

# HOUSE BILL REPORT

## HB 1527

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### As Amended by the Senate

**Title:** An act relating to medicaid payment rates for boarding homes.

**Brief Description:** Concerning medicaid payment rates for boarding homes.

**Sponsors:** Representatives Kessler, Rolfes, Williams and Santos.

#### **Brief History:**

##### **Committee Activity:**

Health Care & Wellness: 2/12/09, 2/19/09 [DP].

##### **Floor Activity**

Passed House: 3/3/09, 97-0.

Senate Amended.

Passed Senate: 4/17/09, 44-0.

#### **Brief Summary of Bill**

- The Department of Social and Health Services is required to hold at least one public hearing with at least 30 days notice when it plans to implement an upward or downward adjustment to the daily Medicaid payment rate for consumers who are assessed using the comprehensive assessment reporting evaluation tool and who reside in boarding homes.

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### HOUSE COMMITTEE ON HEALTH CARE & WELLNESS

**Majority Report:** Do pass. Signed by 13 members: Representatives Cody, Chair; Driscoll, Vice Chair; Ericksen, Ranking Minority Member; Bailey, Campbell, Clibborn, Green, Herrera, Hinkle, Kelley, Moeller, Morrell and Pedersen.

**Staff:** Dave Knutson (786-7146)

#### **Background:**

The Department of Social and Health Services (Department) establishes the daily Medicaid payment rates for clients assessed using the Comprehensive Assessment Reporting Evaluation (CARE) tool, and that reside in Adult Family Homes (AFH) and boarding homes

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contracted to provide Assisted Living (AL), Adult Residential Care (ARC), and Enhanced Adult Residential Care (EARC) services. For contracted AFH and boarding homes contracted to provide AL, ARC, and EARC services, the Department pays the daily rates for care of a Medicaid resident that are adjusted for three groups of counties. There is one set of rates for facilities in King County, a second set of rates for facilities in metropolitan counties including: Benton, Clark, Franklin, Island, Kitsap, Pierce, Snohomish, Spokane, Thurston, Whatcom, and Yakima counties; and a third set of rates for facilities in nonmetropolitan counties including: Adams, Asotin, Chelan, Clallam, Columbia, Cowlitz, Douglas, Ferry, Garfield, Grant, Grays Harbor, Jefferson, Kittitas, Klickitat, Lewis, Lincoln, Mason, Okanogan, Pacific, Pend Orielle, San Juan, Skagit, Skamania, Stevens, Wahkiakum, Walla Walla, and Whitman.

The Department sets the daily Medicaid payment rate for these clients in the Washington Administrative Code. The Administrative Procedures Act, chapter 34.05 RCW, requires the Department to go through the rule-making process, with public notice, meetings, and hearings when the daily Medicaid rates for these clients are set.

**Summary of Bill:**

The Department of Social and Health Services is required to hold at least one public hearing with at least 30 days notice when it plans to implement an upward or downward adjustment to the daily Medicaid payment rate for consumers who are assessed using the comprehensive assessment reporting evaluation tool and who reside in boarding homes.

**EFFECT OF SENATE AMENDMENT(S):**

Requires the Department of Social and Health Services to comply with all public notice and hearing requirements of the administrative Procedures Act.

**Appropriation:** None.

**Fiscal Note:** Not requested.

**Effective Date:** The bill takes effect 90 days after adjournment of the session in which the bill is passed.

**Staff Summary of Public Testimony:**

(In support) The Department needs to do a better job communicating with stakeholders when designing and implementing modifications to the reimbursement system for residents of boarding homes.

(Opposed) None.

**Persons Testifying:** Laurie St. Ours, Washington Health Care Association; Lee Field, Senior Services of America; Scott Sigmon, Aging Services of Washington; and Amber Lewis, Providence Health and Services.

**Persons Signed In To Testify But Not Testifying: None.**