

SENATE BILL REPORT

ESHB 2954

As of March 7, 2010

Title: An act relating to license fees for nursing homes, boarding homes, and adult family homes.

Brief Description: Concerning license fees for nursing homes, boarding homes, and adult family homes.

Sponsors: House Committee on Health & Human Services Appropriations (originally sponsored by Representative Cody; by request of Department of Social and Health Services).

Brief History: Passed House: 2/26/10, 53-43.

Committee Activity: Ways & Means: 3/08/10 [DPA, DNP, w/oRec].

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; Fairley, Keiser, Kline, Kohl-Welles, McDermott, Murray, Pridemore, Regala and Rockefeller.

Minority Report: Do not pass.

Signed by Senators Zarelli, Ranking Minority Member; Carrell, Honeyford and Schoesler.

Minority Report: That it be referred without recommendation.

Signed by Senators Brandland, Hewitt and Parlette.

Staff: Megan Atkinson (786-7446)

Background: The Department of Social and Health Services (DSHS) administers numerous licensure programs including licenses for nursing homes, boarding homes, and adult family homes. The authority to charge license fees for these three facility types is currently provided in statute along with differing direction regarding the amount of the fee. DSHS is directed to set the nursing home license fee in an amount adequate to fully recover the costs of the licensure program, the boarding home fee is to be based on costs to administer the program, and the amount of the adult family home license fee is set in statute.

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.

In addition, DSHS is provided with a general direction fee [for all licensure programs] based on the costs of the licensure activities.

Currently in Washington there are approximately:

- 250 licensed skilled nursing facilities that provide services for approximately 10,900 Medicaid eligible clients. The average number of beds per facility is 91 and there are a total 21,300 beds in Washington.
- 550 licensed boarding homes that provide services for approximately 6,700 Medicaid eligible clients. About 2 percent of these are clients with developmental disabilities. The average number of beds per facility is 51 and there are a total of 28,200 beds in Washington.
- 2,800 licensed adult family homes that provide services for approximately 6,400 Medicaid eligible clients. About 27 percent of these are clients with developmental disabilities. The average home has six beds.

Summary of Bill (Recommended Amendments): Beginning July 1, 2010, licensing fees for nursing homes, boarding homes, and adult family homes are set by the Legislature in the biennial appropriations act. The Legislature intends that these costs will be fully borne by the facilities that are being licensed. The fees will not exceed DSHS's costs for the licensing and regulatory activity on those facilities.

The licensing fee for adult family homes is changed from a per-home fee to a per-bed fee.

DSHS will provide an annual report to the Legislature that details the licensing and regulatory activities from the previous fiscal year, to include information on complaint investigations. The report must include the total costs of these activities, the percentage of state costs that are covered by the licensing fees, and estimated fee amounts that would be needed to cover the total state costs for licensing and regulatory activities.

Appropriation: None.

Fiscal Note: Available.

[OFM requested ten-year cost projection pursuant to I-960.]

Committee/Commission/Task Force Created: Yes.

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