

ESHB 2954 - S COMM AMD

By Committee on Ways & Means

1 Strike everything after the enacting clause and insert the
2 following:

3 "Sec. 1. RCW 18.51.050 and 1991 sp.s. c 8 s 1 are each amended to
4 read as follows:

5 (1)(a) Upon receipt of an application for a license, the department
6 shall issue a license if the applicant and the nursing home's
7 facilities meet the requirements established under this chapter, except
8 that the department shall issue a temporary license to a court-
9 appointed receiver for a period not to exceed six months from the date
10 of appointment(~~(. Prior to the issuance or renewal of the license, the~~
11 licensee shall pay a license fee as established by));

12 (b) The department shall, by rule, set an annual per bed license
13 fee to be paid upon application for a nursing home license and upon
14 license renewal. The annual license fee shall be based on the cost to
15 the department for licensure, inspection, and regulation of nursing
16 homes. No fee shall be required of government operated institutions or
17 court-appointed receivers(~~(-))~~;

18 ~~((All licenses issued under the provisions of this chapter))~~ (c) A
19 license issued under this chapter shall not exceed thirty-six months in
20 duration, and it shall expire on a date ((to be)) set by the
21 department(~~(, but no license issued pursuant to this chapter shall~~
22 exceed thirty six months in duration.)); and

23 ~~((When))~~ (d) In the event of a change of ownership ((occurs)), the
24 ((entity becoming the licensed operating entity of the facility shall
25 pay a fee established by the department at the time of application for
26 the license. The previously determined date of license expiration
27 shall not change. The department shall establish license fees at an
28 amount adequate to reimburse the department in full for all costs of
29 its licensing activities for nursing homes, adjusted to cover the
30 department's cost of reimbursing such fees through medicaid))

1 previously established license expiration date shall not change. The
2 proposed licensee must ensure payment of any unpaid portion of the
3 license fee, pending the next scheduled license renewal date.

4 (2) All applications and fees for renewal of the license shall be
5 submitted to the department not later than thirty days prior to the
6 date of expiration of the license. All applications and fees, if any,
7 for change of ownership (~~((licenses))~~) shall be submitted to the
8 department not later than sixty days before the date of the proposed
9 change of ownership. (~~((Each))~~) A nursing home license shall be issued
10 only to the (~~((operating entity and those persons named in the license~~
11 ~~application))~~) person that applied for the license. The license is
12 valid only for the operation of the facility at the location specified
13 in the license application. Licenses are not transferable or
14 assignable. Licenses shall be posted in a conspicuous place on the
15 licensed premises.

16 **Sec. 2.** RCW 18.20.050 and 2004 c 140 s 1 are each amended to read
17 as follows:

18 (1)(a) Upon receipt of an application for license, if the applicant
19 and the boarding home's facilities meet the requirements established
20 under this chapter, the department shall issue a license. If there is
21 a failure to comply with the provisions of this chapter or the
22 (~~((standards and))~~) rules adopted (~~((pursuant thereto))~~) under this
23 chapter, the department may in its discretion issue a provisional
24 license to an applicant for a license, or for the renewal of a
25 license(~~((7-a))~~). A provisional license (~~((which))~~) will permit the
26 operation of the boarding home for a period to be determined by the
27 department, but not to exceed twelve months(~~((7-which-provisional~~
28 ~~license))~~) and shall not be subject to renewal. The department may also
29 place conditions on the license under RCW 18.20.190. (~~((At the time of~~
30 ~~the application for or renewal of a license or provisional license the~~
31 ~~licensee shall pay a license fee as established by the))~~)

32 (b) The department (~~((under RCW 43.20B.110))~~) shall, by rule, set an
33 annual per bed license fee to be paid upon application for a boarding
34 home license and upon license renewal. The annual license fee shall be
35 based on the cost to the department for licensure, inspection, and
36 regulation of boarding homes. To address economic trends and
37 conditions, the department shall increase the per bed license fee

1 annually, on July 1st, by the lower of the percentage change in the
2 chain-weight implicit price deflator for personal consumption
3 expenditures or the consumer price index for the Seattle-Tacoma-
4 Bremerton consolidated metropolitan statistical area, as published by
5 the Washington state economic and revenue forecast council.

6 ~~((All licenses issued under the provisions of this chapter shall~~
7 ~~expire on a date to be set by the department, but no license issued~~
8 ~~pursuant to this chapter shall exceed twelve months in duration.~~
9 ~~However, when the annual license renewal date of a previously licensed~~
10 ~~boarding home is set by the department on a date less than twelve~~
11 ~~months prior to the expiration date of a license in effect at the time~~
12 ~~of reissuance, the license fee shall be prorated on a monthly basis and~~
13 ~~a credit be allowed at the first renewal of a license for any period of~~
14 ~~one month or more covered by the previous license.)) (c) A license~~
15 ~~issued under this chapter shall not exceed twelve months in duration~~
16 ~~and it shall expire on a date set by the department. A boarding home~~
17 ~~license shall be issued only to the person that applied for the~~
18 ~~license.~~ All applications for renewal of a license shall be made not
19 later than thirty days prior to the date of expiration of the license.
20 Each license shall be issued only for the premises and persons named in
21 the application, and no license shall be transferable or assignable.
22 Licenses shall be posted in a conspicuous place on the licensed
23 premises.

24 (2) A licensee who receives notification of the department's
25 initiation of a denial, suspension, nonrenewal, or revocation of a
26 boarding home license may, in lieu of appealing the department's
27 action, surrender or relinquish the license. The department shall not
28 issue a new license to or contract with the licensee, for the purposes
29 of providing care to vulnerable adults or children, for a period of
30 twenty years following the surrendering or relinquishment of the former
31 license. The licensing record shall indicate that the licensee
32 relinquished or surrendered the license, without admitting the
33 violations, after receiving notice of the department's initiation of a
34 denial, suspension, nonrenewal, or revocation of a license.

35 (3) The department shall establish, by rule, the circumstances
36 requiring a change in licensee, which include, but are not limited to,
37 a change in ownership or control of the boarding home or licensee, a
38 change in the licensee's form of legal organization, such as from sole

1 proprietorship to partnership or corporation, and a dissolution or
2 merger of the licensed entity with another legal organization. The new
3 licensee is subject to the provisions of this chapter, the rules
4 adopted under this chapter, and other applicable law. In order to
5 ensure that the safety of residents is not compromised by a change in
6 licensee, the new licensee is responsible for correction of all
7 violations that may exist at the time of the new license.

8 (4) The department may deny, suspend, modify, revoke, or refuse to
9 renew a license when the department finds that the applicant or
10 licensee or any partner, officer, director, managerial employee, or
11 majority owner of the applicant or licensee:

12 (a) Operated a boarding home without a license or under a revoked
13 or suspended license; or

14 (b) Knowingly or with reason to know made a false statement of a
15 material fact (i) in an application for license or any data attached to
16 the application, or (ii) in any matter under investigation by the
17 department; or

18 (c) Refused to allow representatives or agents of the department to
19 inspect (i) the books, records, and files required to be maintained, or
20 (ii) any portion of the premises of the boarding home; or

21 (d) Willfully prevented, interfered with, or attempted to impede in
22 any way (i) the work of any authorized representative of the
23 department, or (ii) the lawful enforcement of any provision of this
24 chapter; or

25 (e) Has a history of significant noncompliance with federal or
26 state regulations in providing care or services to vulnerable adults or
27 children. In deciding whether to deny, suspend, modify, revoke, or
28 refuse to renew a license under this section, the factors the
29 department considers shall include the gravity and frequency of the
30 noncompliance.

31 (5) The department shall serve upon the applicant a copy of the
32 decision granting or denying an application for a license. An
33 applicant shall have the right to contest denial of his or her
34 application for a license as provided in chapter 34.05 RCW by
35 requesting a hearing in writing within twenty-eight days after receipt
36 of the notice of denial.

1 **Sec. 3.** RCW 70.128.060 and 2009 c 530 s 5 are each amended to read
2 as follows:

3 (1) An application for license shall be made to the department upon
4 forms provided by it and shall contain such information as the
5 department reasonably requires.

6 (2) Subject to the provisions of this section, the department shall
7 issue a license to an adult family home if the department finds that
8 the applicant and the home are in compliance with this chapter and the
9 rules adopted under this chapter, unless (a) the applicant or a person
10 affiliated with the applicant has prior violations of this chapter
11 relating to the adult family home subject to the application or any
12 other adult family home, or of any other law regulating residential
13 care facilities within the past five years that resulted in revocation,
14 suspension, or nonrenewal of a license or contract with the department;
15 or (b) the applicant or a person affiliated with the applicant has a
16 history of significant noncompliance with federal, state, or local
17 laws, rules, or regulations relating to the provision of care or
18 services to vulnerable adults or to children. A person is considered
19 affiliated with an applicant if the person is listed on the license
20 application as a partner, officer, director, resident manager, or
21 majority owner of the applying entity, or is the spouse of the
22 applicant.

23 (3) The license fee shall be submitted with the application.

24 (4) The department shall serve upon the applicant a copy of the
25 decision granting or denying an application for a license. An
26 applicant shall have the right to contest denial of his or her
27 application for a license as provided in chapter 34.05 RCW by
28 requesting a hearing in writing within twenty-eight days after receipt
29 of the notice of denial.

30 (5) The department shall not issue a license to a provider if the
31 department finds that the provider or spouse of the provider or any
32 partner, officer, director, managerial employee, or majority owner has
33 a history of significant noncompliance with federal or state
34 regulations, rules, or laws in providing care or services to vulnerable
35 adults or to children.

36 (6) The department shall license an adult family home for the
37 maximum level of care that the adult family home may provide. The

1 department shall define, in rule, license levels based upon the
2 education, training, and caregiving experience of the licensed provider
3 or staff.

4 (7) The department shall establish, by rule, standards used to
5 license nonresident providers and multiple facility operators.

6 (8) The department shall establish, by rule, for multiple facility
7 operators educational standards substantially equivalent to recognized
8 national certification standards for residential care administrators.

9 ~~(9) ((The license fee shall be set at one hundred dollars per year
10 for each home. An eight hundred dollar processing fee shall also be
11 charged each home when the home is initially licensed. The processing
12 fee will be applied toward the license renewal in the subsequent three
13 years. A five hundred dollar rebate will be returned to any home that
14 renews after four years in operation.))~~ The initial and annual renewal
15 license fees shall be established by the legislature in the biennial
16 budget act for fiscal year 2011. Effective July 1, 2011, the
17 department shall, by rule, establish initial and annual license fees
18 for an adult family home license. The fees shall be based on the cost
19 to the department for licensure, inspection, and regulation of adult
20 family homes. Effective July 1, 2012, to address economic trends and
21 conditions, the department shall increase the per home license fee
22 annually, on July 1st, by the lower of the percentage change in the
23 chain-weight implicit price deflator for personal consumption
24 expenditures or the consumer price index for the Seattle-Tacoma-
25 Bremerton consolidated metropolitan statistical area, as published by
26 the Washington state economic and revenue forecast council.

27 (10) A provider who receives notification of the department's
28 initiation of a denial, suspension, nonrenewal, or revocation of an
29 adult family home license may, in lieu of appealing the department's
30 action, surrender or relinquish the license. The department shall not
31 issue a new license to or contract with the provider, for the purposes
32 of providing care to vulnerable adults or children, for a period of
33 twenty years following the surrendering or relinquishment of the former
34 license. The licensing record shall indicate that the provider
35 relinquished or surrendered the license, without admitting the
36 violations, after receiving notice of the department's initiation of a
37 denial, suspension, nonrenewal, or revocation of a license.

1 (11) The department shall establish, by rule, the circumstances
2 requiring a change in the licensed provider, which include, but are not
3 limited to, a change in ownership or control of the adult family home
4 or provider, a change in the provider's form of legal organization,
5 such as from sole proprietorship to partnership or corporation, and a
6 dissolution or merger of the licensed entity with another legal
7 organization. The new provider is subject to the provisions of this
8 chapter, the rules adopted under this chapter, and other applicable
9 law. In order to ensure that the safety of residents is not
10 compromised by a change in provider, the new provider is responsible
11 for correction of all violations that may exist at the time of the new
12 license.

13 NEW SECTION. **Sec. 4.** This act takes effect July 1, 2010."

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14 On page 1, line 2 of the title, after "homes;" strike the remainder
15 of the title and insert "amending RCW 18.51.050, 18.20.050, and
16 70.128.060; and providing an effective date."

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