
Appropriations Committee

HB 2798

Brief Description: Modifying payment amounts for nursing care services.

Sponsors: Representatives Conway, Campbell, Cody, Linville, Darneille, Lysen, Edwards, Schual-Berke and Van Luven.

Brief Summary of Bill

- A nursing pool providing employees or referring independent contractors to a health care facility for nursing services will not be authorized to bill or receive payments from a health care facility at a rate higher than 125 percent of the weighted average rate, in the county in which the facility is located, for nursing home employees of like classification.

Hearing Date: 2/7/02

Staff: Bernard Dean (786-7130).

Background:

Nursing pools employ, procure or refer health care or long-term care personnel, such as licensed nurses or practical nurses, nursing assistants, and chore services providers, for temporary employment with health care facilities, agencies, or with individuals to meet the needs of health care providers and patients.

The Secretary of Health is the regulatory authority for nursing pools and has established administrative procedures for the oversight of such pools.

An increase in the use of nursing pools has occurred as a result of nursing staff shortages and other provider shortages. Since the demand for some health care personnel exceeds supply in some care settings, nursing pools have been used to meet staffing needs in health care facilities. Nursing pools are an expensive alternative to permanent staff, as the rates paid for nursing pool services include overhead and profit costs as well as the actual wages and benefits paid to the health care workers in the pool.

Summary of Bill:

Nursing pools providing employees or referring independent contractors to a health care facility cannot bill or receive payments at a rate higher than 125 percent of the weighted average wage rate for nursing home employees of like classification in the county in which the health care facility is located.

Each county's weighted average wage rate for employees of like classification, which includes related taxes and benefits, must be determined by the Department of Social and Health Services in accordance with the median wage established by nursing home cost reports required under the Medicaid nursing home payment system and hospital collective bargaining agreements. The Department of Social and Health Services must report the wage rates annually to the Secretary of the Department of Health. The Secretary will provide this data to all registered nursing pools.

The maximum rate a nursing pool may charge a health care facility must include all charges for administrative fees, contract fees, or other special charges in addition to the hourly rates for the nursing pool employees or referred independent contractors supplied to the health care facility.

Appropriation: None.

Fiscal Note: Requested on January 29, 2002.

Effective Date: Ninety days after adjournment of session in which bill is passed.