
SUBSTITUTE HOUSE BILL 2082

State of Washington 62nd Legislature 2011 1st Special Session

By House Ways & Means (originally sponsored by Representatives Darneille, Goodman, Dickerson, Roberts, Pettigrew, Appleton, Ryu, Fitzgibbon, Finn, Orwall, Ormsby, Ladenburg, Kenney, and Moscoso)

READ FIRST TIME 05/12/11.

1 AN ACT Relating to reforming the disability lifeline program
2 through essential needs and housing support for persons not likely to
3 meet federal supplemental security income disability standards,
4 continued aid and support for other disability lifeline recipients, and
5 modification of the disability lifeline medical care services needed to
6 receive federal funding; amending RCW 74.09.035, 74.04.005, and
7 70.96A.530; adding new sections to chapter 43.185C RCW; adding a new
8 chapter to Title 74 RCW; creating a new section; repealing RCW
9 43.330.175 and 74.04.810; providing an effective date; providing an
10 expiration date; and declaring an emergency.

11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

12 NEW SECTION. **Sec. 1. Intent.** (1) The legislature finds that:

13 (a) Persons who have a long-term disability and apply for federal
14 supplemental security income benefits should receive assistance while
15 their application for federal benefits is pending, with repayment from
16 the federal government of state-funded income assistance paid through
17 the long-term disability assistance program;

18 (b) Persons who are incapacitated from gainful employment for an

1 extended period, but who may not meet the level of severity of a long-
2 term disability, are at increased risk of homelessness; and

3 (c) Persons who are homeless and suffering from significant medical
4 impairments, mental illness, or chemical dependency face substantial
5 barriers to successful participation in, and completion of, needed
6 medical or behavioral health treatment services. Stable housing
7 increases the likelihood of compliance with and completion of
8 treatment.

9 (2) Through this act, the legislature intends to:

10 (a) Terminate the disability lifeline program created in 2010 and
11 create two new programs: (i) The long-term disability assistance
12 program to provide financial support and medical and behavioral health
13 services to persons who have a long-term disability, and (ii) the
14 essential needs and housing supports program as an alternative to cash
15 grants for persons who are incapacitated from gainful employment but
16 whose incapacity does not meet the level of a long-term disability and
17 to provide medical and behavioral health care services to these
18 persons; and

19 (b) Increase opportunities to utilize limited public funding,
20 combined with private charitable and volunteer efforts to serve persons
21 who are recipients of the benefits provided by the new programs created
22 under this act.

23 NEW SECTION. **Sec. 2. Long-term disability assistance program.**

24 (1)(a) Effective November 1, 2011, the long-term disability assistance
25 program shall provide aid and support to persons who:

26 (i) Are recipients of disability lifeline expedited benefits on
27 October 31, 2011, and continue to meet the eligibility requirements of
28 (a)(ii) of this subsection; or

29 (ii)(A) Are not eligible to receive federal aid assistance, other
30 than basic food benefits transferred electronically and medical
31 assistance;

32 (B) Have one or more medical or mental health impairments that are
33 likely to last for twelve months or more, indicated by medical and
34 behavioral health evidence, based upon an examination by an appropriate
35 health care provider, that prevent gainful employment. In determining
36 whether an applicant is likely to have a long-term disability, the
37 department should give full consideration to the cumulative impact of

1 an applicant's multiple impairments, an applicant's age, and vocational
2 and educational history. To improve access to timely disability
3 evaluations, the department shall allow mid-level practitioners, such
4 as advance registered nurse practitioners, and licensed mental health
5 practitioners, to conduct evaluations, with review and approval by
6 medical practitioners;

7 (C) Are citizens or aliens lawfully admitted for permanent
8 residence or otherwise residing in the United States under color of
9 law;

10 (D) Have furnished the department their social security number. If
11 the social security number cannot be furnished because it has not been
12 issued or is not known, an application for a number shall be made prior
13 to authorization of benefits, and the social security number shall be
14 provided to the department upon receipt;

15 (iii) Meet income and resource standards for the disability
16 lifeline program in effect on December 31, 2010; and

17 (iv) Have not refused or failed without good cause to participate
18 in drug or alcohol treatment if an assessment by a certified chemical
19 dependency counselor indicates a need for such treatment. Good cause
20 must be found to exist when a person's physical or mental condition, as
21 determined by the department, prevents the person from participating in
22 drug or alcohol dependency treatment, when needed outpatient drug or
23 alcohol treatment is not available to the person in the county of his
24 or her residence or when needed inpatient treatment is not available in
25 a location that is reasonably accessible for the person.

26 (b) The following persons are not eligible for the long-term
27 disability assistance program:

28 (i) Persons who are not able to engage in gainful employment due
29 primarily to alcohol or drug addiction. These persons shall be
30 referred to appropriate assessment, treatment, shelter, or supplemental
31 security income referral services as authorized under chapter 74.50
32 RCW. Referrals shall be made at the time of application or at the time
33 of eligibility review. This subsection may not be construed to
34 prohibit the department from granting long-term disability assistance
35 benefits to alcoholics and drug addicts who are incapacitated due to
36 other physical or mental conditions that meet the eligibility criteria
37 for the long-term disability assistance program;

1 (ii) Persons who refuse or fail to cooperate in obtaining federal
2 aid assistance, without good cause; and

3 (iii) Persons for whom there has been a final determination of
4 ineligibility for federal supplemental security income benefits.

5 (c) Persons may receive long-term disability assistance benefits
6 pending application for federal supplemental security income benefits.
7 The monetary value of any long-term disability assistance benefit that
8 is subsequently duplicated by the person's receipt of supplemental
9 security income for the same period shall be considered a debt due the
10 state and shall by operation of law be subject to recovery through all
11 available legal remedies.

12 (2) Effective November 1, 2011, the aged, blind, and disabled
13 program shall provide aid and support to persons who:

14 (a) Are citizens or aliens lawfully admitted for permanent
15 residence or otherwise residing in the United States under color of
16 law;

17 (b) Have one or more medical or mental health impairments that are
18 likely to last for twelve months or more, indicated by medical and
19 behavioral health evidence, based upon an examination by an appropriate
20 health care provider, that prevent gainful employment;

21 (c) Meet the income and resource standards for the disability
22 lifeline program in effect on December 31, 2010; and

23 (d) Have not refused or failed to cooperate in obtaining federal
24 aid assistance without good cause.

25 (3) Effective November 1, 2011, the pregnant women program shall
26 provide aid and support to persons who:

27 (a) Are citizens or aliens lawfully admitted for permanent
28 residence or otherwise residing in the United States under color of
29 law;

30 (b) Are pregnant and in need, based upon the current income and
31 resource standards of the federal temporary assistance for needy
32 families program, but are ineligible for federal temporary assistance
33 for needy families benefits for a reason other than failure to
34 cooperate in program requirements; and

35 (c) Have not refused or failed without good cause to participate in
36 drug or alcohol treatment if an assessment by a certified chemical
37 dependency counselor indicates a need for such treatment. Good cause
38 must be found to exist when a person's physical or mental condition, as

1 determined by the department, prevents the person from participating in
2 drug or alcohol dependency treatment, when needed outpatient drug or
3 alcohol treatment is not available to the person in the county of his
4 or her residence or when needed inpatient treatment is not available in
5 a location that is reasonably accessible for the person.

6 (4) No person may be considered an eligible individual for benefits
7 under this section with respect to any month if during that month the
8 person:

9 (a) Is fleeing to avoid prosecution of, or to avoid custody or
10 confinement for conviction of, a felony, or an attempt to commit a
11 felony, under the laws of the state of Washington or the place from
12 which the person flees; or

13 (b) Is violating a condition of probation, community supervision,
14 or parole imposed under federal or state law for a felony or gross
15 misdemeanor conviction.

16 **NEW SECTION. Sec. 3. Essential needs and housing support program.**

17 Effective November 1, 2011, persons found eligible for medical care
18 services under RCW 74.09.035 and who are not recipients of alcohol and
19 addiction services provided under chapter 74.50 RCW shall be referred
20 to the essential needs and housing support program established in
21 section 6 of this act.

22 **NEW SECTION. Sec. 4. Case reviews.** The department must review

23 the cases of all persons who have received disability lifeline-
24 unemployable benefits or essential needs and housing support benefits
25 for twelve months, and annually thereafter, to determine whether they
26 are eligible for the long-term disability assistance program. In
27 determining whether an applicant is likely to meet the eligibility
28 requirements for the long-term disability assistance program, the
29 department should give full consideration to the cumulative impact of
30 an applicant's multiple impairments, age, and vocational and
31 educational history. To improve access to timely disability
32 evaluations, the department shall allow mid-level practitioners, such
33 as advanced registered nurse practitioners and licensed mental health
34 practitioners, to conduct evaluations, with review and approval by
35 medical practitioners.

1 NEW SECTION. **Sec. 5.** Funding for the essential needs and housing
2 support program established under section 6 of this act shall be as
3 follows:

4 (1) For the period beginning November 1, 2011, through June 30,
5 2013, the total funding for the program shall be based on the projected
6 medical care services caseload, and the estimated monthly average of
7 the cash assistance grant that was in effect for these individuals
8 beginning July 1, 2011, through October 31, 2011; and

9 (2) In subsequent fiscal biennia, the total funding for the program
10 shall be adjusted to reflect changes in the projected medical care
11 services caseload.

12 NEW SECTION. **Sec. 6.** A new section is added to chapter 43.185C
13 RCW to read as follows:

14 **Grants to local governments and community-based organizations for**
15 **essential needs and housing support.** (1) The department shall
16 distribute funds for the essential needs and housing support program
17 established under this section in a manner consistent with the
18 requirements of this section. The first distribution of funds must be
19 completed by September 1, 2011. Receipt of essential needs or housing
20 support is not an entitlement for persons found eligible for such
21 services under section 3 of this act.

22 (2) The department shall distribute funds appropriated for the
23 essential needs and housing support program in the form of grants to
24 designated essential needs support and housing support entities within
25 each county using a formula based on the average number of clients
26 residing in the county who received disability lifeline-unemployable
27 benefits or essential needs and support benefits in the three preceding
28 fiscal years. The formula shall be applied beginning July 1, 2011, and
29 updated annually. Between ten and fifteen percent of the funds
30 distributed to a county must be used to provide essential needs
31 support.

32 (3) For each county, the department shall designate an essential
33 needs support entity and a housing support entity that will begin
34 providing these supports to essential needs and housing support program
35 recipients on November 1, 2011. Essential needs and housing support
36 entities are not required to provide assistance to every essential

1 needs and housing support recipient that is referred to the local
2 entity or who meets the priority standards in subsection (4)(c) of this
3 section.

4 (a) Each designated entity must be a local government or
5 community-based organization, and may administer the funding for
6 essential needs support, housing support, or both. Designated entities
7 have the authority to subcontract with qualified entities. Upon
8 request, and the approval of the department, two or more counties may
9 combine resources to more effectively deliver services.

10 (b) The department's designation process must include a review of
11 proficiency in managing housing or human services programs when
12 designating housing support entities.

13 (c) Within a county, if the department directly awards separate
14 grants to the designated housing support entity and the designated
15 essential needs support entity, the department shall determine the
16 amount allocated for essential needs support within the range specified
17 in subsection (2) of this section.

18 (4)(a) Essential needs and housing support entities must use funds
19 distributed under this section as flexibly as is practicable to provide
20 essential needs items and housing support to recipients of the
21 essential needs and housing support program, subject to the
22 requirements of this section. Essential needs and housing support
23 shall not be provided in the form of cash assistance to recipients.

24 (b) Designated housing support entities must not exceed either the:
25 (i) Average per-client support level established in the operating
26 budget for all clients served through their housing support program; or
27 (ii) maximum per-client support level established in the operating
28 budget for any individual client served through their housing support
29 program.

30 (c) In awarding housing support, the designated housing support
31 entity shall give first priority to clients who are in stable housing,
32 and for whom support will allow housing retention and who would be at
33 risk of homelessness without such housing support. Second priority
34 shall be given to clients who are receiving care coordination services
35 through the managed health care plan that has a contract with the state
36 to serve essential needs and housing support program recipients.
37 Within these priorities, additional local priorities for the use of

1 funds must be developed in the event that available resources are not
2 sufficient to provide service to all prioritized recipients who have
3 been referred for support.

4 (d) Essential needs and housing support entities must partner with
5 other public and private organizations to maximize the beneficial
6 impact of funds distributed under this section, and should attempt to
7 leverage other sources of public and private funds to serve essential
8 needs and housing support recipients. Funds appropriated in the
9 operating budget for essential needs and housing support must be used
10 only to serve persons eligible to receive services under that program.

11 (5) The department and each essential needs and housing support
12 entity shall minimize the percentage of funds used for administration
13 of the essential needs and housing support program to maximize funding
14 available for supports.

15 (6) The department shall:

16 (a) Require housing support entities to enter data into the
17 homeless client management information system;

18 (b) Require essential needs support entities to report on services
19 provided under this section;

20 (c) In collaboration with the department of social and health
21 services, submit a report annually to the relevant policy and fiscal
22 committees of the legislature. The first report must be submitted by
23 January 15, 2012, and must include:

24 (i) A description of the actions the department has taken to
25 achieve the objectives of this act;

26 (ii) The amount of funds used by the department to administer the
27 program;

28 (iii) Information on the housing status of essential needs and
29 housing support recipients served by housing support entities, and
30 individuals referred for housing support by the department of social
31 and health services, but not receiving services; and

32 (iv) Grantee expenditure data related to administration and
33 services provided under this section;

34 (d) Review the data submitted by the designated entities, and make
35 recommendations for program improvements and administrative
36 efficiencies. The department has the authority to designate
37 alternative entities as necessary due to performance or other

1 significant issues. Such change must only be made after consultation
2 with the department of social and health services and the impacted
3 entity.

4 (7) The department, counties, and essential needs and housing
5 support entities are not civilly or criminally liable and may not have
6 any penalty or cause of action of any nature arise against them related
7 to decisions regarding: (a) The provision or lack of provision of
8 housing or essential needs support; or (b) the type of housing
9 arrangement supported with funds allocated under this section, when the
10 decision was made in good faith and in the performance of the powers
11 and duties under this section. However, this section does not prohibit
12 legal actions against the department, county, or essential needs or
13 housing support entity to enforce contractual duties or obligations.

14 NEW SECTION. **Sec. 7.** A new section is added to chapter 43.185C
15 RCW to read as follows:

16 The department, in collaboration with the department of social and
17 health services, shall develop a mechanism through which the department
18 and local governments or community-based organizations can verify a
19 person has been determined eligible for medical care services under RCW
20 74.09.035 by the department of social and health services.

21 **Sec. 8.** RCW 74.09.035 and 2011 c ... (SHB 1312) s 3 are each
22 amended to read as follows:

23 (1)(a) To the extent of available funds, medical care services may
24 be provided to (~~recipients of disability lifeline benefits, persons~~
25 ~~denied disability lifeline benefits under RCW 74.04.005(5)(b) or~~
26 ~~74.04.655 who otherwise meet the requirements of RCW 74.04.005(5)(a),~~
27 ~~and recipients of alcohol and drug addiction services provided under~~
28 ~~chapter 74.50 RCW, in accordance with medical eligibility requirements~~
29 ~~established by the department)) persons who are in the disability
30 lifeline or ADATSA transition eligibles population under 1115 medicaid
31 demonstration project number 11-W-00254/10.~~

32 (b) Enrollment in medical care services may not result in
33 expenditures that exceed the amount that has been appropriated in the
34 operating budget. If it appears that continued enrollment will result
35 in expenditures exceeding the appropriated level for a particular
36 fiscal year, the department may freeze new enrollment and establish a

1 waiting list of ((eligible)) persons who may receive benefits only when
2 sufficient funds are available. ((Upon implementation of a federal
3 medicaid 1115 waiver providing federal matching funds for medical care
4 services, persons subject to termination of disability lifeline
5 benefits under RCW 74.04.005(5)(h) remain enrolled in medical care
6 services and persons subject to denial of disability lifeline benefits
7 under RCW 74.04.005(5)(h) remain eligible for medical care services.))

8 (2) Determination of the amount, scope, and duration of medical
9 care services shall be limited to coverage as defined by the
10 department, except that adult dental, and routine foot care shall not
11 be included unless there is a specific appropriation for these
12 services.

13 (3) The department shall enter into performance-based contracts
14 with one or more managed health care systems for the provision of
15 medical care services ((to recipients of disability lifeline benefits))
16 under this section. The contract must provide for integrated delivery
17 of medical and mental health services.

18 (4) The department shall establish standards of assistance and
19 resource and income exemptions, which may include deductibles and co-
20 insurance provisions. In addition, the department may include a
21 prohibition against the voluntary assignment of property or cash for
22 the purpose of qualifying for assistance.

23 (5) Residents of skilled nursing homes, intermediate care
24 facilities, and intermediate care facilities for persons with
25 intellectual disabilities, as that term is described by federal law,
26 who are eligible for medical care services shall be provided medical
27 services to the same extent as provided to those persons eligible under
28 the medical assistance program.

29 ((6) Eligibility for medical care services shall commence with the
30 date of certification for disability lifeline benefits or the date of
31 eligibility for alcohol and drug addiction services provided under
32 chapter 74.50 RCW.))

33 NEW SECTION. **Sec. 9.** For the purposes of this chapter, unless the
34 context indicates otherwise, the following definitions shall apply:

35 (1) "Aged, blind, and disabled" means the program established under
36 section 2 of this act.

1 (2) "Applicant" means any person who has made a request, or on
2 behalf of whom a request has been made, to any county or local office
3 for assistance.

4 (3) "Department" means the department of social and health
5 services.

6 (4) "Director" or "secretary" means the secretary of social and
7 health services.

8 (5) "Essential needs and housing support program" means the program
9 established under section 6 of this act.

10 (6) "Essential needs support" means personal health and hygiene
11 items, cleaning supplies, other necessary items and transportation
12 passes or tokens provided through an essential needs support entity
13 established under section 6 of this act.

14 (7) "Federal aid assistance" means the specific categories of
15 assistance for which provision is made in any federal law existing or
16 hereafter passed by which payments are made from the federal government
17 to the state in aid or in respect to payment by the state for public
18 assistance rendered to any category of needy persons for which
19 provision for federal funds or aid may from time to time be made, or a
20 federally administered needs-based program.

21 (8) "Housing support" means assistance provided by a designated
22 housing support entity established under section 6 of this act to
23 maintain existing housing, to obtain housing, or to obtain heat,
24 electricity, natural gas, sewer, garbage, and water services.

25 (9) "Income" means:

26 (a) All appreciable gains in real or personal property (cash or
27 kind) or other assets, which are received by or become available for
28 use and enjoyment by an applicant or recipient during the month of
29 application or after applying for or receiving public assistance. The
30 department may by rule and regulation exempt income received by an
31 applicant for or recipient of public assistance which can be used by
32 him or her to decrease his or her need for public assistance or to aid
33 in rehabilitating him or her or his or her dependents, but such
34 exemption shall not, unless otherwise provided in this title, exceed
35 the exemptions of resources granted under this chapter to an applicant
36 for public assistance. In addition, for cash assistance the department
37 may disregard income pursuant to RCW 74.08A.230 and 74.12.350.

1 (b) If, under applicable federal requirements, the state has the
2 option of considering property in the form of lump sum compensatory
3 awards or related settlements received by an applicant or recipient as
4 income or as a resource, the department shall consider such property to
5 be a resource.

6 (10) "Need" means the difference between the applicant's or
7 recipient's standards of assistance for himself or herself and the
8 dependent members of his or her family, as measured by the standards of
9 the department, and value of all nonexempt resources and nonexempt
10 income received by or available to the applicant or recipient and the
11 dependent members of his or her family.

12 (11) "Pregnant women program" means the program established under
13 section 2 of this act.

14 (12) "Recipient" means any person receiving assistance and in
15 addition those dependents whose needs are included in the recipient's
16 assistance.

17 (13)(a) "Resource" means any asset, tangible or intangible, owned
18 by or available to the applicant at the time of application, which can
19 be applied toward meeting the applicant's need, either directly or by
20 conversion into money or its equivalent. The department may by rule
21 designate resources that an applicant may retain and not be ineligible
22 for public assistance because of such resources. Exempt resources
23 shall include, but are not limited to:

24 (i) A home that an applicant, recipient, or their dependents is
25 living in, including the surrounding property;

26 (ii) Household furnishings and personal effects;

27 (iii) A motor vehicle, other than a motor home, used and useful
28 having an equity value not to exceed five thousand dollars;

29 (iv) A motor vehicle necessary to transport a household member with
30 a physical disability. This exclusion is limited to one vehicle per
31 person with a physical disability; and

32 (v) All other resources, including any excess of values exempted,
33 not to exceed one thousand dollars or other limit as set by the
34 department, to be consistent with limitations on resources and
35 exemptions necessary for federal aid assistance. The department shall
36 also allow recipients of temporary assistance for needy families to
37 exempt savings accounts with combined balances of up to an additional
38 three thousand dollars.

1 (b) Applicants for or recipients of benefits under this chapter
2 shall have their eligibility based on resource limitations consistent
3 with the temporary assistance for needy families program rules adopted
4 by the department.

5 (c) If an applicant for or recipient of public assistance possesses
6 property and belongings in excess of the ceiling value, such value
7 shall be used in determining the need of the applicant or recipient,
8 except that: (i) The department may exempt resources or income when
9 the income and resources are determined necessary to the applicant's or
10 recipient's restoration to independence, to decrease the need for
11 public assistance, or to aid in rehabilitating the applicant or
12 recipient or a dependent of the applicant or recipient; and (ii) the
13 department may provide grant assistance for a period not to exceed nine
14 months from the date the agreement is signed pursuant to this section
15 to persons who are otherwise ineligible because of excess real property
16 owned by such persons when they are making a good faith effort to
17 dispose of that property: PROVIDED, That:

18 (A) The applicant or recipient signs an agreement to repay the
19 lesser of the amount of aid received or the net proceeds of such sale;

20 (B) If the owner of the excess property ceases to make good faith
21 efforts to sell the property, the entire amount of assistance may
22 become an overpayment and a debt due the state and may be recovered
23 pursuant to RCW 43.20B.630;

24 (C) Applicants and recipients are advised of their right to a fair
25 hearing and afforded the opportunity to challenge a decision that good
26 faith efforts to sell have ceased, prior to assessment of an
27 overpayment under this section; and

28 (D) At the time assistance is authorized, the department files a
29 lien without a sum certain on the specific property.

30 (14) For purposes of determining eligibility for public assistance
31 and participation levels in the cost of medical care, the department
32 shall exempt restitution payments made to people of Japanese and Aleut
33 ancestry pursuant to the Civil Liberties Act of 1988 and the Aleutian
34 and Pribilof Island Restitution Act passed by congress, P.L. 100-383,
35 including all income and resources derived therefrom.

36 (15) In the construction of words and phrases used in this chapter,
37 the singular number shall include the plural, the masculine gender

1 shall include both the feminine and neuter genders, and the present
2 tense shall include the past and future tenses, unless the context
3 thereof shall clearly indicate to the contrary.

4 **Sec. 10.** RCW 74.04.005 and 2010 1st sp.s. c 8 s 4 are each amended
5 to read as follows:

6 For the purposes of this title, unless the context indicates
7 otherwise, the following definitions shall apply:

8 (1) "Public assistance" or "assistance"(~~(—)~~) means public aid to
9 persons in need thereof for any cause, including services, medical
10 care, assistance grants, disbursing orders, work relief, (~~(disability~~
11 ~~lifeline)~~) benefits under sections 2, 3, and 6 of this act, and federal
12 aid assistance.

13 (2) "Department"(~~(—)~~) means the department of social and health
14 services.

15 (3) "County or local office"(~~(—)~~) means the administrative office
16 for one or more counties or designated service areas.

17 (4) "Director" or "secretary" means the secretary of social and
18 health services.

19 (5) "~~(Disability lifeline)~~ Essential needs and housing support
20 program" means (~~(a program that provides aid and support in accordance~~
21 ~~with the conditions set out in this subsection.~~

22 ~~(a) Aid and assistance shall be provided to persons who are not~~
23 ~~eligible to receive federal aid assistance, other than basic food~~
24 ~~benefits transferred electronically and medical assistance and meet one~~
25 ~~of the following conditions:~~

26 ~~(i) Are pregnant and in need, based upon the current income and~~
27 ~~resource requirements of the federal temporary assistance for needy~~
28 ~~families program; or~~

29 ~~(ii) Are incapacitated from gainful employment by reason of bodily~~
30 ~~or mental infirmity that will likely continue for a minimum of ninety~~
31 ~~days as determined by the department. The standard for incapacity in~~
32 ~~this subsection, as evidenced by the ninety-day duration standard, is~~
33 ~~not intended to be as stringent as federal supplemental security income~~
34 ~~disability standards; and~~

35 ~~(A) Are citizens or aliens lawfully admitted for permanent~~
36 ~~residence or otherwise residing in the United States under color of~~
37 ~~law;~~

1 ~~(B) Have furnished the department their social security number. If~~
2 ~~the social security number cannot be furnished because it has not been~~
3 ~~issued or is not known, an application for a number shall be made prior~~
4 ~~to authorization of benefits, and the social security number shall be~~
5 ~~provided to the department upon receipt;~~

6 ~~(C) Have not refused or failed without good cause to participate in~~
7 ~~drug or alcohol treatment if an assessment by a certified chemical~~
8 ~~dependency counselor indicates a need for such treatment. Good cause~~
9 ~~must be found to exist when a person's physical or mental condition, as~~
10 ~~determined by the department, prevents the person from participating in~~
11 ~~drug or alcohol dependency treatment, when needed outpatient drug or~~
12 ~~alcohol treatment is not available to the person in the county of his~~
13 ~~or her residence or when needed inpatient treatment is not available in~~
14 ~~a location that is reasonably accessible for the person; and~~

15 ~~(D) Have not refused or failed without good cause to participate in~~
16 ~~vocational rehabilitation services, if an assessment conducted under~~
17 ~~RCW 74.04.655 indicates that the person might benefit from such~~
18 ~~services. Good cause must be found to exist when a person's physical~~
19 ~~or mental condition, as determined by the department, prevents the~~
20 ~~person from participating in vocational rehabilitation services, or~~
21 ~~when vocational rehabilitation services are not available to the person~~
22 ~~in the county of his or her residence.~~

23 ~~(b)(i) Persons who initially apply and are found eligible for~~
24 ~~disability lifeline benefits based upon incapacity from gainful~~
25 ~~employment under (a) of this subsection on or after September 2, 2010,~~
26 ~~who are homeless and have been assessed as needing chemical dependency~~
27 ~~or mental health treatment or both, must agree, as a condition of~~
28 ~~eligibility for the disability lifeline program, to accept a housing~~
29 ~~voucher in lieu of a cash grant if a voucher is available. The~~
30 ~~department shall establish the dollar value of the housing voucher.~~
31 ~~The dollar value of the housing voucher may differ from the value of~~
32 ~~the cash grant. Persons receiving a housing voucher under this~~
33 ~~subsection also shall receive a cash stipend of fifty dollars per~~
34 ~~month.~~

35 ~~(ii) If the department of commerce has determined under RCW~~
36 ~~43.330.175 that sufficient housing is not available, persons described~~
37 ~~in this subsection who apply for disability lifeline benefits during~~

1 ~~the time period that housing is not available shall receive a cash~~
2 ~~grant in lieu of a cash stipend and housing voucher.~~

3 ~~(iii) Persons who refuse to accept a housing voucher under this~~
4 ~~subsection but otherwise meet the eligibility requirements of (a) of~~
5 ~~this subsection are eligible for medical care services benefits under~~
6 ~~RCW 74.09.035, subject to the time limits in (h) of this subsection.~~

7 ~~(c) The following persons are not eligible for the disability~~
8 ~~lifeline program:~~

9 ~~(i) Persons who are unemployable due primarily to alcohol or drug~~
10 ~~addiction. These persons shall be referred to appropriate assessment,~~
11 ~~treatment, shelter, or supplemental security income referral services~~
12 ~~as authorized under chapter 74.50 RCW. Referrals shall be made at the~~
13 ~~time of application or at the time of eligibility review. This~~
14 ~~subsection shall not be construed to prohibit the department from~~
15 ~~granting disability lifeline benefits to alcoholics and drug addicts~~
16 ~~who are incapacitated due to other physical or mental conditions that~~
17 ~~meet the eligibility criteria for the disability lifeline program;~~

18 ~~(ii) Persons who refuse or fail to cooperate in obtaining federal~~
19 ~~aid assistance, without good cause.~~

20 ~~(d) Disability lifeline benefits shall be provided only to persons~~
21 ~~who are not members of assistance units receiving federal aid~~
22 ~~assistance, except as provided in (a) of this subsection, and who will~~
23 ~~accept available services that can reasonably be expected to enable the~~
24 ~~person to work or reduce the need for assistance unless there is good~~
25 ~~cause to refuse. Failure to accept such services shall result in~~
26 ~~termination until the person agrees to cooperate in accepting such~~
27 ~~services and subject to the following maximum periods of ineligibility~~
28 ~~after reapplication:~~

29 ~~(i) First failure: One week;~~

30 ~~(ii) Second failure within six months: One month;~~

31 ~~(iii) Third and subsequent failure within one year: Two months.~~

32 ~~(e) Persons who are likely eligible for federal supplemental~~
33 ~~security income benefits shall be moved into the disability lifeline~~
34 ~~expedited component of the disability lifeline program. Persons placed~~
35 ~~in the expedited component of the program may, if otherwise eligible,~~
36 ~~receive disability lifeline benefits pending application for federal~~
37 ~~supplemental security income benefits. The monetary value of any~~
38 ~~disability lifeline benefit that is subsequently duplicated by the~~

1 ~~person's receipt of supplemental security income for the same period~~
2 ~~shall be considered a debt due the state and shall by operation of law~~
3 ~~be subject to recovery through all available legal remedies.~~

4 ~~(f) For purposes of determining whether a person is incapacitated~~
5 ~~from gainful employment under (a) of this subsection:~~

6 ~~(i) The department shall adopt by rule medical criteria for~~
7 ~~disability lifeline incapacity determinations to ensure that~~
8 ~~eligibility decisions are consistent with statutory requirements and~~
9 ~~are based on clear, objective medical information; and~~

10 ~~(ii) The process implementing the medical criteria shall involve~~
11 ~~consideration of opinions of the treating or consulting physicians or~~
12 ~~health care professionals regarding incapacity, and any eligibility~~
13 ~~decision which rejects uncontroverted medical opinion must set forth~~
14 ~~clear and convincing reasons for doing so.~~

15 ~~(g) Persons receiving disability lifeline benefits based upon a~~
16 ~~finding of incapacity from gainful employment who remain otherwise~~
17 ~~eligible shall have their benefits discontinued unless the recipient~~
18 ~~demonstrates no material improvement in their medical or mental health~~
19 ~~condition. The department may discontinue benefits when there was~~
20 ~~specific error in the prior determination that found the person~~
21 ~~eligible by reason of incapacitation.~~

22 ~~(h)(i) Beginning September 1, 2010, no person who is currently~~
23 ~~receiving or becomes eligible for disability lifeline program benefits~~
24 ~~shall be eligible to receive benefits under the program for more than~~
25 ~~twenty four months in a sixty month period. For purposes of this~~
26 ~~subsection, months of receipt of general assistance unemployable~~
27 ~~benefits count toward the twenty four month limit. Months during which~~
28 ~~a person received benefits under the expedited component of the~~
29 ~~disability lifeline or general assistance program or under the aged,~~
30 ~~blind, or disabled component of the disability lifeline or general~~
31 ~~assistance program shall not be included when determining whether a~~
32 ~~person has been receiving benefits for more than twenty four months.~~
33 ~~On or before July 1, 2010, the department must review the cases of all~~
34 ~~persons who have received disability lifeline benefits or general~~
35 ~~assistance unemployable benefits for at least twenty months as of that~~
36 ~~date. On or before September 1, 2010, the department must review the~~
37 ~~cases of all remaining persons who have received disability lifeline~~
38 ~~benefits for at least twelve months as of that date. The review should~~

1 determine whether the person meets the federal supplemental security
2 income disability standard and, if the person does not meet that
3 standard, whether the receipt of additional services could lead to
4 employability. If a need for additional services is identified, the
5 department shall provide case management services, such as assistance
6 with arranging transportation or locating stable housing, that will
7 facilitate the person's access to needed services. A person may not be
8 determined ineligible due to exceeding the time limit unless he or she
9 has received a case review under this subsection finding that the
10 person does not meet the federal supplemental security income
11 disability standard.

12 (ii) ~~The time limits established under this subsection expire June~~
13 ~~30, 2013.~~

14 (i) ~~No person may be considered an eligible individual for~~
15 ~~disability lifeline benefits with respect to any month if during that~~
16 ~~month the person:~~

17 (i) ~~Is fleeing to avoid prosecution of, or to avoid custody or~~
18 ~~confinement for conviction of, a felony, or an attempt to commit a~~
19 ~~felony, under the laws of the state of Washington or the place from~~
20 ~~which the person flees; or~~

21 (ii) ~~Is violating a condition of probation, community supervision,~~
22 ~~or parole imposed under federal or state law for a felony or gross~~
23 ~~misdemeanor conviction)) the program established in section 6 of this~~
24 ~~act.~~

25 (6) "Long-term disability ((lifeline expedited)) assistance" means
26 ~~((a component of the disability lifeline program under which persons~~
27 ~~receiving disability lifeline benefits have been determined, after~~
28 ~~examination by an appropriate health care provider, to be likely to be~~
29 ~~eligible for federal supplemental security income benefits based on~~
30 ~~medical and behavioral health evidence that meets the disability~~
31 ~~standards used for the federal supplemental security income program))~~
32 the program established under section 2 of this act.

33 (7) "Aged, blind, and disabled" means the program established under
34 section 2 of this act.

35 (8) "Federal aid assistance"((—)) means the specific categories of
36 assistance for which provision is made in any federal law existing or
37 hereafter passed by which payments are made from the federal government
38 to the state in aid or in respect to payment by the state for public

1 assistance rendered to any category of needy persons for which
2 provision for federal funds or aid may from time to time be made, or a
3 federally administered needs-based program.

4 ~~((+8))~~ (9) "Applicant"~~((—))~~ means any person who has made a
5 request, or on behalf of whom a request has been made, to any county or
6 local office for assistance.

7 ~~((+9))~~ (10) "Recipient"~~((—))~~ means any person receiving
8 assistance and in addition those dependents whose needs are included in
9 the recipient's assistance.

10 ~~((+10))~~ (11) "Standards of assistance"~~((—))~~ means the level of
11 income required by an applicant or recipient to maintain a level of
12 living specified by the department.

13 ~~((+11))~~ (12) "Resource"~~((—))~~ means any asset, tangible or
14 intangible, owned by or available to the applicant at the time of
15 application, which can be applied toward meeting the applicant's need,
16 either directly or by conversion into money or its equivalent. The
17 department may by rule designate resources that an applicant may retain
18 and not be ineligible for public assistance because of such resources.
19 Exempt resources shall include, but are not limited to:

20 (a) A home that an applicant, recipient, or their dependents is
21 living in, including the surrounding property;

22 (b) Household furnishings and personal effects;

23 (c) A motor vehicle, other than a motor home, used and useful
24 having an equity value not to exceed five thousand dollars;

25 (d) A motor vehicle necessary to transport a household member with
26 a physical disability. This exclusion is limited to one vehicle per
27 person with a physical disability;

28 (e) All other resources, including any excess of values exempted,
29 not to exceed one thousand dollars or other limit as set by the
30 department, to be consistent with limitations on resources and
31 exemptions necessary for federal aid assistance. The department shall
32 also allow recipients of temporary assistance for needy families to
33 exempt savings accounts with combined balances of up to an additional
34 three thousand dollars;

35 (f) Applicants for or recipients of ~~((disability—lifeline))~~
36 benefits under sections 2, 3, and 6 of this act shall have their
37 eligibility based on resource limitations consistent with the temporary

1 assistance for needy families program rules adopted by the department;
2 and

3 (g) If an applicant for or recipient of public assistance possesses
4 property and belongings in excess of the ceiling value, such value
5 shall be used in determining the need of the applicant or recipient,
6 except that: (i) The department may exempt resources or income when
7 the income and resources are determined necessary to the applicant's or
8 recipient's restoration to independence, to decrease the need for
9 public assistance, or to aid in rehabilitating the applicant or
10 recipient or a dependent of the applicant or recipient; and (ii) the
11 department may provide grant assistance for a period not to exceed nine
12 months from the date the agreement is signed pursuant to this section
13 to persons who are otherwise ineligible because of excess real property
14 owned by such persons when they are making a good faith effort to
15 dispose of that property: PROVIDED, That:

16 (A) The applicant or recipient signs an agreement to repay the
17 lesser of the amount of aid received or the net proceeds of such sale;

18 (B) If the owner of the excess property ceases to make good faith
19 efforts to sell the property, the entire amount of assistance may
20 become an overpayment and a debt due the state and may be recovered
21 pursuant to RCW 43.20B.630;

22 (C) Applicants and recipients are advised of their right to a fair
23 hearing and afforded the opportunity to challenge a decision that good
24 faith efforts to sell have ceased, prior to assessment of an
25 overpayment under this section; and

26 (D) At the time assistance is authorized, the department files a
27 lien without a sum certain on the specific property.

28 (~~(+12+)~~) (13) "Income"(~~(—)~~) means:

29 (a) All appreciable gains in real or personal property (cash or
30 kind) or other assets, which are received by or become available for
31 use and enjoyment by an applicant or recipient during the month of
32 application or after applying for or receiving public assistance. The
33 department may by rule and regulation exempt income received by an
34 applicant for or recipient of public assistance which can be used by
35 him or her to decrease his or her need for public assistance or to aid
36 in rehabilitating him or her or his or her dependents, but such
37 exemption shall not, unless otherwise provided in this title, exceed

1 the exemptions of resources granted under this chapter to an applicant
2 for public assistance. In addition, for cash assistance the department
3 may disregard income pursuant to RCW 74.08A.230 and 74.12.350.

4 (b) If, under applicable federal requirements, the state has the
5 option of considering property in the form of lump sum compensatory
6 awards or related settlements received by an applicant or recipient as
7 income or as a resource, the department shall consider such property to
8 be a resource.

9 ~~((+13+))~~ (14) "Need"~~((—))~~ means the difference between the
10 applicant's or recipient's standards of assistance for himself or
11 herself and the dependent members of his or her family, as measured by
12 the standards of the department, and value of all nonexempt resources
13 and nonexempt income received by or available to the applicant or
14 recipient and the dependent members of his or her family.

15 ~~((+14+))~~ (15) For purposes of determining eligibility for public
16 assistance and participation levels in the cost of medical care, the
17 department shall exempt restitution payments made to people of Japanese
18 and Aleut ancestry pursuant to the Civil Liberties Act of 1988 and the
19 Aleutian and Pribilof Island Restitution Act passed by congress, P.L.
20 100-383, including all income and resources derived therefrom.

21 ~~((+15+))~~ (16) In the construction of words and phrases used in this
22 title, the singular number shall include the plural, the masculine
23 gender shall include both the feminine and neuter genders, and the
24 present tense shall include the past and future tenses, unless the
25 context thereof shall clearly indicate to the contrary.

26 **Sec. 11.** RCW 70.96A.530 and 2010 1st sp.s. c 8 s 10 are each
27 amended to read as follows:

28 If an assessment by a certified chemical dependency counselor
29 indicates a need for drug or alcohol treatment, in order to enable a
30 person receiving ~~((disability-lifeline))~~ benefits under sections 2, 3,
31 and 6 of this act to improve his or her health status and transition
32 from ~~((disability-lifeline))~~ those benefits to employment, or
33 transition to federal disability benefits, the person must be given
34 high priority for enrollment in treatment, within funds appropriated
35 for that treatment. However, first priority for receipt of treatment
36 services must be given to pregnant women and parents of young children.
37 This section expires June 30, 2013. ~~((Persons who are terminated from~~

1 ~~disability lifeline benefits under RCW 74.04.005(5)(h) and are actively~~
2 ~~engaged in chemical dependency treatment during the month they are~~
3 ~~terminated shall be provided the opportunity to complete their current~~
4 ~~course of treatment.))~~

5 NEW SECTION. **Sec. 12.** The following acts or parts of acts are
6 each repealed:

7 (1) RCW 43.330.175 (Disability lifeline housing voucher program)
8 and 2010 1st sp.s. c 8 s 8; and

9 (2) RCW 74.04.810 (Study of disability lifeline program
10 terminations--Report) and 2010 1st sp.s. c 8 s 11.

11 NEW SECTION. **Sec. 13.** The code reviser shall alphabetize the
12 subsections containing definitions in RCW 74.04.005.

13 NEW SECTION. **Sec. 14.** Sections 1 through 5, and 9 of this act
14 constitute a new chapter in Title 74 RCW.

15 NEW SECTION. **Sec. 15.** Section 11 of this act expires June 30,
16 2013.

17 NEW SECTION. **Sec. 16.** Except for section 8 of this act, this act
18 is necessary for the immediate preservation of the public peace,
19 health, or safety, or support of the state government and its existing
20 public institutions, and takes effect immediately.

21 NEW SECTION. **Sec. 17.** Section 8 of this act is necessary for the
22 immediate preservation of the public peace, health, or safety, or
23 support of the state government and its existing public institutions,
24 and takes effect July 22, 2011.

--- END ---