

HOUSE BILL REPORT

HB 1574

As Reported By House Committee On:
Human Services

Title: An act relating to vendor rates for service providers who care for children.

Brief Description: Changing vendor rates for children's services providers.

Sponsors: Representatives Leonard, Brown, King, Wineberry, Flemming, Wood, Romero, G. Cole, Riley, Locke, Anderson, Appelwick, Rust, Orr, Karahalios, Quall, Jacobsen, Thibaudeau, Johanson and J. Kohl.

Brief History:

Reported by House Committee on:
Human Services, February 25, 1993, DPS.

HOUSE COMMITTEE ON HUMAN SERVICES

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 10 members: Representatives Leonard, Chair; Riley, Vice Chair; Cooke, Ranking Minority Member; Talcott, Assistant Ranking Minority Member; Brown; Karahalios; Lisk; Padden; Patterson; and Thibaudeau.

Staff: John Welsh (786-7133).

Background: The Governor's Advisory Committee on Vendor Rates is responsible for analyzing vendor rates for human service providers and recommending vendor rates to the governor and Legislature. But the Department of Social and Health Services has not utilized it for several years.

Summary of Substitute Bill: There is a legislative finding that out-of-home care service providers currently receive state reimbursement for their services of between 20 percent and 65 percent of the cost of caring for dependent children. Inadequate levels of reimbursement may continue to result in a serious reduction of children's service providers.

The Governor's Committee on Vendor Rates is required to analyze vendor rates for nonprofit, licensed, group care providers, foster parents, crisis residential centers, private adoption agencies and foster care agencies providing

case management, recruitment, training and support services, for the purpose of determining the actual cost of providing these services. The information is to be published annually, 60 days prior to legislative sessions.

Substitute Bill Compared to Original Bill: The reimbursement of the Legislature to appropriate funds for reimbursement to child care providers equal to the cost of operation is stricken.

Fiscal Note: Requested.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: (pro) Inadequate reimbursement of child care service providers has led to a continuing and significant decline in their numbers. The number of group home beds has declined from 1700 in 1980 to 400 in 1992. Reimbursement should be more realistic.

Testimony Against: None.

Witnesses: Lloyd Zook, Boys Village; Lonnie Johns-Brown, National Association of Social Workers; Julie Bonstee, Doris Nielsen, Mary Campbell and Les Metzger, Faith Homes; Mike Fitzpatrick, Children's Home Society; Lee Trevithick, Friends of Youth; Laurie Lippold, Children's Home Society; Sheila Smith, Ruth Dykeman Center; and Thomas Rembisea, Residential Care Providers.