

SENATE BILL REPORT

HB 1527

As Reported by Senate Committee On:
Ways & Means, March 23, 2009

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: Passed House: 3/03/09, 97-0.

Committee Activity: Ways & Means: 3/17/09, 3/23/09 [DPA].

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: Do pass as amended.

Signed by Senators Prentice, Chair; Fraser, Vice Chair, Capital Budget Chair; Tom, Vice Chair, Operating Budget; Zarelli, Ranking Minority Member; Brandland, Carrell, Fairley, Hewitt, Hobbs, Honeyford, Keiser, Kline, Kohl-Welles, McDermott, Murray, Oemig, Parlette, Pflug, Pridemore, Regala, Rockefeller and Schoesler.

Staff: Megan Atkinson (786-7446)

Background: The Department of Social and Health Services (DSHS) establishes daily Medicaid payment rates for clients who reside in boarding homes, nursing homes, adult family homes, and other residential care facilities. DSHS utilizes an algorithm-based assessment tool to assess each client's needs, the Comprehensive Assessment Reporting Evaluation (CARE) tool. Based on the results of the individual assessment, the client is placed into one of 17 CARE classification levels. The resulting daily Medicaid rate paid to the residential care facility is based on the client's CARE classification and county of residence.

Current law requires DSHS to establish payment rates in rule; the current rates are published in Washington Administrative Code. The Administrative Procedure Act requires DSHS to use the rule-making process, including public meetings and notice, when changing WAC rules.

Summary of Bill (Recommended Amendments): DSHS must comply with all public notice and hearing requirements of the Administrative Procedure Act prior to implementing

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.

an upward or downward adjustment to the daily Medicaid payment rate for consumers who are assessed using the CARE evaluation tool and who reside in boarding homes.

EFFECT OF CHANGES MADE BY WAYS & MEANS COMMITTEE (Recommended Amendments): Amended bill so that prior to making any upward or downward adjustment to the daily Medicaid payment rate for consumers who are assessed using the CARE evaluation tool and who reside in boarding homes, DSHS must comply with all public notice and hearing requirements of the Administrative Procedure Act.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony on Original Bill: PRO: Currently, the boarding home industry has to file a public records request to get the information DSHS uses when making changes to boarding home rates. The bill helps make the rate setting process more transparent. DSHS utilizes a very complex tool to assess the clients and set rates. This bill would require DSHS to provide the information so vendors can understand and see what all was considered in changing the rates and how DSHS adjusted the rates.

Persons Testifying: PRO: Gary Weeks, Washington Health Care Associate; Lee Field, Senior Services of America.