responsibility for costs of service; 4) have existed since January 1, 1988 in operating a nursing home; 5)

relieve the department of any financial liability for services to members; 6) do not operate any nursing home beds in excess of one for every four living units; and 7) have obtained a professional review of pricing and long term solvency.

To qualify for an exemption from Certificate of Need, a continuing care retirement community must document that it qualifies for an exemption.

***Votes on Final Passage:***

House	97	0	
Senate	39	8	(Senate amended)
House	94	0	(House concurred)

***Effective:*** July 28, 1991