

# SENATE BILL REPORT

## SB 5050

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As Reported By Senate Committee On:  
Health & Long-Term Care, February 18, 1997

**Title:** An act relating to affirming and clarifying the legislative authority to treat the initial rate set for refurbished and new nursing facilities as that rate which is established on July 1, 1995, for purposes of recalculating the July 1, 1995, rate using a minimum occupancy rate of eighty-five percent.

**Brief Description:** Affirming and clarifying the legislative authority to treat the initial rate set for refurbished and new nursing facilities as that rate which is established on July 1, 1995, for purposes of applying the eighty-five percent minimum occupancy requirement.

**Sponsors:** Senators Goings, Winsley, Wojahn and Franklin.

**Brief History:**

**Committee Activity:** Health & Long-Term Care: 2/4/97, 2/18/97 [DPS-WM].  
Ways & Means: 2/26/97.

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

**Majority Report:** That Substitute Senate Bill No. 5050 be substituted therefor, and the substitute bill do pass and be referred to Committee on Ways & Means.

Signed by Senators Deccio, Chair; Wood, Vice Chair; Benton, Fairley, Franklin and Wojahn.

**Staff:** Rhoda Jones (786-7198)

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### SENATE COMMITTEE ON WAYS & MEANS

**Staff:** Tim Yowell (786-7435)

**Background:** Currently, state statute requires that nursing home reimbursement rates be calculated recognizing a minimum occupancy of 90 percent. Should a facility's occupancy drop below this minimum level, its payment rate is set as if it was actually occupied at the 90 percent level.

**Summary of Substitute Bill:** The minimum occupancy rate is dropped to 85 percent for a facility that opened its doors between January 1, 1994 and June 30, 1994 and was unable to reach capacity. This has the effect of increasing the facility's payment rate.

**Substitute Bill Compared to Original Bill:** The original bill was not considered.

**Appropriation:** None.

**Fiscal Note:** Available.

**Effective Date:** The bill takes effect May 1, 1997.

**Testimony For:** This corrects a reimbursement inequity.

**Testimony Against:** None.

**Testified:** Senator Calvin Goings, prime sponsor (pro); William Chunuck, nursing home operator (pro).