

5179

Sponsor(s): Senators Deccio, Prentice and Wood

Brief Title: Correcting inequities in the nursing facility reimbursement system.

SB 5179 - DIGEST

(SUBSTITUTED FOR - SEE 2ND SUB)

Directs the department of social and health services to: (1) Use the American hospital guidelines for determining lives for depreciation on new buildings, remodels, and allowable repairs;

(2) determine the July 1, 1997, rate using the rate existing on June 30, 1997, and, thereafter, make retroactive adjustments to the July 1, 1997, rate to reflect final administrative review decisions, under RCW 74.46.780 and errors and omissions, under RCW 74.46.570; and

(3) adjust a contractor's rate, in accordance with RCW 74.46.460, to current fund staffing level changes needed to correct survey deficiencies.

The department shall: (1) Adjust a contractor's property and return on investment components using the contractor's anticipated patient day level;

(2) use comparable values of land, not assessed land values, when determining the allowable cost of land; and

(3) adjust a contractor's rate to current fund property taxes for new or replacement construction when the property tax rate exceeds the inflation factor adjustment established under RCW 74.46.420.