

HOUSE BILL REPORT

SHB 1574

As Reported by House Committee On: Appropriations

Title: An act relating to investigative costs for residential services and supports programs.

Brief Description: Establishing a fee for certification for the residential services and supports program to cover investigative costs.

Sponsors: House Committee on Early Learning & Human Services (originally sponsored by Representatives Kagi, Ryu and Pollet; by request of Department of Social and Health Services).

Brief History:

Committee Activity:

Appropriations: 2/4/14 [DP2S].

Brief Summary of Second Substitute Bill

- Requires a certification fee for providers who contract with the Developmental Disabilities Administration to provide services through the Residential Services and Supports Program.
- Requires the Department of Social and Health Services (DSHS) to submit an annual report to the Legislature showing the number of staff hired with revenue generated by the certification fee, and the impact that the additional staff have had on complaint investigations.
- Directs the DSHS to cease collecting the certification fee if federal matching funds cannot be claimed for the staff hired with revenue generated by the certification fee, or the rate add-on to reimburse providers for fees paid on Medicaid clients.

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: The second substitute bill be substituted therefor and the second substitute bill do pass. Signed by 19 members: Representatives Hunter, Chair; Ormsby, Vice Chair; Ross, Assistant Ranking Minority Member; Carlyle, Cody, Dunshee, Green, Haigh,

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.

Hudgins, S. Hunt, Jinkins, Kagi, Lytton, Morrell, Pettigrew, Seaquist, Springer, Sullivan and Tharinger.

Minority Report: Do not pass. Signed by 10 members: Representatives Chandler, Ranking Minority Member; Wilcox, Assistant Ranking Minority Member; Buys, Christian, Dahlquist, Fagan, G. Hunt, Parker, Schmick and Taylor.

Staff: James Kettel (786-7123).

Background:

Residential Services and Support.

Residential services are provided to eligible clients of the Developmental Disabilities Administration (DDA) by providers and enable clients to live in their community. They may include supported living services and group home services.

Group Home.

A certified group home is a community-based licensed residential program where the provider who contracts with the DDA owns the facility. A group home may be licensed as either an Adult Family Home or an Assisted Living Facility (formerly a Boarding Home). An Adult Family Home may be licensed for a maximum of six residents. An Assisted Living Facility may be licensed for seven or more residents. The majority of certified group homes are privately owned businesses, and the homes may serve from four to 10 DDA clients. Certification and licensing are carried out through separate processes.

Supported Living Services.

Supported living services are residential services provided to DDA clients who are living in their own homes in the community. The DDA contracts with individuals and agencies that provide these services. The amount of supported living services may vary from a few hours per month to 24 hours of one-on-one support per day. The majority of the providers that contract with the DDA provide services in the home of the client.

Certification.

Providers are certified through the Residential Care Services Division of the Aging and Long Term Supports Administration (Services Division). A certification means that the provider has complied with certain administrative requirements such as staffing, liability insurance, and the practices used by the provider to deliver services, as outlined in provisions in the Washington Administrative Code. The certification provided by the Services Division allows a provider to continue to receive referrals and to provide services under a contract with the DDA. Certification may be granted to providers for up to two years. There is no fee for certification.

Summary of Second Substitute Bill:

Beginning July 1, 2014, a provider of residential services for DDA clients must pay an initial and an annual certification fee. Revenue from the fee would be used in two ways: (1) to pay

for additional staff to investigate complaints about provider practice, including allegations of client abuse, neglect, abandonment, or exploitation; and (2) through a rate add-on, to reimburse providers for fees paid on Medicaid clients. The Department of Social and Health Services (DSHS) must cease collecting the certification fee if federal matching funds cannot be claimed on either the rate add-on, or the staff hired with revenue generated by the certification fee.

The initial and subsequent annual fees must be established in the omnibus appropriations act. The fees imposed may not exceed the costs for the investigation of complaints. No certification fee will be required for government-operated institutions, clients of adult family homes, and assisted living facilities where the provider is already paying a license fee for a client, or court-appointed receivers.

The DSHS must submit an annual report to the appropriate fiscal and policy committees of the Legislature, for the next five years, showing the staff hired with revenue generated by the certification fee, and the impact that the new staff have had on complaints investigations.

Second Substitute Bill Compared to Substitute Bill:

The DSHS is directed to cease collecting the certification fee if federal matching funds cannot be claimed on either the staff hired with revenue generated by the certification fee, or a rate add-on that reimburses providers for fees paid on Medicaid clients. The DSHS is required to submit an annual report to the appropriate fiscal and policy committees of the Legislature showing the staff hired with revenue generated by the certification fee, and the impact that the new staff have had on complaints investigations.

Appropriation: None.

Fiscal Note: Available.

Effective Date of Second Substitute Bill: The bill contains an emergency clause and takes effect on July 1, 2014.

Staff Summary of Public Testimony:

See House bill report from the 2013 regular session.

Persons Testifying: See House bill report in the 2013 regular session.

Persons Signed In To Testify But Not Testifying: See House bill report in the 2013 regular session.