

1 **2SHB 1908** - H AMD 710

2 By Representative Dyer

3 On page 57, after line 6, add a new section as follows:

4 "NEW SECTION. **Sec. 71.** The legislature finds that the  
5 rapidly rising cost of nursing home care has created a need to  
6 revise the current nursing facility medicaid payment system in  
7 favor of a payment system that links payment for direct care or  
8 nursing services to client characteristics and or care needs. By  
9 December 12, 1995, the department of social and health services  
10 shall submit to the appropriate committees of the house of  
11 representatives and the senate a comprehensive plan and specific  
12 recommendations for introducing a case-mix payment methodology for  
13 nursing facilities. The plan shall include a detailed analysis of  
14 the legislation required to introduce a case-mix payment system, an  
15 analysis of the cost of keeping the then current medicaid payment  
16 system through the 1999-2001 biennium, and an analysis of what the  
17 cost impact would be on total nursing facility expenditures through  
18 the 1999-2001 biennium if a case-mix reimbursement system was  
19 introduced."

Renumber the sections consecutively, correct any internal references accordingly, and correct the title.

**EFFECT:** Provides a legislative finding that the current nursing home reimbursement system is causing rising costs and needs to be revised. Requires that an analysis and plan for introducing a case-mix nursing facility payment system be implemented.