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HOUSE BILL 3091

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State of Washington

58th Legislature

2004 Regular Session

By Representatives Linville, Clements, Kessler, Benson, Morris, Clibborn, Schoesler, Sullivan, McMorris, Wallace, Hunt, Quall, Miloscia, Pettigrew, Chase, Newhouse, Darneille, Hatfield, Moeller, Romero, Cox, Ericksen, Simpson, G., Schindler, Bush, Delvin, Cairnes, Carrell, Blake, Ruderman, Voloria, O'Brien, Santos, Pearson, Hinkle, Talcott, Ahern, Condotta, Ormsby, Morrell, Buck, Armstrong, McDonald, Edwards, Campbell, Schual-Berke and Kirby

Read first time 01/27/2004. Referred to Committee on Appropriations.

1 AN ACT Relating to preserving nursing home funding; adding a new  
2 section to chapter 74.46 RCW; providing an expiration date; and  
3 declaring an emergency.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 NEW SECTION. **Sec. 1.** A new section is added to chapter 74.46 RCW  
6 to read as follows:

7 (1) To the extent of available funding within the biennial  
8 appropriations act, the department shall make supplemental payments to  
9 nursing facilities. The payments shall be supplemental to the  
10 component rate allocations calculated in accordance with part E of this  
11 chapter, and neither the provisions of part C of this chapter nor the  
12 provisions of part E of this chapter shall apply to these supplemental  
13 payments, except that RCW 74.46.421(4) (a) and (b) shall apply.

14 (a) The department shall, effective July 1, 2003, and through June  
15 30, 2004, make a retroactive supplemental payment to nursing facilities  
16 to reimburse the full difference between the medicaid proportionate  
17 share of the reported property and liability insurance costs for cost  
18 reports filed for 1999, and the medicaid proportionate share of the

1 reported property and liability insurance costs for cost reports filed  
2 for 2002.

3 (b) For the time period beginning January 1, 2004, through June 30,  
4 2005, the department shall make supplemental payments to nursing  
5 facilities that reimburse the full difference between the medicaid  
6 proportionate share of the workers' compensation insurance premiums as  
7 reported in the 1999 cost reports, and the medicaid proportionate share  
8 of the workers' compensation insurance premiums for the 2004 year. The  
9 medicaid proportionate share of the 2004 workers' compensation  
10 insurance premiums, assessed by the department of labor and industries  
11 under chapter 51.16 RCW, shall be determined by using the most current  
12 medicaid occupancy data available to the department of social and  
13 health services and multiplying the composite base rate premium cost  
14 for 2004 for nursing homes as a risk class by employee hours data  
15 available from the department of labor and industries.

16 (c) By May 1, 2004, after determining the supplemental payment  
17 amounts under (a) and (b) of this subsection, the department shall make  
18 a reasonable estimate as to what appropriated funds would go unspent  
19 toward the weighted average nursing facility payment rates authorized  
20 under the biennial appropriations act for fiscal year 2004, and  
21 distribute, through a rate adjustment effective July 1, 2003, those  
22 remaining funds as an economic trends and conditions factor for the  
23 direct care, therapy care, support services, and operations component  
24 rates.

25 (d) Beginning on July 1, 2004, the department shall make  
26 supplemental payments to nursing facilities that reimburse the full  
27 difference between the medicaid proportionate share of costs for  
28 property and liability insurance for cost reports filed as of 1999 and  
29 the medicaid proportionate share of costs for property and liability  
30 insurance for cost reports filed for 2003.

31 (e) By November 1, 2004, after payments under (b) and (d) of this  
32 subsection, the department shall make a reasonable estimate as to what  
33 appropriated funds would go unspent toward the weighted average nursing  
34 facility payment rates authorized under the biennial appropriations act  
35 for fiscal year 2005, and distribute, through a rate adjustment  
36 effective July 1, 2004, those remaining funds as an economic trends and  
37 conditions factor for the direct care, therapy care, support services,  
38 and operations component rates.

1           (2) This section expires June 30, 2005.

2           NEW SECTION.   **Sec. 2.** This act is necessary for the immediate  
3 preservation of the public peace, health, or safety, or support of the  
4 state government and its existing public institutions, and takes effect  
5 immediately.

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