

SHB 2376 - H AMD 829

By Representative Schmick

ADOPTED 02/25/2016

1 On page 89, after line 8, insert the following:

2 "(h) Beginning July 1, 2016, a nursing home provider's direct care
3 rate shall be set so that it does not exceed one hundred and eighteen
4 percent of its base year's direct care allowable costs except if the
5 provider is below the minimum staffing standard established in chapter
6 74.42.360(2) RCW."

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8 On page 95, after line 28, insert the following:

9 "(21) \$3,041,000 of the general fund-state appropriation for fiscal
10 year 2017 and \$3,041,000 of the general fund-federal appropriation are
11 provided solely to exempt the five highest acuity resource utilization
12 group categories (PC2 through PE2) from the adjustment to case mix index
13 under chapter 74.46.485 RCW. Nursing homes shall notify the
14 department's nursing facility case manager's program manager within 30
15 days of a medicaid resident being identified in one of the five lowest
16 resource utilization group categories (PA1 through PC1) as qualified
17 for an alternative community placement. The department's nursing
18 facility case manager shall identify within 30 days of notification
19 whether an alternate placement is available. Nursing homes shall work
20 collaboratively with the state case worker to transfer into the
21 community at least ninety-six residents who have been assessed in the
22 five lowest acuity resource utilization group categories (PA1 through
23 PC1). For the first two quarters of fiscal year 2017, the downward
24 adjustment shall be no greater than thirteen percent. If, after the
25 first two quarters of fiscal year 2017, the department determines that
26 nursing homes are not making sufficient progress towards moving ninety-
27 six residents from the five lowest resource utilization group categories

1 (PA1 through PC1) into the community, the department is authorized to
2 increase the downward adjustment to no greater than twenty percent for
3 the lowest four resource utilization group categories (PA1 through
4 PB2)."

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EFFECT: Exempts certain high-acuity nursing home residents from contributing to case mix index adjustments that may result in downward rate adjustments for nursing homes. Allows these high-acuity residents to remain in nursing homes within existing appropriations by directing the DSHS Long-Term Care program to achieve savings in defined areas. Savings are to be achieved by limiting nursing home providers' direct care rate to 118% of base year costs and transitioning at least 96 of the lowest-acuity nursing home residents to alternate community placements. Permits the DSHS Long-Term Care program, if it does not make sufficient progress towards transferring 96 low-acuity residents from nursing homes to the community within the first two quarters of FY 2017, to increase the downward rate adjustment on certain lowest-acuity residents who remain in nursing homes.

FISCAL IMPACT: No net change to appropriated levels.

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