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SENATE BILL 5576

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State of Washington

58th Legislature

2003 Regular Session

By Senators Winsley, Franklin, Reardon, Esser and Haugen

Read first time 01/30/2003. Referred to Committee on Health & Long-Term Care.

1 AN ACT Relating to payment for state-contracted long-term care  
2 services; amending RCW 74.39A.030, 74.46.620, and 74.46.630; and  
3 declaring an emergency.

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

5 **Sec. 1.** RCW 74.39A.030 and 2002 c 3 s 10 (Initiative Measure No.  
6 775) are each amended to read as follows:

7 (1) To the extent of available funding, the department shall expand  
8 cost-effective options for home and community services for consumers  
9 for whom the state participates in the cost of their care.

10 (2) In expanding home and community services, the department shall:  
11 (a) Take full advantage of federal funding available under Title XVIII  
12 and Title XIX of the federal social security act, including home  
13 health, adult day care, waiver options, and state plan services; and  
14 (b) be authorized to use funds available under its community options  
15 program entry system waiver granted under section 1915(c) of the  
16 federal social security act to expand the availability of in-home,  
17 adult residential care, adult family homes, enhanced adult residential  
18 care, and assisted living services. By June 30, 1997, the department

1 shall undertake to reduce the nursing home medicaid census by at least  
2 one thousand six hundred by assisting individuals who would otherwise  
3 require nursing facility services to obtain services of their choice,  
4 including assisted living services, enhanced adult residential care,  
5 and other home and community services. If a resident, or his or her  
6 legal representative, objects to a discharge decision initiated by the  
7 department, the resident shall not be discharged if the resident has  
8 been assessed and determined to require nursing facility services. In  
9 contracting with nursing homes and boarding homes for enhanced adult  
10 residential care placements, the department shall not require, by  
11 contract or through other means, structural modifications to existing  
12 building construction.

13 (3)(a) The department shall by rule establish payment rates for  
14 home and community services that support the provision of cost-  
15 effective care. In the event of any conflict between any such rule and  
16 a collective bargaining agreement entered into under RCW 74.39A.270 and  
17 74.39A.300, the collective bargaining agreement prevails.

18 (b) The department may authorize an enhanced adult residential care  
19 rate for nursing homes that temporarily or permanently convert their  
20 bed use for the purpose of providing enhanced adult residential care  
21 under chapter 70.38 RCW, when the department determines that payment of  
22 an enhanced rate is cost-effective and necessary to foster expansion of  
23 contracted enhanced adult residential care services. As an incentive  
24 for nursing homes to permanently convert a portion of its nursing home  
25 bed capacity for the purpose of providing enhanced adult residential  
26 care, the department may authorize a supplemental add-on to the  
27 enhanced adult residential care rate.

28 (c) The department may authorize a supplemental assisted living  
29 services rate for up to four years for facilities that convert from  
30 nursing home use and do not retain rights to the converted nursing home  
31 beds under chapter 70.38 RCW, if the department determines that payment  
32 of a supplemental rate is cost-effective and necessary to foster  
33 expansion of contracted assisted living services.

34 (4) In contracting with facilities for assisted living services,  
35 adult residential care, and enhanced adult residential care, the  
36 department will provide payments to facilities, including the amount  
37 that the department has determined the resident is required to pay

1 towards his or her care. It is the department's responsibility to  
2 collect that portion of the cost of care from the resident.

3 **Sec. 2.** RCW 74.46.620 and 1998 c 322 s 33 are each amended to read  
4 as follows:

5 (1) The department will pay a contractor for service rendered under  
6 the facility contract and billed in accordance with RCW 74.46.610.

7 (2) The amount paid will be computed using the appropriate rates  
8 assigned to the contractor.

9 (3) For each recipient, the department will pay an amount equal to  
10 the appropriate rates, multiplied by the number of medicaid resident  
11 days each rate was in effect, ~~((less))~~ including the amount the  
12 recipient is required to pay for his or her care as set forth by RCW  
13 74.46.630.

14 **Sec. 3.** RCW 74.46.630 and 1998 c 322 s 34 are each amended to read  
15 as follows:

16 (1) The department will notify a contractor of the amount each  
17 medical care recipient is required to pay for care provided under the  
18 contract and the effective date of such required contribution. It is  
19 the ~~((contractor's))~~ department's responsibility to collect that  
20 portion of the cost of care from the patient ~~((, and to account for any~~  
21 ~~authorized reduction from his or her contribution in accordance with~~  
22 ~~rules established by the department))~~.

23 (2) If a contractor receives documentation showing a change in the  
24 income or resources of a recipient which will mean a change in his or  
25 her contribution toward the cost of care, this shall be reported in  
26 writing to the department within seventy-two hours and in a manner  
27 specified by rules established by the department. ~~((If necessary,~~  
28 ~~appropriate corrections will be made in the next facility statement,~~  
29 ~~and a copy of documentation supporting the change will be attached.))~~  
30 If increased funds for a recipient are received by ~~((a contractor))~~ the  
31 department, an amount determined by the department shall be allowed for  
32 clothing and personal and incidental expense, and the balance applied  
33 to the cost of care.

34 (3) The contractor shall accept the payment rates established and  
35 paid by the department as full compensation for all services provided  
36 under the contract, certification as specified by Title XIX, and

1 licensure under chapter 18.51 RCW. The contractor shall not seek or  
2 accept additional compensation from or on behalf of a recipient for any  
3 or all such services.

4 NEW SECTION. **Sec. 4.** If any provision of this act or its  
5 application to any person or circumstance is held invalid, the  
6 remainder of the act or the application of the provision to other  
7 persons or circumstances is not affected.

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

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