

SENATE BILL REPORT

ESHB 2100

AS REPORTED BY COMMITTEE ON WAYS & MEANS, APRIL 8, 1991

**Brief Description:** Exempting nursing homes for underserved ethnic minorities from certificate of need requirements.

**SPONSORS:** House Committee on Health Care (originally sponsored by Representatives Braddock, Locke, Wineberry and Wang).

**HOUSE COMMITTEE ON HEALTH CARE**

**SENATE COMMITTEE ON HEALTH & LONG-TERM CARE**

**Majority Report:** Do pass and be referred to Committee on Ways & Means.

Signed by Senators West, Chairman; L. Smith, Vice Chairman; Amondson, Johnson, L. Kreidler, Niemi, and Wojahn.

**Staff:** Don Sloma (786-7414)

**Hearing Dates:** March 27, 1991; April 1, 1991

**SENATE COMMITTEE ON WAYS & MEANS**

**Majority Report:** Do pass as amended.

Signed by Senators McDonald, Chairman; Craswell, Vice Chairman; Bailey, Bauer, Bluechel, Cantu, Gaspard, Hayner, Johnson, L. Kreidler, Murray, Niemi, Owen, Rinehart, Saling, L. Smith, Talmadge, West, Williams, and Wojahn.

**Staff:** Judy Fitzgerald (786-7715)

**Hearing Dates:** April 4, 1991; April 8, 1991

**BACKGROUND:**

The elderly ethnic minority population is growing more rapidly than nonethnic minority elders. In addition, a greater number of ethnic minority persons are becoming functionally disabled and require nursing home care. Ethnic minority elderly persons have lower incomes, a higher probability of living in substandard conditions, and higher rates of illness than their elderly peers in the general population. As a consequence, ethnic minority elderly and functionally disabled persons tend to have higher levels of need for services than nonethnic minority functionally disabled and elderly persons.

Despite the growing number of ethnic minority elderly and functionally disabled persons, there are very few nursing homes in Washington State that provide culturally specific nursing home services. To further compound this condition, the DSHS policy to reduce the nursing home bed capacity from

53.7 to 45 beds per 1,000 people over 65 years of age will result in no new nursing home beds until the year 2000.

**SUMMARY:**

The Department of Social and Health Services (DSHS) must establish a pool of 250 nursing home beds to serve the special needs of ethnic minorities. The beds will come from existing certified beds that become available when a nursing home loses its license, the number of beds that a nursing home is authorized for under their license is reduced, or a certificate of need expires and the beds that are allocated are not built or used. The department is required to make 100 beds temporarily available in advance of the beds becoming available through the method outlined in the bill. These beds will be part of the total 250 beds in the special pool.

The department must develop a procedure for awarding the beds in the pool. In making its decision about who will be awarded the special pool beds, the department must consider if the ethnic group's need is currently being met, how many low income persons will be served, the financial feasibility of the proposed nursing home, and the overall impact additional beds will have on an area.

Special needs nursing home beds will only be awarded to nonprofit corporations that have a board of directors made up of 50 percent of the ethnic minority that that nursing home is intended to serve. In addition, the nursing home must be designed, managed, and administered to serve the special cultural, language, dietary, and other needs of an ethnic minority. Persons who are not members of the ethnic group specified to be served by the nursing home cannot be denied admission to that nursing home.

If the nursing home is sold or leased, the new operator will not obtain the special pool beds in the transaction. The purchaser or lessee of a nursing home with special needs pool beds must obtain a certificate of need for new beds. The special pool beds awarded to the nursing home will be returned to the department's special pool if the home is sold or leased.

**Appropriation:** none

**Revenue:** none

**Fiscal Note:** requested March 21, 1991

**Effective Date:** The bill contains an emergency clause and takes effect immediately.

**SUMMARY OF PROPOSED WAYS & MEANS AMENDMENT:**

The bill is made contingent upon funding in the budget.

**TESTIMONY FOR (Health & Long-Term Care):**

These special nursing home beds are needed for ethnic minorities and will not be available without this special set aside.

**TESTIMONY AGAINST (Health & Long-Term Care):** None

**TESTIFIED (Health & Long-Term Care):** Ben Woo (pro); Cathy Wiggins, Department of Social and Health Services; Frank Chestnut, Department of Health (pro)

**TESTIMONY FOR (Ways & Means):**

Ethnic minorities sometimes prefer or require services that are not frequently available in nursing homes. This bill will provide a pool of 250 nursing home beds available for the needs of ethnic minority elderly.

**TESTIMONY AGAINST (Ways & Means):** None

**TESTIFIED (Ways & Means):** Ben Woo (pro)