
HOUSE BILL 1574

State of Washington

53rd Legislature

1993 Regular Session

By Representatives Leonard, Brown, King, Wineberry, Flemming, Wood, Romero, G. Cole, Riley, Locke, Anderson, Appelwick, Rust, Orr, Karahalios, Quall, Jacobsen, Thibaudeau, Johanson and J. Kohl

Read first time 02/01/93. Referred to Committee on Human Services.

1 AN ACT Relating to vendor rates for service providers who care for
2 children; adding a new section to chapter 74.32 RCW; adding new
3 sections to Title 74 RCW; and creating a new section.

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

5 NEW SECTION. **Sec. 1.** The legislature finds that individuals and
6 organizations serving children out of the child's home are an important
7 part of a continuum of care for children who are removed from abusive
8 and dysfunctional homes. The legislature further finds that a
9 significant reduction in the number of service providers and high
10 provider turnover has occurred in the past ten years. Since 1980, the
11 number of group home beds has declined from one thousand seven hundred
12 to fewer than four hundred in 1992. Out-of-home care service providers
13 currently receive state reimbursement of between twenty and sixty-five
14 percent of the cost of caring for dependent children. If reimbursement
15 rates to these service providers are not increased to the full cost of
16 providing care, further reductions in children's service providers will
17 occur, exacerbating an already unacceptable situation. The governor's
18 advisory committee on vendor rates is required to analyze vendor rates
19 for human services providers and recommend adequate vendor rates to the

1 governor and the legislature. The governor's advisory committee has
2 not met for several years.

3 NEW SECTION. **Sec. 2.** A new section is added to chapter 74.32 RCW
4 to read as follows:

5 The governor's committee on vendor rates, established by RCW
6 74.32.100, shall analyze vendor rates for nonprofit, licensed, group
7 care providers, foster parents, crisis residential centers, private
8 adoption agencies and foster care agencies providing case management,
9 recruitment, training, and support services and determine the actual
10 cost of providing these services. The information shall be published
11 annually, sixty days prior to the convening of the regularly scheduled
12 legislative session.

13 NEW SECTION. **Sec. 3.** A new section is added to Title 74 RCW to
14 read as follows:

15 The information published under section 2 of this act shall be used
16 to determine vendor rate payments to nonprofit, licensed, group care
17 providers, treatment foster parents, foster parents, and crisis
18 residential centers serving children out of the child's home.
19 Children's service providers shall receive a vendor rate payment of
20 eighty percent of their cost of operation by June 30, 1995, plus a four
21 percent cost of living adjustment. Children's service providers shall
22 receive eighty five percent of their cost of operation by June 30,
23 1997, plus a four percent cost of living adjustment. Children's
24 service providers shall receive ninety percent of their cost of
25 operation by June 30, 1999, plus a four percent cost of living
26 adjustment. Children's service providers shall receive one hundred
27 percent of their cost of operation by June 30, 2001, plus a four
28 percent cost of living adjustment. After June 30, 2001, the department
29 of social and health services shall provide children's service
30 providers with a vendor rate payment equal to one hundred percent of
31 the cost of their operation, plus a four percent cost of living
32 adjustment.

33 NEW SECTION. **Sec. 4.** A new section is added to Title 74 RCW to
34 read as follows:

35 The information published under section 2 of this act shall be used
36 to determine vendor rate payments to private adoption and foster care

1 agencies for their case management, recruitment, training, and support
2 services. Service providers under this section shall receive a vendor
3 rate of sixty percent of their cost by June 30, 1995, plus a four
4 percent cost of living adjustment. Service providers under this
5 section shall receive a vendor rate of seventy percent of their cost by
6 June 30, 1997, plus a four percent cost of living adjustment. Service
7 providers shall receive a vendor rate of seventy-five percent of their
8 cost by June 30, 1999, plus a four percent cost of living adjustment.
9 Service providers under this section shall receive one hundred percent
10 of their cost by June 30, 2001, plus a four percent cost of living
11 adjustment. After June 30, 2001, the department of social and health
12 services shall provide service providers under this section with a
13 vendor rate payment equal to one hundred percent of the cost of their
14 operation, plus a four percent cost of living adjustment.

--- END ---