
HOUSE BILL 3199

State of Washington 60th Legislature 2008 Regular Session

By Representatives Fromhold, Sullivan, Williams, Hinkle, and McIntire

Read first time 01/24/08. Referred to Committee on Appropriations.

1 AN ACT Relating to payments for medicaid contracted services in
2 boarding homes; adding a new section to chapter 74.39A RCW; and
3 providing an effective date.

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

5 NEW SECTION. **Sec. 1.** A new section is added to chapter 74.39A RCW
6 to read as follows:

7 (1) Beginning July 1, 2008, the rates of payment for boarding home
8 medicaid contracted service under chapter 74.39 RCW and this chapter
9 shall be established by the department, using the assisted living,
10 adult residential care, and enhanced adult residential care sections of
11 the "home and community rates model," developed by the department and
12 published on November 22, 2006. The "home and community rates model"
13 shall be updated using the 2005 nursing home cost report data,
14 occupational employment statistics wage data from the Washington
15 employment security department and United States bureau of labor
16 statistics, and data from Marshall Swift valuation service to estimate
17 the cost of care for assisted living, enhanced adult residential care,
18 and adult residential care services. The payment rates established
19 under this subsection shall reflect:

1 (a) Comprehensive assessment reporting evaluation classification
2 groups and geographic areas in accordance with the applicable boarding
3 home sections of the "home and community rates model"; and

4 (b) Adjustment by an economic trends and conditions factor which
5 shall be determined by the percentage change in the medical care
6 component of the consumer price index for all urban consumers from the
7 index of the month ending June 30th, from the year two years
8 immediately preceding the rate period to the index of the month ending
9 June 30th, from the year one year immediately preceding the rate period
10 from the data provided by the United States bureau of labor statistics;
11 so that, for the rate period commencing July 1, 2008, the adjustment
12 for economic trends and conditions is the calculated percentage change
13 of the index from the month ending June 30, 2006, compared to the index
14 for the month ending June 30, 2007.

15 (2) Beginning July 1, 2009, and thereafter for each odd-numbered
16 year beginning on July 1st, the rates of payment for boarding home
17 medicaid contracted services under chapter 74.39 RCW and this chapter
18 shall be established by the department, using the assisted living,
19 adult residential care, and enhanced adult residential care sections of
20 the "home and community rates model," developed by the department and
21 published on November 22, 2006. The "home and community rates model"
22 shall be updated using the nursing home cost report data, occupational
23 employment statistics wage data from the Washington employment security
24 department and United States bureau of labor statistics, and data from
25 Marshall Swift valuation service to estimate the cost of care for
26 assisted living, enhanced adult residential care, and adult residential
27 care services from the year two years immediately preceding the rate
28 period; so that, data from 2007 is used for July 1, 2009, through June
29 30, 2011, boarding home payment rates; data from 2009 is used for July
30 1, 2011, through June 30, 2013, boarding home payment rates; and so
31 forth. The payment rates established under this subsection shall
32 reflect:

33 (a) Comprehensive assessment reporting evaluation classification
34 groups and geographic areas in accordance with the applicable boarding
35 home sections of the "home and community rates model"; and

36 (b) Adjustment by an economic trends and conditions factor which
37 shall be the lower of a factor determined by the percentage change in
38 the Seattle-Tacoma-Bremerton consumer price index from the actual

1 averaged index of the year, from the year two years immediately
2 preceding the rate period to the forecasted average index of the year
3 of the rate period from the data provided by the Washington state
4 economic and revenue forecast council, as is published in their
5 quarterly state economic and revenue forecast for the quarter ending
6 June 30th, one year immediately preceding the rate period; or six
7 percent; so that, for the rate period commencing July 1, 2009, the
8 adjustment for economic trends and conditions is the lower of the
9 calculated percentage change of the actual index from the year 2007,
10 compared to the forecasted index for the year 2009, or six percent.

11 (3) Beginning July 1, 2010, and for all assisted living, enhanced
12 adult residential care, and adult residential care services, rates
13 established on each subsequent July 1st occurring in even-numbered
14 years, the June 30th rate shall be adjusted by a factor determined by
15 the percentage change in the Seattle-Tacoma-Bremerton consumer price
16 index from the forecasted index of the year, from the year two years
17 immediately preceding the rate period to the forecasted index of the
18 year from the year one year immediately preceding the rate period from
19 the data provided by the Washington state economic and revenue forecast
20 council, as is published in their quarterly state economic and revenue
21 forecast for the quarter ending June 30th, two years immediately
22 preceding the rate period; so that, for the rate period commencing July
23 1, 2010, the adjustment for economic trends and conditions is the
24 calculated percentage change of the forecasted index from the year
25 2008, compared to the forecasted index for the year 2009; and so forth.

26 (4) If any of the indices in subsection (1), (2), or (3) of this
27 section are unavailable, the department is permitted to substitute an
28 available index.

29 NEW SECTION. **Sec. 2.** This act takes effect July 1, 2008.

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