
ENGROSSED SUBSTITUTE HOUSE BILL 2746

State of Washington

63rd Legislature

2014 Regular Session

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

READ FIRST TIME 02/11/14.

1 AN ACT Relating to refinancing of medicaid personal care services
2 for individuals with developmental disabilities and individuals with
3 long-term care needs through the community first choice option; and
4 creating new sections.

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

6 NEW SECTION. **Sec. 1.** (1) The legislature finds that the July 31,
7 2013, state auditor's report on developmental disabilities in
8 Washington indicates that fifteen thousand individuals with
9 developmental disabilities who meet the financial and physical
10 eligibility requirements do not currently receive any services from the
11 state. For that reason, the legislature finds that it is necessary to
12 take action that will increase the number of eligible individuals who
13 may access personal care services.

14 (2) The legislature finds that by 2030, nearly twenty percent or
15 one out of five people in our state will be age sixty-five or older and
16 our state is not prepared for the growing demand for long-term services
17 and supports. Washington must plan for the future long-term services
18 and supports needs of its residents by utilizing alternative long-term
19 care financing options.

1 (3) The legislature further finds that personal care services allow
2 individuals with significant care needs to live in their own homes and
3 communities. By utilizing the community first choice option, an
4 enhanced federal matching percentage would increase the funding
5 available for these services. Further, the community first choice
6 option may increase the self-sufficiency of clients by emphasizing the
7 acquisition, maintenance, and enhancement of skills to complete health-
8 related tasks. For these reasons, the legislature finds that the
9 department of social and health services must refinance personal care
10 services through the community first choice option.

11 NEW SECTION. **Sec. 2.** (1) The department of social and health
12 services shall refinance medicaid personal care services under the
13 community first choice option. Beginning July 1, 2014, the department
14 shall seek stakeholder input on program and system design prior to the
15 submission of a proposal to the center for medicaid and medicare
16 services. The community first choice option shall be designed in such
17 a way to meet the federal minimum maintenance of effort requirements
18 and all service requirements as specified in federal rule. Optional
19 services may also be included in the benefit package. In the first
20 full year of implementation, the increase in per capita cost of
21 services directly resulting from meeting the federal requirements of
22 the community first choice option, as well as the cost of new optional
23 services, shall not exceed a three percent increase over the per capita
24 costs of personal care services in the fiscal year prior to full
25 implementation of the community first choice option. The three percent
26 limit on new expenditures shall not apply to cost increases that are
27 not the result of implementing the community first choice option,
28 including case load growth, case mix changes, inflation, vendor rate
29 changes, expenditures necessary to meet state and federal law
30 requirements, and any adjustments made pursuant to collective
31 bargaining. The community first choice option must be fully
32 implemented during the 2015-2017 biennium, as soon as July 1, 2015, and
33 no later than June 30, 2016.

34 (2) The department shall use general fund--state savings from the
35 refinance in this section to offset additional caseload, per capita
36 cost increases, and staff resources necessary to implement the
37 community first choice option. Any remaining general fund--state

1 savings from the refinance shall be reserved for potential investments
2 in home and community based services for individuals with developmental
3 disabilities or individuals with long-term care needs, including
4 investments recommended by the joint legislative executive committee on
5 aging and disability and the development and implementation council
6 that the department must convene prior to submitting the proposed
7 community first choice option to the centers for medicare and medicaid
8 services. At a minimum, the final report to the legislature from the
9 joint legislative executive committee on aging and disability must
10 explore the cost and benefit of rate enhancements for providers of
11 long-term services and supports, restoration of hours for in-home
12 clients, additional investment in the family caregiver support program,
13 and additional investment in the individual and family services program
14 or other medicaid services to support individuals with developmental
15 disabilities.

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