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**SUBSTITUTE HOUSE BILL 1435**

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**State of Washington**

**68th Legislature**

**2023 Regular Session**

**By** House Health Care & Wellness (originally sponsored by Representatives Bronoske, Taylor, Bateman, Ryu, Riccelli, Gregerson, Callan, Pollet, Simmons, Reeves, and Doglio)

READ FIRST TIME 02/07/23.

1 AN ACT Relating to the development of a home care safety net  
2 assessment; adding a new section to chapter 70.127 RCW; and adding a  
3 new section to chapter 74.39A RCW.

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

5 NEW SECTION. **Sec. 1.** A new section is added to chapter 70.127  
6 RCW to read as follows:

7 (1) Each consumer directed employer and each in-home services  
8 agency that is licensed under this chapter to provide home care  
9 services, hospice services, or home health services shall submit  
10 financial information to the department as necessary to inform the  
11 development of a home care safety net assessment to use in securing  
12 federal matching funds under federally prescribed programs available  
13 through the state medicaid plan or a waiver, as specified in  
14 subsection (2) of this section.

15 (2) The financial information to be submitted under subsection  
16 (1) of this section shall be comprised of the following information  
17 related to in-home services client revenue, separated by type of  
18 service and payer, from the 12-month period between July 1, 2022, and  
19 July 1, 2023:

20 (a) Total client revenue for home care services expressed as  
21 client revenue for home care services paid by:

1 (i) Medicaid;  
2 (ii) Medicare;  
3 (iii) Private pay;  
4 (iv) Commercial insurance;  
5 (v) The veterans administration; and  
6 (vi) All other payers;  
7 (b) Total client revenue for home health services expressed as  
8 client revenue for home health services paid by:  
9 (i) Medicaid;  
10 (ii) Medicare;  
11 (iii) Private pay;  
12 (iv) Commercial insurance;  
13 (v) The veterans administration; and  
14 (vi) All other payers; and  
15 (c) Total client revenue for hospice services expressed as client  
16 revenue for hospice services paid by:  
17 (i) Medicaid;  
18 (ii) Medicare;  
19 (iii) Private pay;  
20 (iv) Commercial insurance;  
21 (v) The veterans administration; and  
22 (vi) All other payers.  
23 (3) In-home services agencies and consumer directed employers  
24 shall submit the financial information to the department by January  
25 1, 2024.  
26 (4) (a) The department shall adopt guidance for reporting  
27 standards under subsection (1) of this section that assist in-home  
28 services agencies and consumer directed employers to deidentify any  
29 in-home services agency's clients from the financial information  
30 before submitting the financial information to the department.  
31 (b) (i) The financial information submitted to the department  
32 under this section is considered proprietary information and is  
33 confidential and may not be disclosed under chapter 42.56 RCW.  
34 (ii) (A) The department may only distribute nonaggregated  
35 financial information that identifies in-home services agencies and  
36 consumer directed employers, to the extent necessary, to:  
37 (I) Members of the work group established in section 2 of this  
38 act who are representing a state agency;

1 (II) Executive branch agency staff who are providing support to  
2 the work group established in section 2 of this act or are involved  
3 in the development of a home care safety net assessment; and

4 (III) An entity under contract with the health care authority to  
5 provide data analysis of the financial information as necessary to  
6 assist the work group established in section 2 of this act to carry  
7 out its responsibilities.

8 (B) Any information that has been distributed pursuant to this  
9 subsection (4)(b)(ii) may not be further distributed by the recipient  
10 of the financial information and must be destroyed once the  
11 department and the health care authority have determined that it is  
12 no longer necessary for the support of the activities of the work  
13 group established in section 2 of this act.

14 (C) The health care authority may release reports containing  
15 nonaggregated data in order to meet relevant regulatory requirements.

16 (5) For the purposes of this section:

17 (a) "Client revenue" means the total amount of revenue received  
18 as client care for in-home services determined on a cash basis of  
19 accounting. "Client revenue" includes all payments received as client  
20 care revenue from home care, home health, and hospice from medicaid,  
21 commercial insurance, and all other payers for payment for services  
22 rendered.

23 (b) "Consumer directed employer" has the same meaning as in RCW  
24 74.39A.009.

25 NEW SECTION. **Sec. 2.** A new section is added to chapter 74.39A  
26 RCW to read as follows:

27 (1) The home care safety net assessment work group is  
28 established, with the following members:

29 (a) The director of the health care authority, or the director's  
30 designee;

31 (b) The secretary of the department, or the secretary's designee;

32 (c) The secretary of the department of health, or the secretary's  
33 designee;

34 (d) The director of the department of revenue, or the director's  
35 designee;

36 (e) A representative from the exclusive bargaining representative  
37 of individual providers;

38 (f) A representative of a coalition representing home care  
39 agencies serving medicaid clients;

1 (g) A representative of an association representing home care and  
2 home health agencies; and

3 (h) A representative from each consumer directed employer in  
4 Washington.

5 (2) The work group shall develop a home care safety net  
6 assessment proposal to secure federal matching funds under federally  
7 prescribed programs available through the state medicaid plan or a  
8 waiver. In developing the proposal, the work group shall consider the  
9 financial information provided by consumer directed employers and in-  
10 home services agencies under section 1 of this act to the extent  
11 authorized under section 1(4)(b)(ii) of this act and any relevant  
12 data analysis of the financial information provided by a private  
13 entity under contract with the health care authority pursuant to  
14 subsection (3) of this section.

15 (3) The health care authority may contract with a private entity  
16 to provide data analysis of the financial information submitted by  
17 in-home services agencies and consumer directed employers as  
18 necessary to inform the work group's development of a home care  
19 safety net assessment proposal. The data analysis must include the  
20 development of various financial modeling options that may meet  
21 federal regulations for approval of the assessment.

22 (4) Staff support to the work group must be provided by the  
23 health care authority.

24 (5) The work group shall report its findings to the governor and  
25 the appropriate committees of the legislature by December 1, 2024.  
26 The report must include recommendations related to the elements  
27 necessary to adopt and implement a home care safety net assessment  
28 proposal that meets the requirements needed for federal approval.

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