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SENATE BILL 6705

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State of Washington 57th Legislature

2002 Regular Session

By Senators Costa, Parlette and Winsley

Read first time 01/28/2002. Referred to Committee on Health & Long-Term Care.

1 AN ACT Relating to payment for state-contracted long-term care  
2 services; and amending RCW 74.39A.030, 74.46.620, and 74.46.630.

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

4 **Sec. 1.** RCW 74.39A.030 and 2002 c 3 s 10 (Initiative Measure No.  
5 775) are each amended to read as follows:

6 (1) To the extent of available funding, the department shall expand  
7 cost-effective options for home and community services for consumers  
8 for whom the state participates in the cost of their care.

9 (2) In expanding home and community services, the department shall:

10 (a) Take full advantage of federal funding available under Title XVIII  
11 and Title XIX of the federal social security act, including home  
12 health, adult day care, waiver options, and state plan services; and

13 (b) be authorized to use funds available under its community options  
14 program entry system waiver granted under section 1915(c) of the  
15 federal social security act to expand the availability of in-home,  
16 adult residential care, adult family homes, enhanced adult residential  
17 care, and assisted living services. By June 30, 1997, the department  
18 shall undertake to reduce the nursing home medicaid census by at least  
19 one thousand six hundred by assisting individuals who would otherwise

1 require nursing facility services to obtain services of their choice,  
2 including assisted living services, enhanced adult residential care,  
3 and other home and community services. If a resident, or his or her  
4 legal representative, objects to a discharge decision initiated by the  
5 department, the resident shall not be discharged if the resident has  
6 been assessed and determined to require nursing facility services. In  
7 contracting with nursing homes and boarding homes for enhanced adult  
8 residential care placements, the department shall not require, by  
9 contract or through other means, structural modifications to existing  
10 building construction.

11 (3)(a) The department shall by rule establish payment rates for  
12 home and community services that support the provision of cost-  
13 effective care. In the event of any conflict between any such rule and  
14 a collective bargaining agreement entered into under RCW 74.39A.270 and  
15 74.39A.300, the collective bargaining agreement prevails.

16 (b) The department may authorize an enhanced adult residential care  
17 rate for nursing homes that temporarily or permanently convert their  
18 bed use for the purpose of providing enhanced adult residential care  
19 under chapter 70.38 RCW, when the department determines that payment of  
20 an enhanced rate is cost-effective and necessary to foster expansion of  
21 contracted enhanced adult residential care services. As an incentive  
22 for nursing homes to permanently convert a portion of its nursing home  
23 bed capacity for the purpose of providing enhanced adult residential  
24 care, the department may authorize a supplemental add-on to the  
25 enhanced adult residential care rate.

26 (c) The department may authorize a supplemental assisted living  
27 services rate for up to four years for facilities that convert from  
28 nursing home use and do not retain rights to the converted nursing home  
29 beds under chapter 70.38 RCW, if the department determines that payment  
30 of a supplemental rate is cost-effective and necessary to foster  
31 expansion of contracted assisted living services.

32 (4) In contracting with facilities for assisted living services,  
33 adult residential care, and enhanced adult residential care, the  
34 department will provide that its payments to facilities will be the  
35 sole and complete payments they receive for any services provided to  
36 the department's clients.

37 **Sec. 2.** RCW 74.46.620 and 1998 c 322 s 33 are each amended to read  
38 as follows:

1 (1) The department will pay a contractor for service rendered under  
2 the facility contract and billed in accordance with RCW 74.46.610.

3 (2) The amount paid will be computed using the appropriate rates  
4 assigned to the contractor.

5 (3) For each recipient, the department will pay an amount equal to  
6 the appropriate rates, multiplied by the number of medicaid resident  
7 days each rate was in effect(~~(, less the amount the recipient is~~  
8 ~~required to pay for his or her care as set forth by RCW 74.46.630)~~).

9 **Sec. 3.** RCW 74.46.630 and 1998 c 322 s 34 are each amended to read  
10 as follows:

11 (1) The department will notify a contractor of the amount each  
12 medical care recipient is required to pay for care provided under the  
13 contract and the effective date of such required contribution. It is  
14 the ~~((contractor's))~~ department's responsibility to collect that  
15 portion of the cost of care from the patient(~~(, and to account for any~~  
16 ~~authorized reduction from his or her contribution in accordance with~~  
17 ~~rules established by the department)~~).

18 (2) If a contractor receives documentation showing a change in the  
19 income or resources of a recipient which will mean a change in his or  
20 her contribution toward the cost of care, this shall be reported in  
21 writing to the department within seventy-two hours and in a manner  
22 specified by rules established by the department. ~~((If necessary,~~  
23 ~~appropriate corrections will be made in the next facility statement,~~  
24 ~~and a copy of documentation supporting the change will be attached.))~~  
25 If increased funds for a recipient are received by ~~((a contractor))~~ the  
26 department, an amount determined by the department shall be allowed for  
27 clothing and personal and incidental expense, and the balance applied  
28 to the cost of care.

29 (3) The contractor shall accept the payment rates established and  
30 paid by the department as full compensation for all services provided  
31 under the contract, certification as specified by Title XIX, and  
32 licensure under chapter 18.51 RCW. The contractor shall not seek or  
33 accept additional compensation from or on behalf of a recipient for any  
34 or all such services.

35 NEW SECTION. **Sec. 4.** If any provision of this act or its  
36 application to any person or circumstance is held invalid, the

1 remainder of the act or the application of the provision to other  
2 persons or circumstances is not affected.

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