

HOUSE BILL REPORT

SSB 5578

As Reported by House Committee On:
Health Care

Title: An act relating to bed hold for boarding home residents.

Brief Description: Allowing for bed hold for boarding home residents.

Sponsors: Senate Committee on Ways & Means (originally sponsored by Senators Winsley, T. Sheldon, Brandland, Reardon, Franklin, Esser, Haugen and Hargrove).

Brief History:

Committee Activity:

Health Care: 3/31/03, 4/3/03 [DPA].

**Brief Summary of Substitute Bill
(As Amended by House Committee)**

- The mechanism to reimburse boarding homes for holding beds for residents is modified.

HOUSE COMMITTEE ON HEALTH CARE

Majority Report: Do pass as amended. Signed by 13 members: Representatives Cody, Chair; Morrell, Vice Chair; Pflug, Ranking Minority Member; Bailey, Assistant Ranking Minority Member; Alexander, Benson, Campbell, Clibborn, Darneille, Edwards, Moeller, Schual-Berke and Skinner.

Staff: Dave Knutson (786-7146).

Background:

Boarding homes are required to hold the beds of Medicaid residents who vacate them temporarily for a short nursing home or hospital stay, if there is a reasonable likelihood the person will be returning. In the past, the boarding homes have been compensated by the state for Medicaid bed holds at the full rate for up to seven days, and a partial rate for the remainder of a 30-day absence. This direct payment for bed holds changed after the federal government told the state that these payments could not be federally matched. Last year the state eliminated the direct payment for bed holds, and added a small rate

increase across all Medicaid beds in boarding homes to pay for bed holds across the system. This change in payment resulted in an uneven distribution of funds amongst boarding homes, some with many residents leaving for short medical absences, and others with very few.

Summary of Amended Bill:

The Department of Social and Health Services (Department) is required to pay a portion of the daily rate for the first 20 days a resident is temporarily hospitalized or in a nursing home. For the first seven days, the Department must pay 70 percent of the standard rate. For days eight through 20, the Department must pay a rate established in rule, and no less than \$10 per day. After the 20th day, the boarding home may seek payment from other third parties to hold the bed. The third party cannot be compelled to pay more than 85 percent of the average daily rate at the facility. If such payment is not received, the boarding home is not required to hold the resident's bed.

Amended Bill Compared to Substitute Bill:

Payments from third parties cannot exceed 85 percent of the average daily rate paid to the facility.

Appropriation: None.

Fiscal Note: Available.

Effective Date of Amended Bill: The bill takes effect 90 days after adjournment of session in which bill is passed.

Testimony For: The change in reimbursing boarding homes for residents who are temporarily hospitalized or placed in a nursing home is not equitable. Boarding homes who are holding a bed for a resident should be reimbursed when the resident is absent.

Testimony Against: None.

Testified: Senator Winsley, prime sponsor; Lauri St. Ours, Northwest Assisted Living Facilities Association; Dave Foltz, Legacy House Assisted Living; and Deb Murphy, Washington Health Care Association.