Declares an intent to simplify the existing nursing facility medicaid payment system so that it is fair and predictable. The essential structure of this simplified nursing facility medicaid payment system will be described in statute, and the details of the system will be described in rules reviewed by the nursing facility medicaid payment advisory council and adopted by the department of social and health services.

Establishes the nursing facility medicaid payment advisory council to act in an advisory capacity to the department of social and health services on matters pertaining to the nursing facility medicaid payment system.

Requires the department of social and health services to:
(1) Provide administrative support to the council;

- (2) Submit to the council any proposed rule implementing the nursing facility medicaid payment system, for the council's review and comment; and
- (3) Adopt comprehensive rules to describe and administer the nursing facility medicaid payment system, to be effective July 1, 2010.

Repeals most of chapter 74.46 RCW (nursing facility medicaid payment system), effective July 1, 2010.