

SENATE BILL REPORT

2SHB 2761

AS REPORTED COMMITTEE ON HEALTH & HUMAN SERVICES,
FEBRUARY 25, 1994

Brief Description: Modifying nursing home contractor cost provisions.

SPONSORS: House Committee on Appropriations (originally sponsored by Representatives G. Fisher, Patterson, J. Kohl, Brown, Horn, Foreman, Edmondson, Cooke and Long)

HOUSE COMMITTEE ON HEALTH CARE

HOUSE COMMITTEE ON APPROPRIATIONS

SENATE COMMITTEE ON HEALTH & HUMAN SERVICES

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

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

Staff: Rhoda Jones (786-7198)

Hearing Dates: February 22, 1994; February 25, 1994

BACKGROUND:

Rate setting for nursing home Medicaid reimbursement is specified in statute. In July 1993, a new limit was established by the Legislature on reimbursable nursing services. The lid was set at the median cost for these services among all nursing homes. Those hardest hit by this new lid were allowed to stay at their old rate for the 1993-95 biennium.

SUMMARY:

Nursing homes who were grandfathered into 1993 rates for one biennium as a relief from the new median cost limits established by the Legislature that session, are given an extension of their frozen rate for another biennium. This is a one time only extension and is allowed up to a limit of \$104,000 per nursing home, per year.

The amount of time permitted between DSHS nursing home audits is extended from every three years to every five years.

Appropriation: none

Revenue: none

Fiscal Note: available

TESTIMONY FOR:

Some nursing homes were severely impacted by the reimbursement lid placed on nursing services in 1993. About half of those need another biennium to get their costs in line with these new rate-setting requirements.

TESTIMONY AGAINST:

The fiscal impact of this bill makes it unacceptable to the Department of Social and Health Services.

TESTIFIED: Paul Montgomery, DSHS (con); Kathy Marshall, Washington Association of Homes for the Aging (pro); Chuck Hawley, Bob Wildenhaus, Sisters of Providence Health System (pro)