

HOUSE BILL REPORT

HB 2320

As Reported by House Committee On:
Health Care & Wellness

Title: An act relating to adult family homes.

Brief Description: Concerning adult family homes.

Sponsors: Representatives Tharinger, Cody, Lytton, Jinkins, Appleton, Sawyer, Morrell, Wylie, Ormsby and Harris.

Brief History:

Committee Activity:

Health Care & Wellness: 1/23/14, 2/3/14 [DPS].

Brief Summary of Substitute Bill

- Authorizes the Department of Social and Health Services (Department) to waive all or part of an adult family home's licensing and processing fees and extend timeframes for initial training for applicants in exceptional circumstances.
- Allows the Department to negotiate a capital add-on rate for adult family homes that have a Medicaid occupancy rate of at least 60 percent.

HOUSE COMMITTEE ON HEALTH CARE & WELLNESS

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 15 members: Representatives Cody, Chair; Riccelli, Vice Chair; Schmick, Ranking Minority Member; Harris, Assistant Ranking Minority Member; Clibborn, DeBolt, Green, G. Hunt, Jinkins, Manweller, Moeller, Morrell, Ross, Tharinger and Van De Wege.

Staff: Chris Blake (786-7392).

Background:

Adult Family Homes.

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.

Adult family homes are community-based facilities licensed to care for up to six individuals who need long-term care. These homes provide room, board, laundry, necessary supervision, and assistance with activities of daily living, personal care, and nursing services.

Adult family homes are licensed by the Department of Social and Health Services (Department). Adult family homes must meet facility standards as well as requirements for training resident managers and caregivers. Staff of adult family homes who are employed as long-term care workers must meet specific training requirements and, in some instances, become certified as home care aides.

Capital Add-on Rates in Residential Care Settings.

Assisted living facilities may receive a capital add-on rate to their reimbursement if they have a Medicaid occupancy rate of at least 60 percent. The Medicaid occupancy percentage is determined by comparing Medicaid resident days from the last six months of the prior calendar year against all assisted living facility beds from the same period. There is no similar provision for adult family homes which collectively bargain for their reimbursement rates.

Summary of Substitute Bill:

The Department of Social and Health Services (Department) may allow a one-time waiver of all or part of licensing and processing fees for an adult family home if payment of the fee would present a hardship to the applicant. The Department may also extend the timeframe for an applicant for an adult family home license to complete administration and business planning class requirements. The extension may be for up to four months and the Department may issue the license prior to the completion of the class. The waiver and the extension apply in situations in which an adult family home is being relicensed because of exceptional circumstances, such as the death or incapacity of a provider.

The Department may negotiate a capital add-on rate with adult family homes for those adult family homes that have a Medicaid occupancy rate of at least 60 percent.

Substitute Bill Compared to Original Bill:

The substitute bill eliminates requirements related to the provision of services to nonresidents in adult family homes. The Department of Social and Health Services is authorized to provide an extension of up to four months for a licensing applicant to complete an adult family home administration and business planning class under exceptional circumstances.

Appropriation: None.

Fiscal Note: Available.

Effective Date of Substitute Bill: The bill takes effect 90 days after adjournment of the session in which the bill is passed.

Staff Summary of Public Testimony:

(In support) The bill helps the viability of adult family homes and keeps them as a robust alternative for the services that individuals will need. Adult family homes manage the highest acuity residents of any home- and community-based setting. Adult family homes have been identified as a primary need in the long-term care system. These are moderate changes that will clarify rules, protect residents, and encourage providers to continue services. Current regulations do not specify what services a nonresident may receive at an adult family home. The reduction in fees would not reduce the qualifications of the provider. The capital add-on rate will allow providers more flexibility in accepting Medicaid funding for residents and increase opportunities for aging in place.

(With concerns) This bill adds a lot of services and service coordination to adult family homes which usually only have one or two care providers at a time. If the staffing is not appropriate, this could impact the care for the residents. The waiver of fees is good policy, and there could be an amendment to waive timeframes for initial provider training. The state needs to think creatively about the role of all of its long-term care providers, including adult family homes. There are problems with the lack of protections for non-residents of adult family homes.

(Opposed) There is a lack of effective consumer protection in this bill by having unlicensed units within licensed settings. The licensed providers are only accountable for the licensed units. The notice to nonresidents is not clearly understandable and should be on standardized forms. Nonresidents should have notice of what rights they do have. This bill will lead to the emergence of an underclass within the same care setting.

Persons Testifying: (In support) Representative Tharinger, prime sponsor; and John Ficker, Washington State Residential Care Council.

(With concerns) Bill Moss, Department of Social and Health Services; and Jerry Reilly, Washington Long Term Care Ombudsman Program.

(Opposed) Liz Tidyman.

Persons Signed In To Testify But Not Testifying: None.