

FINAL BILL REPORT

ESHB 2746

C 166 L 14

Synopsis as Enacted

Brief Description: Refinancing of medicaid personal care services for individuals with developmental disabilities and individuals with long-term care needs through the community first choice option.

Sponsors: House Committee on Appropriations (originally sponsored by Representatives Green, Morrell, Tharinger, Fitzgibbon, Senn, Tarleton, Robinson, Kagi, Roberts, Ortiz-Self, Jinkins, Walsh, Habib, Bergquist, Dahlquist, Moscoso, Goodman, Riccelli, Pollet, Ormsby and Freeman).

House Committee on Appropriations
Senate Committee on Ways & Means

Background:

The state provides certain Medicaid clients with personal care services. Personal care refers to support with routine activities that people tend to complete without needing assistance, called activities of daily living (ADL). Common ADL needs include dressing, bathing, eating, toileting, transferring, and continence. Personal care may also refer to support with activities performed by a person living independently in a community setting, called instrumental activities of daily living (IADL). Common IADL needs include shopping, cooking, laundry, meal preparation, and housework.

Clients may receive personal care in their own home from a contracted individual provider or from an employee working for a licensed home care agency. Clients may also receive personal care within a residential setting, such as an adult family home or an assisted living facility. In fiscal year 2013, approximately 60,000 clients received personal care services from the Department of Social and Health Services (DSHS).

Clients may access personal care through an optional state plan service, called Medicaid Personal Care (MPC), or through programs that provide home and community-based services to individuals who would otherwise require institutionalization, called Medicaid waivers. Medicaid state plan services are an entitlement. Medicaid waivers are not an entitlement. Federal Medicaid matching funds cover 50 percent of the cost for personal care services under MPC or a Medicaid waiver.

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.

The Community First Choice Option (CFCO) is an optional entitlement program offered under the federal Affordable Care Act. To be eligible, clients must be assessed as needing nursing facility level of care and must have income that falls below 150 percent of the federal poverty level. States may also choose to include individuals who have higher incomes if those individuals receive medical assistance under certain waiver eligibility groups. Services offered under the CFCO must include: (1) assistance with ADLs, IADLs, and health-related tasks; (2) acquisition, maintenance, and enhancement of skills to complete ADLs, IADLs, and health-related tasks; (3) backup systems that ensure the continuity of care and support; and (4) voluntary training on how to select, manage, and dismiss attendant care providers. Other services, such as transition assistance and employer training, may be included under the CFCO at the discretion of each state. Federal Medicaid matching funds cover 56 percent of the cost for services provided under the CFCO, including personal care services.

Under federal requirements, services under the CFCO must be available statewide. The state may not cap enrollment or target clients based on age, severity of disability, or any other criteria. Services must be offered in the most integrated setting possible, given the individual needs of a client. Also, during the first year of operation, states must maintain or exceed prior year Medicaid expenditures for optional services provided to elderly individuals and people with disabilities.

States must establish a development and implementation council (Council) to collaborate on program design and implementation. A majority of the Council's membership must consist of the elderly, people with disabilities, or their representatives. After implementation, states must incorporate consumer feedback, monitor health measures, and submit required reports to the Department of Health and Human Services.

Summary:

The DSHS is required to refinance Medicaid personal care through the CFCO. Implementation of the CFCO must occur before August 30, 2015. The DSHS must design the CFCO in such a manner that all federal requirements are met, and average per capita expenditures do not increase by more than 3 percent during the first year after implementation. Savings from refinancing existing services may be used to offset the cost of implementation. Any remaining savings must be reserved for potential additional investment in home and community-based services for individuals with developmental disabilities and individuals with long-term care needs.

The Joint Legislative Executive Committee on Aging and Disability (Committee) and the Council must both provide recommendations for investments in home and community-based services. At a minimum, the final report to the Legislature from the Committee must explore the cost and benefit of rate enhancements for providers of long-term services and supports, restoration of hours for in-home clients, additional investment in the Family Caregiver Support Program, and additional investment in the Individual and Family Services Program or other Medicaid services that support individuals with developmental disabilities.

Votes on Final Passage:

House 97 0

Senate	48	0	(Senate amended)
House	92	4	(House concurred)

Effective: June 12, 2014