

# SENATE BILL REPORT

## SHB 2361

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As of April 22, 2009

**Title:** An act relating to modifying state payments for in-home care by prohibiting payment for services provided by agency employees who are related to or live with the client.

**Brief Description:** Concerning modifying state payments for in-home care by prohibiting payment for services provided by agency employees who are related to the client.

**Sponsors:** House Committee on Ways & Means (originally sponsored by Representative Cody).

**Brief History:** Passed House: 4/20/09, 90-8.

**Committee Activity:** Ways & Means: 4/22/09.

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### SENATE COMMITTEE ON WAYS & MEANS

**Staff:** Megan Atkinson (786-7446)

**Background:** Publicly funded programs operated by the Department of Social and Health Services (DSHS) – Aging and Disability Services Administration (ADSA) authorize hours of personal care for clients based on an assessment of individual need. Personal care tasks are frequently referred to as "activities of daily living" and include activities such as eating, bathing, toileting, self-medicating, and dressing. ADSA clients can receive authorization for personal care assistance through the Medicaid personal care (MPC) program and also as part of a Medicaid waiver program such as the Community Options Program Entry System or Basic Waivers. The average monthly cost per client for MPC varies between \$1,300 and \$1,400. Based on the March 2009 caseload forecast, the 2009-11 MPC caseload is expected to total nearly 60,000 clients.

Personal care assistance is frequently provided by home care providers directly employed by the individual needing care or by an employee of a home care agency. In many instances, providers are related to and/or share a residence with the client receiving care. However, under most programs, spouses of a client may not receive compensation.

Several areas of current law deal with funding and payment for individual providers (those employed directly by the client) and agency providers (those employed by a home care agency). According to a report prepared by the Joint Legislative Audit and Review Committee, an hour of agency provider-provided care is more expensive for the state since the state funds agency administration costs of approximately \$5 per hour (report No. 07-2).

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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.*

However, the agency performs certain provider employment, scheduling, oversight, and management tasks that, for individual providers, are handled directly by the client or by DSHS.

**Summary of Bill:** DSHS is prohibited from paying a licensed home care agency for in-home personal care or respite services if the care is provided by a family member. Thus, all family members must be paid as an individual provider. DSHS may make exceptions to this requirement on a case-by-case basis, is authorized to take appropriate enforcement action, and must adopt rules to enact the bill.

**Appropriation:** None.

**Fiscal Note:** Available on original bill. Fiscal note on substitute not available.

**Committee/Commission/Task Force Created:** No.

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