

SENATE BILL REPORT

SHB 1080

AS REPORTED BY COMMITTEE ON HEALTH & HUMAN SERVICES,
APRIL 1, 1993

Brief Description: Requiring nursing homes to refund deposits or minimum stay fees when not used by residents.

SPONSORS: House Committee on Health Care (originally sponsored by Representatives Valle, Quall, Franklin, Flemming, G. Cole, Eide, Roland and Veloria)

HOUSE COMMITTEE ON HEALTH CARE

SENATE COMMITTEE ON HEALTH & HUMAN SERVICES

Majority Report: Do pass.

Signed by Senators Talmadge, Chairman; Wojahn, Vice Chairman; Deccio, Erwin, Franklin, Hargrove, McAuliffe, McDonald, Moyer, Niemi, Prentice, Quigley, Sheldon, and Winsley.

Staff: Shannon Murphy (786-7483)

Hearing Dates: March 30, 1993; April 1, 1993

BACKGROUND:

The state's nursing home program provides residential health care to eligible persons who are no longer capable of independent living and require nursing services. Nursing homes receive reimbursement for services from three major sources: private payment, Medicaid, and Medicare. It is customary for most, if not all, nursing homes to require a deposit fee for private pay residents. A deposit fee can be a nonrefundable flat admissions fee or a standard deposit fee based on a per day basis. The deposit fees range depending on the discretion and needs of the facility. Some private nursing home facilities have a standard 14-day nonrefundable deposit fee.

Currently, there are no regulations that require a nursing home to refund a portion of a private nursing home resident's deposit fee in the event the resident does not reside in the nursing home. All nursing homes, except those who take only private pay residents, are required to provide the resident or his or her representative full disclosure of deposits and fees upon admissions. There are no requirements stipulating when deposit funds owed are to be returned to the resident or his or her representative.

SUMMARY:

All nursing homes are required to fully disclose in writing at the time of admissions the nursing home's charges for items and services, and any admissions fees, deposits or minimum stay fees and the amounts, if any, of refunds due upon discharge. The nursing home is required to reimburse any funds due within 30 days. All nursing homes who fail to comply with the disclosure and reimbursement of deposit funds are subject to current sanctions relating to unfair business practices and consumer protection.

Appropriation: none

Revenue: none

Fiscal Note: available

TESTIMONY FOR:

This bill arose from a constituent concern. Nursing homes charge a variety of fees when admitting patients. This bill requires disclosure of these fees. As well, the bill requires that refunds, if appropriate, are returned within 30 days. This is a good consumer bill.

TESTIMONY AGAINST: None

TESTIFIED: Representative Valle, prime sponsor; Irene Robbins, Senior Lobby (pro)