

HOUSE BILL REPORT

HB 2498

As Reported by House Committee On:
Human Services
Health & Human Services Appropriations

Title: An act relating to funding the care of residents of residential habilitation centers.

Brief Description: Funding the care of residents of residential habilitation centers.

Sponsors: Representatives Orwall, Dickerson, Dammeier, Morrell and Hurst; by request of Department of Social and Health Services.

Brief History:

Committee Activity:

Human Services: 1/14/10, 1/21/10 [DP];

Health & Human Services Appropriations: 2/4/10 [DP].

Brief Summary of Bill

- Specifies that the financial responsibility of a resident of a Residential Habilitation Center (RHC) applies to the resident's cost of care from the date of admission to the RHC to the end of the resident's stay.
- Removes the requirement that the Secretary of the Department of Social and Health Services (Secretary) wait until the court appoints a guardian for a resident before the Secretary disburses funds to reimburse the Department of Social and Health Services where there has been a final finding of financial responsibility.
- Allows the time for an appeal of a finding of financial responsibility to continue to run while the appointment of a guardianship is pending.
- Requires that the Secretary provide written notice of a determination that an original finding of financial responsibility is to be modified or vacated.

HOUSE COMMITTEE ON HUMAN SERVICES

Majority Report: Do pass. Signed by 7 members: Representatives Dickerson, Chair; Orwall, Vice Chair; Dammeier, Ranking Minority Member; Darneille, Green, O'Brien and Walsh.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Minority Report: Do not pass. Signed by 1 member: Representative Herrera.

Staff: Linda Merelle (786-7092).

Background:

Residential Habilitation Centers.

Residential Habilitation Centers (RHCs) are state-operated facilities that provide 24-hour supervision and medical and nursing services for persons who have developmental disabilities. There are currently five RHCs in Washington: (1) Fircrest; (2) Frances Haddon Morgan; (3) Lakeland Village; (4) Rainier; and (5) Yakima Valley.

Finding of Financial Responsibility.

The Secretary of the Department of Social and Health Services (Secretary) serves as the custodian of the personal property of a resident of an RHC. Subject to some limitations, the Secretary may disburse funds belonging to the resident to the Department of Social and Health Services as reimbursement for the cost of the resident's care, treatment, hospitalization, medical care, and other needs when there has been a finding of financial responsibility.

Where there has been a finding of financial responsibility, and the resident does not have a guardian, parent, spouse, or other person acting in a representative capacity upon whom notice can be served, the Secretary must not make disbursements from the resident's fund until a guardian is appointed by the court. The time for appeal of the finding of financial responsibility does not begin to run until the appointment of a guardian and service of the notice and findings of financial responsibility upon the guardian.

Appeal of Finding of Financial Responsibility.

Once a resident or his or her guardian or other person in a representative capacity has been served with a notice and findings of financial responsibility, the guardian of the resident's estate, the resident's spouse, or other person acting on behalf of the resident may make an application for a hearing to appeal the finding.

Modification of Finding of Financial Responsibility.

The Secretary, upon application of the resident's guardian or pursuant to his or her own action, after investigation, may modify or vacate an original finding of financial responsibility. Any such action by the Secretary is appealable in the same manner as an original finding of responsibility.

Summary of Bill:

If a resident of an RHC does not have a guardian, and there has been a finding of financial responsibility, the Secretary does not have to wait until a guardian is appointed before any disbursement of funds. The time for appeal of the finding of financial responsibility is not tolled and begins to run even if the appointment of a guardian is pending.

The finding of financial responsibility applies to the resident's cost of care from the date of admission to the RHC to the end of his or her stay.

If the Secretary determines that the original finding of financial responsibility is to be modified or vacated, the Secretary must provide notice of such determination in writing to the resident's guardian. If there is no guardian, the notice must be provided to the resident, the resident's spouse, or other persons acting in a representative capacity and having property belonging to the resident.

Appropriation: None.

Fiscal Note: Available.

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 bill seeks to have residents participate in paying for the cost of their care. If they are receiving monthly payments, those payments should be part of their contribution to their care. The bill would allow notice of a resident's financial responsibility by regular mail service rather than certified mail. The first service would be by certified mail and all subsequent notices would be by regular mail. It would allow the Department of Social and Health Services to collect funds from the estates of residents who do not have guardians, and it also cleans up some outdated language in one section of the bill. All notices that go to residents would also go to their representatives. The fiscal note reflects the savings in using regular mail service as opposed to certified mail.

(Opposed) None.

Persons Testifying: Representative Orwall, prime sponsor; and Don Clintsman, Department of Social and Health Services, Division of Developmental Disabilities.

Persons Signed In To Testify But Not Testifying: None.

HOUSE COMMITTEE ON HEALTH & HUMAN SERVICES APPROPRIATIONS

Majority Report: Do pass. Signed by 15 members: Representatives Pettigrew, Chair; Seaquist, Vice Chair; Schmick, Ranking Minority Member; Alexander, Assistant Ranking Minority Member; Appleton, Cody, Dickerson, Fagan, Johnson, Miloscia, Morrell, O'Brien, Roberts, Walsh and Wood.

Staff: Trista Zugel (786-7157).

**Summary of Recommendation of Committee On Health & Human Services
Appropriations Compared to Recommendation of Committee On Human Services:**

No new changes were recommended.

Appropriation: None.

Fiscal Note: Available.

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) There are two major components to this bill. The first allows the agency to collect Residential Habilitation Center client participation funds and the second lets the agency realize some cost savings because they no longer need to send notice by certified mail. This bill would not impact the practice of sending appropriate notice to a resident's representative such as a parent or other relative.

(Opposed) None.

Persons Testifying: Representative Orwall, prime sponsor; and Don Clintsman, Department of Social and Health Services.

Persons Signed In To Testify But Not Testifying: None.