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HOUSE BILL 1976

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State of Washington                      60th Legislature                      2007 Regular Session

By Representatives Morrell, Hinkle, Moeller, Haler, Orcutt, Williams, Schual-Berke, Linville, Fromhold, Armstrong, Curtis, Hunt, Pettigrew, Bailey, Green, Upthegrove and Kenney

Read first time 02/02/2007. Referred to Committee on Appropriations.

1            AN ACT Relating to payments for medicaid contracted services in  
2 boarding homes; adding a new section to chapter 18.20 RCW; providing an  
3 effective date; and 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 18.20 RCW  
6 to read as follows:

7            (1) Beginning on July 1, 2007, the rates of payment for boarding  
8 home medicaid contracted services under chapter 74.39A RCW shall be  
9 established by the department using the "home and community rates  
10 model," developed by the department and published on November 22, 2006.  
11 The "home and community rates model" shall be updated using the 2005  
12 nursing home cost report data to estimate the cost of care for assisted  
13 living services, enhanced adult residential care services, and adult  
14 residential care services. The payment rates established under this  
15 subsection shall be adjusted by:

16            (a) Acuity classification groups and geographic areas in accordance  
17 with the "home and community rates model"; and

18            (b) An economic trends and conditions factor which shall be the  
19 lower of a factor determined by the percentage change in the consumer

1 price index for all urban consumers from the actual index of the  
2 quarter ending June 30th, from the year two years immediately preceding  
3 the rate period to the forecasted index of the quarter ending June  
4 30th, immediately preceding the rate period from the data provided by  
5 the bureau of labor statistics, titled the consumer price index for all  
6 urban consumers, as is published for the quarter ending June 30th, one  
7 year immediately preceding the rate period, or six percent; so that:  
8 For the rate period commencing July 1, 2007, the adjustment for  
9 economic trends and conditions is the lower of the calculated  
10 percentage change of the actual index from the quarter ending June 30,  
11 2005, compared to the forecasted index for the quarter ending June 30,  
12 2007, or six percent.

13 (2) Beginning July 1, 2008, and for all assisted living services,  
14 enhanced adult residential care services, and adult residential care  
15 rates established on each subsequent July 1st occurring in  
16 even-numbered years, the June 30th rate shall be adjusted by a factor  
17 determined by the percentage change in the consumer price index for all  
18 urban consumers from the actual index of the quarter ending June 30th,  
19 from the year two years immediately preceding the rate period to the  
20 forecasted index of the quarter ending June 30th, from the year one  
21 year immediately preceding the rate period from the data provided by  
22 the bureau of labor statistics, titled the consumer price index for all  
23 urban consumers, as is published for the quarter ending June 30th, in  
24 the year two years immediately preceding the rate period; so that: For  
25 the rate period commencing July 2008, the adjustment for economic  
26 trends and conditions is the calculated percentage change of the actual  
27 index from the quarter ending June 30, 2006, compared to the forecasted  
28 index for the quarter ending June 30, 2007; and so forth.

29 (3) Beginning July 1, 2009, and for all assisted living services,  
30 enhanced adult residential care services, and adult residential care  
31 rates established on each subsequent July 1st occurring in odd-numbered  
32 years, the June 30th rate in each year shall be adjusted by a factor  
33 determined by the percentage change in the consumer price index for all  
34 urban consumers from the actual index of the quarter ending June 30th,  
35 from the year two years immediately preceding the rate period to the  
36 actual index of the quarter ending June 30th, from the year one year  
37 immediately preceding the rate period from the data provided by the  
38 bureau of labor statistics, titled the consumer price index for all

1 urban consumers, as is published for the quarter ending June 30th, in  
2 the year one year immediately preceding the rate period; so that: For  
3 the rate period commencing July 2009, the adjustment for economic  
4 trends and conditions is the calculated percentage change of the actual  
5 index from the quarter ending June 30, 2007, compared to the actual  
6 index for the quarter ending June 30, 2008; and so forth.

7 NEW SECTION. **Sec. 2.** This act is necessary for the immediate  
8 preservation of the public peace, health, or safety, or support of the  
9 state government and its existing public institutions, and takes effect  
10 July 1, 2007.

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