

**SHB 2127 - H AMD 1229**

By Representative Schmick

**FAILED 02/28/2012**

1 Beginning on page 55, line 34, strike all of section 205 and insert  
2 the following:

3 "Sec. 205. 2011 2nd sp.s. c 9 s 205 (uncodified) is amended to  
4 read as follows:

5 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--DEVELOPMENTAL**  
6 **DISABILITIES PROGRAM**

7 (1) COMMUNITY SERVICES

8	General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$418,815,000</del> ))
9		<u>\$411,247,000</u>
10	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$422,854,000</del> ))
11		<u>\$419,814,000</u>
12	General Fund--Federal Appropriation . . . . .	(( <del>\$743,532,000</del> ))
13		<u>\$778,974,000</u>
14	General Fund--Private/Local Appropriation . . . . .	\$184,000
15	TOTAL APPROPRIATION . . . . .	(( <del>\$1,585,385,000</del> ))
16		<u>\$1,610,219,000</u>

17 The appropriations in this subsection are subject to the following  
18 conditions and limitations:

19 (a) Individuals receiving services as supplemental security income  
20 (SSI) state supplemental payments shall not become eligible for medical  
21 assistance under RCW 74.09.510 due solely to the receipt of SSI state  
22 supplemental payments.

23 (b) Amounts appropriated in this subsection reflect a reduction to  
24 funds appropriated for in-home care. The department shall reduce the  
25 number of in-home hours authorized. The reduction shall be scaled  
26 based on the acuity level of care recipients. The largest hour  
27 reductions shall be to lower acuity patients and the smallest hour  
28 reductions shall be to higher acuity patients.

29 (c) Amounts appropriated in this subsection are sufficient to  
30 develop and implement the use of a consistent, statewide outcome-based

1 vendor contract for employment and day services by July 1, 2012. The  
2 rates paid to vendors under this contract shall also be made  
3 consistent. In its description of activities the agency shall include  
4 activity listings and dollars appropriated for: Employment services,  
5 day services, child development services and county administration of  
6 services to the developmentally disabled. The department shall begin  
7 reporting to the office of financial management on these activities  
8 beginning in fiscal year 2010.

9 (d) \$944,000 of the general fund--state appropriation for fiscal  
10 year 2012, \$944,000 of the general fund--state appropriation for fiscal  
11 year 2013, and \$1,888,000 of the general fund--federal appropriation  
12 are provided solely for state contributions for individual provider  
13 health care benefits. Pursuant to the collective bargaining agreement  
14 negotiated with the exclusive bargaining representative of individual  
15 providers established under RCW 74.39A.270, the state shall contribute  
16 to the multiemployer health benefits trust fund ((~~\$1.96~~)) \$2.21 per  
17 paid hour worked by individual providers.

18 ~~(e) ((\$1,871,000 of the general fund--state appropriation for~~  
19 ~~fiscal year 2012, \$1,995,000 of the general fund--state appropriation~~  
20 ~~for fiscal year 2013, and \$3,865,000 of the general fund--federal~~  
21 ~~appropriation are provided solely for home care agencies to purchase~~  
22 ~~health coverage for home care providers. The department shall~~  
23 ~~calculate and distribute payments for health care benefits to home care~~  
24 ~~agencies at \$558 per month for each worker who cares for publicly~~  
25 ~~funded clients at 86 hours or more per month. In order to negotiate~~  
26 ~~the most comprehensive health benefits package for its employees, each~~  
27 ~~agency may determine benefit levels according to the hours an employee~~  
28 ~~works providing state-funded personal care. Health benefits shall be~~  
29 ~~offered to all employees who care for publicly funded clients for 86~~  
30 ~~hours per month or more. At a minimum, employees who care for publicly~~  
31 ~~funded clients at 140 hours a month or greater must receive a~~  
32 ~~comprehensive medical benefit. Benefits shall not be provided to~~  
33 ~~employees who care for publicly funded clients at 85 hours or less per~~  
34 ~~month or as interim respite workers. The department shall not pay an~~  
35 ~~agency for benefits provided to an employee who otherwise receives~~  
36 ~~health care coverage through other family members, other~~  
37 ~~employment-based coverage, or military or veteran's coverage. The~~  
38 ~~department shall require annually, each home care agency to review each~~

1 of its employee's available health coverage and to provide a written  
2 declaration to the department verifying that health benefits purchased  
3 with public funds are solely for employees that do not have other  
4 available coverage. Home care agencies may determine a reasonable  
5 employee co-premium not to exceed 20 percent of the total benefit cost.

6 (~~f~~)) \$1,127,000 of the general fund--state appropriation for  
7 fiscal year 2012, \$1,199,000 of the general fund--state appropriation  
8 for fiscal year 2013, and \$2,322,000 of the general fund--federal  
9 appropriation are provided solely for the state's contribution to the  
10 training partnership, as provided in RCW 74.39A.360, for instructional  
11 costs associated with the training of individual providers. House Bill  
12 No. 1548 and Senate Bill No. 5473 (long-term care worker requirements)  
13 make statutory changes to the increased training requirements and  
14 therefore the state shall contribute to the partnership \$0.17 per paid  
15 hour worked by all home care workers. This amount is pursuant to the  
16 collective bargaining agreement negotiated with the exclusive  
17 bargaining representative of individual providers established under RCW  
18 74.39A.270. Expenditures for the purposes specified in this subsection  
19 shall not exceed the amounts provided in this subsection.

20 ((~~g~~)) (f)(i) Within the amounts appropriated in this subsection,  
21 the department shall revise the current working age adult policy to  
22 allow clients to choose between employment and community access  
23 activities. Clients age 21 and older who are receiving services  
24 through a home- and community-based medicaid waiver shall be offered  
25 the choice to transition to a community access program after nine  
26 months of enrollment in an employment program, and the option to  
27 transition from a community access program to an employment program at  
28 any time. The department shall inform clients and their legal  
29 representatives of all available options for employment and day  
30 services. Information provided to the client and the client's legal  
31 representative shall include the types of activities each service  
32 option provides, and the amount, scope, and duration of service for  
33 which the client would be eligible under each service option. An  
34 individual client may be authorized for only one service option, either  
35 employment services or community access services. Clients may not  
36 participate in more than one of these services at any given time.

37 (ii) The department shall work with counties and stakeholders to  
38 strengthen and expand the existing community access program. The

1 program must emphasize support for the client so they are able to  
2 participate in activities that integrate them into their community and  
3 support independent living and skills.

4 (iii) The appropriation in this subsection includes funding to  
5 provide employment or community access services to 168 medicaid  
6 eligible young adults with developmental disabilities living with their  
7 families who need employment opportunities and assistance after high  
8 school graduation.

9 ((+h)) (g) \$75,000 of the general fund--state appropriation for  
10 fiscal year 2012 and \$75,000 of the general fund--state appropriation  
11 for fiscal year 2013 are provided solely for the restoration of direct  
12 support to local organizations that utilize parent-to-parent networks  
13 and communication to promote access and quality of care for individuals  
14 with developmental disabilities and their families.

15 ((+i)) (h) In accordance with Engrossed Substitute House Bill No.  
16 1277 (licensed settings for vulnerable adults), adult family home  
17 license fees are increased in fiscal years 2012 and 2013 to support the  
18 costs of conducting licensure, inspection, and regulatory programs.

19 (i) The current annual renewal license fee for adult family homes  
20 shall be increased to \$100 per bed beginning in fiscal year 2012 and  
21 \$175 per bed beginning in fiscal year 2013. Adult family homes shall  
22 receive a corresponding vendor rate increase per medicaid patient day  
23 of \$0.22 in fiscal year 2012 and \$0.43 in fiscal year 2013 to cover the  
24 cost of the license fee increase for publicly funded beds.

25 (ii) Beginning in fiscal year 2012, a processing fee of \$2,750  
26 shall be charged to each adult family home when the home is initially  
27 licensed. This fee is nonrefundable.

28 ((+j)) (i) Clients with developmental disabilities have  
29 demonstrated a need and a desire for a day services program as verified  
30 by over 900 clients currently accessing day programs through a long-  
31 term care service model. In addition, every individual, to include  
32 those with a developmental disability, should have the opportunity for  
33 meaningful employment which allows them to contribute to their  
34 communities and to become as self-sufficient as possible. Providing  
35 choice empowers recipients of publicly funded services and their  
36 families by expanding their degree of control over the services and  
37 supports they need.

1 The department shall work with legislators and stakeholders to  
 2 develop a new approach to employment and day services. The objective  
 3 of this plan is to ensure that adults with developmental disabilities  
 4 have optimum choices, and that employment and day offerings are  
 5 comprehensive enough to meet the needs of all clients currently served  
 6 on a home and community based waiver. The proposal shall be submitted  
 7 to the 2012 legislature for consideration and shall be constructed such  
 8 that a client ultimately receives employment, community access, or the  
 9 community day option but not more than one service at a time. The  
 10 proposal shall include options for program efficiencies within the  
 11 current employment and day structure and shall provide details on the  
 12 plan to implement a consistent, statewide outcome-based vendor contract  
 13 for employment and day services as specified in (c) of this subsection.

14 (2) INSTITUTIONAL SERVICES

15	General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$80,815,000</del> ))
16		<u>\$80,937,000</u>
17	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$79,939,000</del> ))
18		<u>\$80,171,000</u>
19	General Fund--Federal Appropriation . . . . .	(( <del>\$154,388,000</del> ))
20		<u>\$154,403,000</u>
21	General Fund--Private/Local Appropriation . . . . .	\$22,043,000
22	TOTAL APPROPRIATION . . . . .	(( <del>\$337,185,000</del> ))
23		<u>\$337,554,000</u>

24 The appropriations in this subsection are subject to the following  
 25 conditions and limitations:

26 (a) Individuals receiving services as supplemental security income  
 27 (SSI) state supplemental payments shall not become eligible for medical  
 28 assistance under RCW 74.09.510 due solely to the receipt of SSI state  
 29 supplemental payments.

30 (b) \$721,000 of the general fund--state appropriation for fiscal  
 31 year 2012 and \$721,000 of the general fund--state appropriation for  
 32 fiscal year 2013 are for the department to fulfill its contracts with  
 33 the school districts under chapter 28A.190 RCW to provide  
 34 transportation, building space, and other support services as are  
 35 reasonably necessary to support the educational programs of students  
 36 living in residential habilitation centers.

37 (3) PROGRAM SUPPORT

1	General Fund--State Appropriation (FY 2012) . . . . .	((( <del>\$1,380,000</del> )))
2		<u>\$1,382,000</u>
3	General Fund--State Appropriation (FY 2013) . . . . .	((( <del>\$1,371,000</del> )))
4		<u>\$1,374,000</u>
5	General Fund--Federal Appropriation . . . . .	\$1,323,000
6	TOTAL APPROPRIATION . . . . .	((( <del>\$4,074,000</del> )))
7		<u>\$4,079,000</u>

8 (4) SPECIAL PROJECTS

9	General Fund--State Appropriation (FY 2012) . . . . .	((( <del>\$4,648,000</del> )))
10		<u>\$4,658,000</u>
11	General Fund--State Appropriation (FY 2013) . . . . .	((( <del>\$4,637,000</del> )))
12		<u>\$4,657,000</u>
13	General Fund--Federal Appropriation . . . . .	((( <del>\$9,575,000</del> )))
14		<u>\$9,588,000</u>
15	General Fund--Private/Local Appropriation . . . . .	\$998,000
16	TOTAL APPROPRIATION . . . . .	((( <del>\$19,858,000</del> )))
17		<u>\$19,901,000</u>

18 The appropriations in this subsection are subject to the following  
19 conditions and limitations:

20 Amounts appropriated in this subsection are for the purposes of  
21 transitioning clients with developmental disabilities into community  
22 settings. The department is authorized as needed to use these funds to  
23 either pay for clients residing within a residential habilitation  
24 center or for placements in the community. Pursuant to Second  
25 Substitute Senate Bill No. 5459 (services for people with developmental  
26 disabilities), funding in this subsection must be prioritized for the  
27 purpose of facilitating the consolidation and closure of Frances Haddon  
28 Morgan Center. The department shall use a person-centered approach in  
29 developing the discharge plan to assess each resident's needs and  
30 identify services the resident requires to successfully transition to  
31 the community or another residential habilitation center. The  
32 department is authorized to use any savings from this effort for the  
33 purpose of developing community resources to address the needs of  
34 clients with developmental disabilities who are in crisis or in need of  
35 respite. The department shall track the costs and savings of closing  
36 Frances Haddon Morgan Center and any investments into community

1 placements and resources. The department shall provide a fiscal  
2 progress report to the legislature by December 5, 2011."

3 On page 208, after line 25, insert the following:

4 "Sec. 724. 2011 1st sp.s. c 50 s 709 (uncodified) is amended to  
5 read as follows:

6 **INCENTIVE SAVINGS--FY 2012**

7 The sum of (~~one hundred twenty-five million~~) thirty-nine million  
8 three hundred ninety-four thousand dollars or so much thereof as may be  
9 available on June 30, 2012, from the total amount of unspent fiscal  
10 year 2012 state general fund appropriations, exclusive of amounts  
11 expressly placed into unallotted status by this act, is appropriated  
12 for the purposes of RCW 43.79.460 in the manner provided in this  
13 section.

14 (1) Of the total appropriated amount, one-half of that portion that  
15 is attributable to incentive savings, not to exceed twenty-five million  
16 dollars, is appropriated to the savings incentive account for the  
17 purpose of improving the quality, efficiency, and effectiveness of  
18 agency services, and credited to the agency that generated the savings.

19 (2) The remainder of the total amount, not to exceed one hundred  
20 million dollars, is appropriated to the education savings account.

21 **Sec. 725.** 2011 1st sp.s. c 50 s 710 (uncodified) is amended to  
22 read as follows:

23 **INCENTIVE SAVINGS--FY 2013**

24 The sum of (~~one hundred twenty-five million~~) thirty-nine million  
25 three hundred ninety-four thousand dollars or so much thereof as may be  
26 available on June 30, 2013, from the total amount of unspent fiscal  
27 year 2013 state general fund appropriations, exclusive of amounts  
28 expressly placed into unallotted status by this act, is appropriated  
29 for the purposes of RCW 43.79.460 in the manner provided in this  
30 section.

31 (1) Of the total appropriated amount, one-half of that portion that  
32 is attributable to incentive savings, not to exceed twenty-five million  
33 dollars, is appropriated to the savings incentive account for the  
34 purpose of improving the quality, efficiency, and effectiveness of  
35 agency services, and credited to the agency that generated the savings.

1 (2) The remainder of the total amount, not to exceed one hundred  
2 million dollars, is appropriated to the education savings account."

3 On page 213, after line 14, strike all material through  
4 "\$114,431,000" on line 19 and insert  
5 "Education Savings Account: For transfer to the state  
6 general fund, \$54,431,000 for fiscal  
7 year 2012 (~~and \$22,500,000 for fiscal~~  
8 ~~year 2013 . . . . . \$76,931,000)~~)  
9 \$54,431,000"

10 Correct the title.

EFFECT: DSHS Developmental Disabilities:

Several changes are made to the budget for the DSHS Developmental Disabilities Program. Revenue is not assumed from establishing a Public Utility Tax assessed on community providers. Savings are not assumed from converting all current state-only employment clients to Medicaid waiver employment services. State-only employment services will continue beyond January 30, 2013. Savings from under-spent funds within the state-only program are retained. Beginning April 2012, savings are realized from efficiencies established by consolidating the Basic and Basic Plus waivers into one waiver. Savings from leveraging additional federal funding are realized by refinancing Medicaid Personal Care (MPC) for Long Term Care and Developmental Disabilities under the 1915 (k) Community First Choice Option (CFCO).

Assumed GFS Reversions:

FY 12 and 13 appropriations of unspent GFS appropriations into the Education Savings Account and the Savings Incentive Account are decreased, and the FY 13 transfer from the Education Savings Account into the GFS is eliminated rather than increased. This results in an increase in GFS reversions, increasing net general fund resources by \$21,212,000.

FISCAL IMPACT:

DSHS Developmental Disabilities:  
Increases General Fund - State by \$21,212,000.  
Increases General Fund - Federal by \$20,328,000.  
Decreases General Fund-Private/Local by \$42,000.  
Decreases DD Community Trust Account - State by \$14,750,000.

Assumed GFS Reversions:

Increases Net General Fund--State resources by \$21,212,000.

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