

# HOUSE BILL REPORT

## ESHB 1226

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*As Amended by the Senate*

**Title:** An act relating to nursing homes.

**Brief Description:** Making provisions for nursing home residents' discharge for temporary hospitalization.

**Sponsor(s):** By House Committee on Health Care (originally sponsored by Representatives Prentice, Wood, Franklin, Braddock, May, Brekke, Leonard, Belcher, Day, Brough, R. Meyers, Morris, Pruitt, Silver, D. Sommers, Dellwo, Jones, Riley, Scott, Sheldon, Phillips, Orr, Basich, Ogden and Cantwell).

**Brief History:**

Reported by House Committee on:  
Health Care, February 21, 1991, DPS;  
Appropriations, March 10, 1991, DPS(HC)-A;  
Passed House, March 19, 1991, 97-0;  
Amended by Senate.

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**HOUSE COMMITTEE ON  
HEALTH CARE**

**Majority Report:** *That Substitute House Bill No. 1226 be substituted therefor, and the substitute bill do pass.*  
Signed by 10 members: Representatives Braddock, Chair; Moyer, Ranking Minority Member; Casada, Assistant Ranking Minority Member; Cantwell; Edmondson; Franklin; Morris; Paris; Prentice; and Sprenkle.

**Staff:** Antonio Sanchez (786-7383).

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**HOUSE COMMITTEE ON  
APPROPRIATIONS**

**Majority Report:** *The substitute bill by Committee on Health Care be substituted therefor and the substitute bill as amended by Committee on Appropriations do pass.* Signed by 27 members: Representatives Locke, Chair; Inslee, Vice Chair; Spanel, Vice Chair; Silver, Ranking Minority Member; Morton, Assistant Ranking Minority Member; Appelwick; Belcher; Bowman; Braddock; Brekke; Dorn; Ebersole; Ferguson; Fuhrman; Hine; Lisk; May; McLean; Mielke; Nealey; Peery; Pruitt; H. Sommers; Valle; Vance; Wang; and Wineberry.

**Staff:** John Woolley (786-7154).

**Background:** Some nursing home residents may need periodic hospitalization that requires them to leave the nursing home for an indefinite period of time. The current Medicaid reimbursement system does not pay the nursing home to hold the unoccupied bed while a medicaid resident is hospitalized. As a result, a Medicaid resident may face the loss of their resident status in the nursing home because of the nursing homes' need to fill the empty bed. This problem is more prevalent in nursing homes with a high occupancy rate.

The Department of Social and Health Services Bureau of Aging and Adult Services has authorized, by rule, reimbursement to nursing homes for up to 18 days for Medicaid residents who take social leave. If a resident leaves the nursing home to be hospitalized, however, no social leave time can be applied towards Medicaid reimbursement and the bed occupied does not have to be held for them.

Nursing home administrators are licensed by the state under the Nursing Home Administrator Practice Act (Chapter 18.52 RCW). The regulatory authority for the profession is the State Board of Examiners for Licensing Nursing Home Administrators which is appointed by the governor. The practice act specifies that there shall be eight members on the board and it provides specific requirements for board membership. Board members may be removed from office by the governor for cause.

Current state statutes provide that nursing homes in Washington must be under the overall administrative charge and supervision of a licensed administrator. There is no statutory requirement that the administrator be located on site at the nursing home. The board establishes minimum educational requirements of nursing home administrators, including classroom hours of approved educational programs. Inactive administrators may be relicensed upon meeting board requirements for continued dependency.

All fees collected from licensure of nursing home administrators are deposited in the state general fund.

**Summary of Bill:** Nursing homes are required to hold a Medicaid resident's bed for up to four days while the resident is hospitalized. During this period of time while the bed is vacant, the nursing home will be reimbursed its full rate for the first three days plus the day of discharge. The full amount a nursing home will be reimbursed is equal to the facility assigned medicaid rate,

less the amount the resident is required to pay. Reimbursement for the days the resident's bed is vacant, only applies to nursing homes with an occupancy rate of 95 percent or higher. The total days a bed is held vacant for a resident for the purpose of hospitalization, will be included as part of the total 18 days per year a resident can currently use for social leave. The resident who is discharged to a hospital must be readmitted to the same bed occupied before discharge to the hospital, unless readmitted into a medicare bed or the physician requests admittance into a heavy care bed.

The Department of Social and Health Services is required to develop a tracking system to identify the days a Medicaid bed is held vacant due to social time and hospitalization.

**EFFECT OF SENATE AMENDMENT(S):** The number of days a Medicaid patient's nursing home bed will be held while he or she is temporarily hospitalized is reduced from six days to four days. All specific requirements requiring reimbursement for the days a bed is held for the Medicaid resident are eliminated. In addition, the days a resident's bed is held for hospitalization and included as part of the 18 days per year of a resident's social leave time is also eliminated. The Senate amendment does not specify the amount of Medicaid reimbursement for the time a Medicaid bed is held for a hospitalized resident. However, the reference to RCW 74.46.620 is NEW SECTION 3 can be interpreted to allow nursing homes full Medicaid reimbursed for the four days a nursing home resident's bed is held vacant for the purpose of hospitalization.

The State Board of Examiners for the Licensing of Nursing Home Administrators is renamed as the State Board of Nursing Home Administrators. A nursing home administrator is required to be on-site full-time at the nursing home, except that a reasonable person may substitute for the administrator while on leave if such responsibility is delegated in writing. The board shall establish rules defining rural areas and when nursing homes are temporarily without administrators.

A baccalaureate degree will be required for those who apply for licensure after July 1, 1992. Applicants must also meet any additional educational requirements the federal government may require. The administrator must also complete a practical experience requirement, pass the board's examination, be at least 21 years of age and must not have been charged with a violation of the Uniform Disciplinary Act (Chapter 18.130 RCW). Relicensure requires fulfilling a continuing education requirement. A limited license is available for administrators demonstrating

membership in a church or religious denomination, teaching religious or spiritual means for healing through prayer.

Membership requirements on the State Board of Nursing Home Administrators are made less restrictive than current requirements. Four members are required to have actual experience as nursing home administrators prior to appointment. Four members shall be health care professionals who provide services in nursing homes, or individuals specializing in health care administration or long-term care who are employed at educational institutions. One member shall be a nursing home resident or a family member of a nursing home resident. Board members may serve no more than two consecutive terms and shall serve until a successor is appointed. Board members presently serving, will serve until their term expires.

Parts of the chapter pertaining to duties of the board and qualifications for licensure are rewritten using uniform credentialing boiler plate language. Fees collected from licensure will be deposited in the state's health professional account.

**Fiscal Note:** Requested February 25, 1991.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

**Testimony For:** (Health Care) Residents of a nursing home consider it their home. If they should become hospitalized they face both the loss of their health and their residency in the nursing home. This places the nursing home at double risk.

(Appropriations) Testimony was provided in support of the bill as amended; the bed hold is necessary and good policy.

**Testimony Against:** (Health Care) The Department of Social and Health Services cannot support this legislation because funding for it is not included in the governor's 1991-1993 biennial budget request.

(Appropriations) None.

**Witnesses:** (Health Care) Marilyn Tausend, Amy Hansen, and Burnell McGlocklin, Washington State Nursing Home Advisory Council (pro); Jerry Reilly, Washington Health Care Association (pro); Hilke Faber, Washington Nursing Home Resident Councils (pro); Ralph Smith, Department of Social and Health Services; Karen Tynes, Washington Association of Homes for the Aging (supports concept but against occupancy

level); Jeff Mero, State Hospital Association (pro); and Cary Hyer, Nursing Home Ombudsman (pro).

(Appropriations) Chris Boldt, NHAC; Silka Vavorn, Senior Citizens Lobby; and Cary Hyer, LTC Ombudsman.

***VOTE ON FINAL PASSAGE:***

Yeas 97; Absent 1

Absent: Representative Sommers H