

SENATE BILL REPORT

SB 5562

As Reported By Senate Committee On:
Health & Long-Term Care, February 20, 2003

Title: An act relating to direct care component rate allocation.

Brief Description: Revising the provision for increasing the direct care component rate allocation for residents with exceptional care needs.

Sponsors: Senators Deccio and Thibaudeau; by request of Department of Social and Health Services.

Brief History:

Committee Activity: Health & Long-Term Care: 2/13/03, 2/20/03 [DPS].

SENATE COMMITTEE ON HEALTH & LONG-TERM CARE

Majority Report: That Substitute Senate Bill No. 5562 be substituted therefor, and the substitute bill do pass.

Signed by Senators Deccio, Chair; Winsley, Vice Chair; Brandland, Franklin, Keiser and Parlette.

Staff: Rhoda Donkin (786-7198)

Background: In 1999, the Legislature authorized an increase in the direct care component of the nursing home Medicaid rate to cover the cost of individuals with exceptional care needs. These rates were authorized for individuals under age 65, not eligible for Medicare, and for those who could achieve significant progress in their functional status if provided intensive therapy care services. These costs were not accounted for in the therapy care component of the nursing home Medicaid rate.

The Exceptional Care Program serves generally three categories of clients: those needing exceptional therapies due to such conditions as traumatic brain injury, multiple fractures, quadriplegia, paraplegia and stroke; individuals who are being maintained on ventilators and tracheotomies; and extremely medically fragile children.

The statute sunsets in June 2003. The Department of Social and Health Services asserts that these individuals are better served in nursing facilities than in hospitals, where they would be forced to reside should the program discontinue.

Summary of Substitute Bill: The department is authorized to set criteria for increased direct care rates to nursing facilities that have residents with unmet exceptional care needs. Specific criteria for exceptional care rates and the sunset clause is extended to June 30, 2005.

Substitute Bill Compared to Original Bill: The sunset provision is not terminated, it is extended for two years.

Appropriation: None.

Fiscal Note: Requested on February 4, 2003.

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

Testimony For: There still are people in our system with exceptionally high needs whose care should be covered with higher rates.

Testimony Against: This is a piecemeal approach to a system that should better recognize the cost of patient care with better reimbursement rates.

Testified: PRO: Penny Black, DSHS; CON: Harry Steinmetz, WAHSA.