

# SENATE BILL REPORT

## SB 5828

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As Passed Senate, March 13, 2019

**Title:** An act relating to the medicaid home health reimbursement rate for medical assistance clients.

**Brief Description:** Concerning the medicaid home health reimbursement rate for medical assistance clients.

**Sponsors:** Senators Cleveland, Rivers, Kuderer and Nguyen.

**Brief History:**

**Committee Activity:** Ways & Means: 2/13/19, 2/28/19 [DP].

**Floor Activity:**

Passed Senate: 3/13/19, 48-0.

**Brief Summary of Bill**

- Increases payment for Medicaid home health services to no less than 100 percent of the Medicare rate.
- Provides for reimbursement for a social worker and telemedicine under the Medicaid home health benefit.
- Creates a work group to redesign the home health reimbursement payment methodology.

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### SENATE COMMITTEE ON WAYS & MEANS

**Majority Report:** Do pass.

Signed by Senators Rolfes, Chair; Frockt, Vice Chair, Operating, Capital Lead; Mullet, Capital Budget Cabinet; Braun, Ranking Member; Brown, Assistant Ranking Member, Operating; Honeyford, Assistant Ranking Member, Capital; Bailey, Becker, Billig, Carlyle, Conway, Darneille, Hasegawa, Hunt, Keiser, Liias, Palumbo, Pedersen, Rivers, Schoesler, Van De Wege, Wagoner, Warnick and Wilson, L..

**Staff:** Sandy Stith (786-7710)

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*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.*

**Background:** Home health is a covered benefit in the Medicaid program that provides less restrictive care to a client in the client's residence when the client is not able to access the medically necessary services in the community, or in lieu of hospitalization.

Home health skilled services are provided for acute, intermittent, short-term, and intensive courses of treatment.

**Summary of Bill:** Beginning January 1, 2020, Medicaid payment for home health services is increased to no less than 100 percent of the Medicare rate. Reimbursement is provided for a social worker and for telemedicine authorized by a physician or authorized health care provider.

The Health Care Authority shall facilitate a stakeholder work group to redesign the payment methodology for home health services. A report is due to the Legislature by November 30, 2019.

**Appropriation:** None.

**Fiscal Note:** Requested on February 4, 2019.

**Creates Committee/Commission/Task Force that includes Legislative members:** No.

**Effective Date:** The bill contains an emergency clause and takes effect immediately.

**Staff Summary of Public Testimony:** PRO: We strongly support getting behavioral health clients out of an expensive hospital setting and back into their homes with the support of a social worker and telemedicine. Excessively low home health rates over 17 years have greatly reduced access to this service, especially in rural areas. This state currently pays half of what Oregon pays for the same services. These low payment rates are compounding the current access issues. My testimony is a vision of what is possible. In our area, Kaiser Permanente currently provides full reimbursement for this service. This results in a 6 to 7 percent hospital readmission rate in southwest Washington. The average is 16 percent statewide. This saves Kaiser a great deal of money. If this was replicated for the Medicaid population, it would save millions of dollars. We are asking for fair reimbursement. We take care of the sickest and the most needy. These clients are not receiving care because we are not receiving fair reimbursement. A single day in the hospital costs the same as a single month in home health.

**Persons Testifying:** PRO: Leslie Emerick, Home Care Association of Washington; Greg Pang, Community Home Health and Hospice; Brent Korte, Home Care Association of Washington.

**Persons Signed In To Testify But Not Testifying:** No one.